

Finbond Group Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2001/015761/06)
Share code: FGL ISIN: ZAE00013895
("Finbond" or "the Company" or "the Group")

FURTHER TRADING UPDATE – YEAR ENDED 29 FEBRUARY 2024

In terms of the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as they become reasonably certain that the financial results for the next period to be reported on will differ by more than 20% from that of the previous corresponding period.

In the Trading Update released by the Company on the Stock Exchange News Service ("SENS") on 26 April 2024, management indicated that the earnings per share ("EPS") and headline earnings per share ("HEPS") are expected to increase by at least 20% compared to the prior year ended 28 February 2023.

Further to that announcement, the Board of Directors is satisfied that it now has the reasonable degree of certainty required to provide further guidance with regard to the financial results of the Group for the period under review as follows:

- EPS will increase to between a 3.4 cents profit and a 3.2 cents loss per share, representing a percentage increase of between 110% and 90% compared to the restated loss of 32.8 cents per share for the prior year; and
- HEPS will increase to between a 1.5 cents profit and a 2.4 cents loss per share, representing a percentage increase of between 108% and 88% compared to the restated loss of 19.1 cents per share for the prior year.

The results for the prior year will be restated due to an error in the method used to derecognise loan books relating to loans and advances in default that had passed 'operational write-off' dates (in terms of internal policy). The loan books were previously partially written off/ derecognised too early in terms of the requirements of IFRS 9. Additionally, a reassessment of control at Finbond's Americash Group and Cashback LLC Group investments, previously accounted for as investments in subsidiaries in terms of IFRS 10, has led to the reclassification of these two investments in subsidiaries (control) to investments in joint ventures (joint control), to be equity accounted for in terms of IAS 28.

The full details of the restatement will be included in Finbond's audited results for the year ended 29 February 2024, which is expected to be released on SENS on or before 31 May 2024.

The financial information on which this trading statement is based has not been reviewed or reported on by Finbond's auditors.

Pretoria
21 May 2024

Sponsor:
Grindrod Bank Limited