
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’ announcement released on SENS on 14 December 2023 (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.

Conduit Capital operations and strategy

Conduit Capital has successfully worked through most of the operational challenges posed by the provisional liquidation of CICL and has been able to secure the services of key individuals to ensure the continued operations of the business. Changes to the Board post the Suspension have been detailed in previous SENS announcements, the most recent of which is dated 29 September 2023. There have been no further changes to the Board since then.

Management continues to implement the business’ short-term strategy of realising assets and reducing operating expenses. Progress is regularly reviewed by the Board, and further SENS announcements regarding the progress will be published as and when required.

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.

The Group audit work for the 2022 year-end has been completed, the audits of the remaining insurance companies in the Group for FY2022 and FY2023 have been finalised and the requisite statutory submissions to the Prudential Authority have been effected. Work on the Group’s consolidated results for the 2022 year-end has been finalised and final feedback from the independent audit review partner is expected to be received shortly. 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.

Disposal of CRIH and CLL

Shareholders are referred to the:

- announcement released on SENS on 24 May 2023 (“**Announcement**”) (and using the terms defined therein unless otherwise stated) wherein shareholders were advised that Conduit Capital and its wholly-owned subsidiary, Copper Sunset Trading 186 Proprietary Limited (“**Copper Sunset**”), have entered into an Agreement with TMM Holdings Proprietary Limited (“**TMM**”), an unrelated third party, to dispose of the “Sale Interest” to TMM for an aggregate cash purchase price of R55 million (“**Disposal**”); and

- updates to the Announcement, the most recent of which was released on SENS on 25 March 2024, wherein shareholders were advised that the parties to the Agreement have entered into addenda thereto to extend the date of fulfilment of the suspensive conditions of the Disposal to 30 April 2024.

Shareholders will be provided with further information on the Disposal in due course.

Cape Town
28 March 2024

Sponsor
Merchantec Capital