
TRADING STATEMENT FOR THE TWELVE MONTHS ENDED 31 MARCH 2023

Alexforbes is finalising its full year financial results for the twelve months ended 31 March 2023 (the **current year**) which will be released on the Stock Exchange News Service and on the company's website at www.alexforbes.com on 12 June 2023.

In terms of paragraph 3.4(b)(i) of the JSE Listings Requirements, the board is reasonably certain that the financial results for the current year to be reported is expected to increase by more than 20% from those of the previous corresponding year (the **prior year**).

Based on the information currently available to the company, shareholders are advised that the financial results for the current period are expected to be:

For the year ended	As reported	Expected	Estimated range change*
	March 2022 (cents)	March 2023 (cents)	
Total operations			
Headline earnings per share	33.2	47.1 to 48.8	42% to 47%
Basic earnings per share	39.3	55.8 to 57.8	42% to 47%
Continuing operations			
Headline earnings per share	37.2	44.6 to 46.5	20% to 25%
Basic earnings per share	37.0	42.6 to 44.4	15% to 20%
Discontinued operations			
Headline earnings/(loss) per share	(4.0)	2.1 to 2.3	>100%
Basic earnings per share	2.3	13.0 to 13.2	>100%

* Percentages calculated based on rounded figures

The main areas impacting earnings growth include the following:

- In the prior year the financial performance of the discontinued operations included losses incurred because of insurance claims and reserved relating to the Covid-19 pandemic. These losses were partially offset by the R80 million profit on sale of the discontinued life insurance business. The profit on sale is excluded from headline earnings.
- In the current year, earnings have been influenced by the improved financial performance of the discontinued operations and the profit realised on the sale of the group's individual client administration business (**AFICA disposal**). On 1 March 2023, the group announced the completion of the AFICA disposal to Sanlam Life Insurance Limited. As a result of the AFICA disposal, the group has recognised a profit on sale of R153 million. Headline earnings per share for the period excludes profit on the sale of the business but includes the operating profits from discontinued operations for the eleven months prior to the AFICA disposal.

The group is expected to deliver pleasing growth for the current year from continuing operations with profit from operations before non-trading and capital items expected to increase between 7% to 12% compared to the R720 million reported in the prior year. The expected increase reflects sustained revenue growth across core business lines despite macroeconomic headwinds that dampened asset-based revenue for the year demonstrating the value of a diversified income stream. This growth in revenue is a result of the deliberate implementation of our strategy, the positive impact of new business wins, with important transactions and acquisitions having been concluded during the year.

This trading statement is issued in accordance with paragraph 3.4(b) of the JSE Listings Requirements. The financial information on which it is based has not been reviewed and reported on by the group's external auditors.

Carina Wessels

Executive: Governance, Legal and Compliance (Company Secretary)

23 May 2023

Sandton

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)