

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" or "the Group")

SHORT-FORM ANNOUNCEMENT - REVIEWED CONDENSED CONSOLIDATED PROVISIONAL RESULTS FOR THE YEAR ENDED 30 JUNE 2021 AND RESULTS CALL

This short-form announcement is the responsibility of the directors, is only a summary of the information in the full announcement, and does not contain full or complete details. The full announcement has been released on SENS and is available at <https://senspdf.jse.co.za/documents/2021/jse/isse/cnd/ye21.pdf> and also published on the Group's website at <https://www.conduitcapital.co.za/financial-information.php>.

The full announcement can be inspected at the registered offices of Conduit Capital and the Sponsor during office hours. Copies thereof may be requested at no charge by emailing René Kok at results@conduitcapital.co.za. Any investment decisions should be based on consideration of the full announcement.

The information in this short-form announcement has been extracted from the Reviewed Condensed Consolidated Provisional Results, however, has not itself been reviewed or audited by the Company's auditors. The Reviewed Condensed Consolidated Provisional Results for the year ended 30 June 2021 have been reviewed by the Group's auditors, Nexia SAB&T, who expressed an unmodified audit opinion thereon ("the Review Report") with an Emphasis of Matter paragraph contained therein. The Review Report includes the communication of key audit matters which are disclosed on pages 8 to 18 of the Reviewed Condensed Consolidated Provisional Results and is available on the Company's website at: <https://www.conduitcapital.co.za/financial-information.php>.

FINANCIAL HIGHLIGHTS

	<i>Reviewed</i>
	<u>Year ended Jun '21 vs year ended Jun '20</u>
▪ Gross written premium	↘ 7.6% to R1.949 billion
▪ Net premium income including solvency reinsurance	↘ 15.0% to R263.8 million
▪ Net premium income excluding solvency reinsurance	↘ 14.6% to R1.702 billion
▪ Underwriting result before direct operating expenses	↗ 93.2% to R215.7 million
▪ Loss per share	↘ from 80.7 cents to 21.1 cents
▪ Headline loss per share	↘ from 77.6 cents to 20.6 cents
▪ Weighted average number of shares in issue ('000)	↘ 2.1% to 690 021

The financial results for the fiscal year ended 30 June 2021 reflect the continued turnaround of the Constantia Insurance Group ("Constantia"), a wholly-owned insurance business of the Company. Over the past fifteen months, the focus at Constantia has been on the remediation of poor performing business, reorganisation and implementation of improved processes and systems. These deliberate actions have resulted in the substantial and sustained improvement in and restoration of the underwriting profit and a permanent reduction in operating expenses. Due to Covid-19, political and social unrest, and a general apathy in the market, the value of the listed equity portfolio declined during the year.

Loss per share and headline loss per share include:

- a lower claims environment due to the COVID-19 induced lockdowns, offset by premium relief to qualifying customers;
- negative underwriting results from books that have been corrected and/or terminated during the prior and current fiscal years, with the turnaround resulting in improvements in both the underwriting result and operating cash inflows;
- the cost of solvency reinsurance; and

- d. the impact of the overall reduction in the value of Conduit Capital's equity portfolio on a mark-to-market basis.

The Group is confident in its stated strategy of building a diversified insurance business of scale in South Africa, and believes that its listed investment portfolio remains significantly undervalued in the context of an extremely challenging and low confidence South African economy.

RESULTS CALL

Shareholders are advised that management will be hosting a results webinar at 17:00 CAT on 1 October 2021 to provide commentary in terms of the results for the year ended 30 June 2021.

The webinar will focus on the Year-end Results Announcement, Group Performance and Prospects. A presentation relating to the results announcement is available at: <https://www.conduitcapital.co.za/presentations.php>.

Please send an email, before 12:00 Friday, 1 October 2021, to results@conduitcapital.co.za to receive the webinar pre-register information.

Directors:

Executive directors: Sean Riskowitz (Chief Executive Officer), Bianca Yan (Financial Director)

Non-executive directors: Ronald Napier (Chairman)*, Leo Chou, Adrian Maizey, Melvyn Lubega*, Nonzukiso Siyotula*,

* Independent

Sponsor:

Merchantec Capital

13th Floor, Illovo Point, 68 Melville Road, Illovo, 2196

Company secretary:

CIS Company Secretaries Proprietary Limited

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Johannesburg

30 September 2021