
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")

QUARTERLY PROGRESS REPORT AND UPDATE ON FINANCIAL RESULTS

Quarterly Progress Report

Shareholders are referred to the 'Quarterly Progress Report And Update On Financial Results – June 2023 and Change in Accounting Policy and Adoption of Fair Value through Profit or Loss as Measure' announcement released on SENS on 30 June 2023 ("**June Quarterly Progress Report**") (and using the terms defined therein unless otherwise stated) are hereby, in accordance with paragraph 1(11)(c) of the JSE Listings Requirements and until the Suspension is lifted, provided with the quarterly update on the state of the affairs of the Company.

In terms of the granting of the provisional liquidation order by the High Court pursuant to the Prudential Authority's application to place Constantia Insurance Company Limited ("**CICL**") into liquidation ("**CICL liquidation**"), the appointed liquidators continue to manage the winding-up of CICL. Consequently, the status quo of the Suspension remains.

Furthermore, shareholders are referred to the following announcements released on SENS (and using the terms defined therein unless otherwise stated), and relevant updates subsequent to the June Quarterly Progress Report:

- on 11 July 2023, shareholders were advised that all suspensive conditions to the disposal of Constantia Life and Health Assurance Company Limited ("**CLAH**") by Constantia Risk and Insurance Holdings ("**CRIH**"), an indirect wholly-owned subsidiary of Conduit Capital, to Affinity Financial Services ("**Affinity**") for a purchase consideration of R20 million, as announced on 28 December 2022, had been fulfilled and that the effective date of the disposal is 3 July 2023;
- on 28 July 2023, 28 August 2023 and 27 September 2023 shareholders were advised that, with respect to the disposal of the "Sale Interest" (which includes CRIH and Constantia Life Limited) by Conduit Capital and its wholly-owned subsidiary, Copper Sunset Trading 186 Proprietary Limited, to TMM Holdings Proprietary Limited ("**TMM**"), an unrelated third party, for an aggregate cash purchase price of R55 million, as announced on SENS on 24 May 2023, the parties to the agreement have entered into addenda thereto to extend the date of fulfilment of the suspensive conditions to 31 October 2023;
- on 21 June 2023, the Board confirmed the appointment of Mr Melvyn Lubega as the Lead Independent Director of the Company with effect from 1 July 2023, and the composition of the various Board committees;
- on 4 September 2023, the Board confirmed the resignation of Mr Peter Todd as Chief Executive Officer of the Company, the appointment of Mr Leo Chou, the current Chairman of the Board, as the new Chief Executive Officer, and the appointment of Mr Melvyn Lubega, the current Lead Independent Director, as the new Chairman of the Board with effect from 1 October 2023;
- on 29 September 2023, the Board confirmed the appointment of Mr Geoff Hacking as the Lead Independent Director of the Company with effect from 1 October 2023, and the composition of the various Board committees; and
- on 29 September 2023, shareholders were advised of the disposal by CRIH of its 30% shareholding in and claims against Oraclem Investments, to Oraclem Investments for R9 million. The effective date of the disposal is 30 September 2023.

Publication of audited annual financial statements for the year ended 30 June 2022 (“2022 year-end”)

This matter remains a priority under the current circumstances. As a result of the events at CICL, the auditors have been unable to complete the audit of CICL due to a pervasive scope limitation. Historically, and as at the most recent reporting date, CICL was the Company’s main operating subsidiary as evidenced by the fact that CICL represented approximately 94.4% of the revenue of the consolidated Conduit Capital Group for the six months ended 31 December 2021.

As previously reported, the Group audit work had resumed, the audits of the remaining insurance companies in the Group have been finalised and the requisite statutory submissions to the Prudential Authority have been affected. Work on finalising the audit of the remainder of the Group has progressed substantially but has stalled recently due to management’s time being taken up by preparing for and attending meetings with the CICL liquidators and the Prudential Authority in respect of the CICL liquidation. Work has since resumed, and draft copies of the Company and Group Annual Financial Statements have been provided to the auditors on 21 August 2023 for their review and comment. Given the auditors’ difficulty in substantiating the Group numbers presented, it is however anticipated that the audited results for the 2022 year-end, together with the Group’s Integrated Annual Report, will only be published sometime in October 2023. Work on the interim results for the six months ended 31 December 2022 and for the year ended 30 June 2023 has also commenced. Final timelines in respect of the publication thereof will however, only be finalised on completion of the 2022 year-end results.

Cape Town
29 September 2023

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