
CONDUIT CAPITAL LIMITED
Incorporated in the Republic of South Africa
(Registration number 1998/017351/06)
Share code: CND ISIN: ZAE000073128
("Conduit Capital" or "the Company")

BUSINESS UPDATE AND FURTHER TRADING STATEMENT

Business Update

Shareholders of Conduit Capital are advised that the turnaround of Constantia Insurance Group ("**Constantia**"), a wholly-owned insurance business of Conduit Capital, has continued during the 2021 financial year. A substantial and sustained improvement in the underwriting profit and a permanent reduction in operating expenses of 25% resulted in Constantia delivering a close to break-even operating result for the year ended 30 June 2021, compared to a R173 million operating loss in the prior period.

Excluding non-recurring legacy losses, Constantia's operating profit would have been materially profitable compared to the prior year. On that same basis, the combined ratio for the second half of the year was under 100%. We expect this trend to continue. Constantia's cash generation and cash position have improved, and the business has generated underwriting profits for fifteen consecutive months.

In line with the cautionary announcement initially released on SENS on 15 April 2021, Constantia is in discussions with third party investors to capitalise the business for growth.

Century 21, our real estate business, had its best year ever, growing revenue and operating profits by more than 50%. The investment in ASOC Fund I is expected to be realised in the 2022 financial year, generating material cash inflows for Conduit Capital.

Further Trading Statement

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

Further to the initial trading statement released on SENS on 27 July 2021, a review by management of the financial results for the year ended 30 June 2021 by management has indicated that:

- the loss per share ("**LPS**") is expected to be between 23.2 cents and 19.0 cents, reflecting an improvement of between 71.3% and 76.5% compared to the LPS of 80.7 cents for the year ended 30 June 2020; and
- the headline loss per share ("**HLPS**") is expected to be between 22.6 cents and 18.6 cents, reflecting an improvement of between 70.9% and 76.0% compared to the HLPS of 77.6 cents for the year ended 30 June 2020.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors. Conduit Capital's financial results are expected to be released on SENS on or about 30 September 2021.

Johannesburg
29 September 2021

Sponsor
Merchantec Capital