

# Shareholder Administrative Information and Notice of Annual General Meeting

for the year ended 30 June 2021

TO BE READ TOGETHER WITH THE

## Integrated Report 2021

Available on the Company's website, [www.sasfin/investor-relations/#results-and-reports](http://www.sasfin/investor-relations/#results-and-reports) including the Company's Annual Financial Statements for the year ended 30 June 2021

### Financial calendar

	Reports
Interim report for the six months to 31 December 2020	3 March 2021
Announcement of results and dividend declaration for the year ended 30 June 2021	31 August 2021
Annual Financial Statements for the year ended 30 June 2021 available on the Company's website	31 August 2021
Notice of Annual General Meeting posted	27 October 2021
	Dividend payments
Final	Ordinary shares 27 September 2021
	Annual General Meeting
Annual General Meeting	25 November 2021

# Analysis of ordinary shareholders

as at 30 June 2021\*

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
<b>Shareholder spread</b>				
1 – 1 000	1 402	74.34%	291 683	0.90%
1 001 – 10 000	398	21.10%	1 283 273	3.97%
10 001 – 100 000	73	3.87%	2 188 815	6.78%
100 001 – 1 000 000	10	0.53%	3 934 833	12.18%
Over 1 000 000	3	0.16%	24 602 837	76.17%
<b>Total</b>	<b>1 886</b>	<b>100.00%</b>	<b>32 301 441</b>	<b>100.00%</b>
<b>Distribution of shareholders</b>				
Close Corporations	17	0.90%	37 111	0.11%
Collective investment schemes	5	0.27%	1 169 776	3.62%
Control accounts	1	0.05%	6	0.00%
Custodians	5	0.27%	1 013 173	3.14%
Foundations and charitable funds	11	0.58%	55 716	0.17%
Hedge funds	4	0.21%	716 749	2.22%
Investment partnerships	9	0.48%	173 430	0.54%
Managed funds	2	0.11%	815 956	2.53%
Private companies	51	2.70%	8 841 309	27.37%
Public companies	2	0.11%	15 059 567	46.62%
Retail shareholders	1 662	88.12%	2 305 528	7.14%
Retirement benefit funds	3	0.16%	11 456	0.04%
Scrip lending	1	0.05%	21 430	0.07%
Share schemes	1	0.05%	1 436 052	4.45%
Stockbrokers and nominees	9	0.48%	96 229	0.30%
Trusts	100	5.30%	547 727	1.70%
Unclaimed scrip	3	0.16%	226	0.00%
<b>Total</b>	<b>1 886</b>	<b>100.00%</b>	<b>32 301 441</b>	<b>100.00%</b>
<b>Shareholder type</b>				
Non-public shareholders	9	0.48%	24 728 766	76.56%
Beneficial holders > 10%	2	0.11%	23 166 785	71.72%
Share schemes	1	0.05%	1 436 052	4.45%
Sasfin Group entities and associates	2	0.11%	100 542	0.31%
Directors and associates	4	0.21%	25 387	0.08%
Public shareholders	1 877	99.52%	7 572 675	23.44%
<b>Total</b>	<b>1 886</b>	<b>100.00%</b>	<b>32 301 441</b>	<b>100.00%</b>

\* This table includes information on shares bought by the Sasfin Share Incentive Trust up to and including 30 June 2021, settled between 30 June 2021 and 6 July 2021

	Number of shareholdings	Number of shares	% of issued capital
<b>Beneficial shareholders with a holding greater than 3% of the issued shares</b>			
Unitas Enterprises Ltd		15 059 123	46.62%
Wipfin Investments (Pty) Ltd		8 107 662	25.10%
Sasfin Share Incentive Trust		1 436 052	4.45%
<b>Total</b>		<b>23 166 785</b>	<b>71.72%</b>
<b>Total number of shareholdings</b>	<b>1 886</b>		
<b>Total number of shares in issue</b>		<b>32 301 441</b>	
<b>Share price performance – as at 30 June 2021*</b>			
Opening price 01 July 2020			R16.01
Closing price 06 July 2021			R26.90
Closing high for period			R30.00
Closing low for period			R14.35
Number of shares in issue		32 301 441	
Volume traded during period		4 848 099	
Ratio of volume traded to shares issued (%)		15.01%	
Rand value traded during the period		R105 039 734	
Price/earnings ratio as at 06 July 2021		(8.62)	
Earnings yield as at 06 July 2021		(11.59)	
Dividend yield as at 06 July 2021		–	
Market capitalisation as at 06 July 2021		R868 908 763	

\* Includes information on shares bought by the Sasfin Share Incentive Trust up to and including 30 June 2021, settled between 30 June 2021 and 6 July 2021

# Analysis of preference shareholders\*

as at 30 June 2021

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
<b>Shareholder spread</b>				
1 – 1 000	242	51.71%	107 970	6.01%
1 001 – 10 000	192	41.03%	638 666	35.54%
10 001 – 100 000	32	6.84%	813 829	45.28%
100 001 – 1 000 000	2	0.43%	236 761	13.17%
Over 1 000 000	0	0.00%	0	0.00%
<b>Total</b>	<b>468</b>	<b>100.00%</b>	<b>1 797 226</b>	<b>100.00%</b>
<b>Distribution of shareholders</b>				
Close corporations	9	1.92%	54 965	3.06%
Collective investment schemes	5	1.07%	148 421	8.26%
Foundations and charitable funds	1	0.21%	270	0.02%
Insurance companies	1	0.21%	41 701	2.32%
Investment partnerships	2	0.43%	788	0.04%
Private companies	20	4.27%	136 147	7.58%
Retail shareholders	373	79.70%	881 344	49.04%
Retirement benefit funds	4	0.85%	167 468	9.32%
Stockbrokers and nominees	3	0.64%	186 513	10.38%
Trusts	50	10.68%	179 609	9.99%
<b>Total</b>	<b>468</b>	<b>100.00%</b>	<b>1 797 226</b>	<b>100.00%</b>
<b>Shareholder type</b>				
Non-public shareholders	0	0.00%	0	0.00%
Public shareholders	468	100.00%	1 797 226	100.00%
<b>Total</b>	<b>468</b>	<b>100.00%</b>	<b>1 797 226</b>	<b>100.00%</b>

\* Sasfin acquired all of its issued preference shares by means of a repurchase of the preference shares, implemented by way of a scheme of arrangement. On 5 July 2021 Sasfin paid the preference shareholders for their preference shares which were transferred back to SHL, to be held as authorised unissued preference shares.

	Number of shareholdings	Number of shares	% of issued capital
<b>Beneficial shareholders with a holding greater than 5% of the issued shares</b>			
South African Municipal Workers' Union		131 899	7.34%
SBG Securities (Pty) Ltd		104 862	5.83%
<b>Total</b>		<b>236 761</b>	<b>13.17%</b>
<b>Total number of shareholdings</b>	<b>468</b>		
<b>Total number of shares in issue</b>	<b>1 797 226</b>		
<b>Share price performance</b>			
Opening price 01 July 2020			R52.00
Closing price 29 June 2021			R74.71
Closing high for period			R74.75
Closing low for period			R50.20
Number of shares in issue		1 797 226	
Volume traded during period		817 542	
Ratio of volume traded to shares issued (%)		45.49%	
Rand value traded during the period			R53 411 045
Price/earnings ratio as at 29 June 2021*			–
Earnings yield as at 29 June 2021*			–
Dividend yield as at 29 June 2021*			8.95
Market capitalisation as at 29 June 2021*			R134 270 754

\* In terms of the Sasfin Scheme of Arrangement for the repurchase of preference shares, the last day to trade in preference shares was on 29 June 2021, hence Shareholder Data was only available up to 29 June 2021.

# Notice of Annual General Meeting

## SASFIN HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1987/002097/06

Ordinary share code: SFN

ISIN: ZAE000006565

("Sasfin" or the "Company")

Notice is hereby given that the 34th Annual General Meeting (AGM) of shareholders of the Company will be held at 14:00 on Thursday, 25 November 2021. As a result of the impact of the Covid-19 pandemic and the restrictions placed on public gatherings, the AGM will be conducted entirely by electronic participation as contemplated in section 63 (2) (a) of the Companies Act and clause 23.8 of the Company's memorandum of incorporation (MOI).

Sasfin shareholders wishing to participate electronically in the AGM are required to follow the prescribed procedures set forth in the notice under the section titled, "participation process".

Record date to receive Notice of AGM	Friday, 15 October 2021
Date of posting of Notice of AGM	Wednesday, 27 October 2021
Last date to trade to be eligible to attend, participate in and vote at AGM	Tuesday, 16 November 2021
Record date to be eligible to attend, participate and vote at AGM	Friday, 19 November 2021
Forms of proxy to be lodged preferably by 14 :00	Tuesday, 23 November 2021
Annual General Meeting at 14:00	Thursday, 25 November 2021
Results of Annual General Meeting published on SENS	Friday, 26 November 2021

## Participation process

All holders of the issued ordinary shares are entitled to attend and vote at the AGM.

	Dematerialised shareholders without own name registration	Own name dematerialised shareholders and certificated shareholders
<b>Shareholders who wish to attend and vote at the AGM</b>	<ul style="list-style-type: none"><li>Request your central securities depository participant (CSDP) or broker to provide you or your proxy with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between you and your CSDP or broker.</li><li>Register online at <a href="https://meetnow.global/ZA">https://meetnow.global/ZA</a> by no later than 14:00 on Tuesday, 23 November 2021. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM.</li></ul>	<ul style="list-style-type: none"><li>Register online at <a href="https://meetnow.global/ZA">https://meetnow.global/ZA</a> by no later than 14:00 on Tuesday, 23 November 2021. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, provided, however, that for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM.</li><li>As part of the registration process, you will be requested to upload proof of identification (i.e. SA identity document, SA driver's license or passport) and authority to do so (where acting in a representative capacity), as well as to provide details, such as your name, surname, email address and contact number.</li></ul>

	<b>Dematerialised shareholders without own name registration</b>	<b>Own name dematerialised shareholders and certificated shareholders</b>
<b>Shareholders who wish to attend and vote at the AGM (continued)</b>	<ul style="list-style-type: none"> <li>As part of the registration process, you will be requested to upload your letter of representation and proof of identification (e.g. valid South African (SA) identity document, SA driver's license or passport), as well as to provide details, such as your name, surname, email address and contact number.</li> <li>Following successful registration, the Transfer Secretary will provide you with a meeting link and invitation code to connect electronically to the AGM.</li> </ul>	<ul style="list-style-type: none"> <li>Following successful registration, the Transfer Secretary will provide you with a meeting link and invitation code in order to connect electronically to the AGM.</li> </ul>
<b>Shareholders who wish to vote, but not attend the AGM</b>	<ul style="list-style-type: none"> <li>Provide your CSDP or broker with your voting instructions in terms of the custody agreement entered into between you and your CSDP or broker.</li> <li>You should contact your CSDP or broker regarding the cut-off time for submitting your voting instructions to them.</li> <li>If your CSDP or broker does not receive voting instructions from you, it will be obliged to vote in accordance with the instructions in the custody agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Complete the form of proxy attached to this Notice of AGM and email same, together with proof of identification (i.e. SA identity document, SA driver's license or passport) and authority to do so (where acting in a representative capacity), to the Transfer Secretary, Computershare Investor Services (Pty) Ltd, at proxy@computershare.co.za so as to be received by the Transfer Secretary by no later than 14:00 Tuesday, 23 November 2021, provided that any form of proxy not delivered to the Transfer Secretary by this time and date may be emailed to the Transfer Secretary (who will provide same to the Chair of the AGM) at any time prior to the AGM, provided that such form of proxy and identification must be verified and registered before the commencement of the AGM.</li> </ul>

### **Important general information:**

- Each Sasfin shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the Company) to participate, speak and vote in their stead at the AGM.
- Voting will take place by way of a poll and accordingly each shareholder will have one vote in respect of each share held.
- The cost (e.g mobile data consumption or internet connectivity) of electronic participation in the AGM will be carried by the shareholder/participant. The shareholder/participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company and its Directors/employees/Company Secretary/Transfer Secretary/service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the shareholder/participant or anyone else. In particular, but not exclusively, the shareholder/participant acknowledges that he/she will have no claim against the Company or its Directors/employees/Company Secretary/Transfer Secretary/service providers, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the shareholder/participant via the electronic services to the AGM.

# Notice of Annual General Meeting continued

4. In terms of section 63(1) of the Companies Act, before any person may attend or participate in a shareholders' meeting such as the meeting convened in terms of this Notice of AGM, that person must present reasonably satisfactory identification and the Chair presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy for a shareholder, has been reasonably verified. The Company will regard the presentation of participants' driving licenses, identity documents or passports to be satisfactory documentation.
5. Equity securities held by a share trust or scheme will not have their votes at the AGM considered for the purposes of resolutions proposed in terms of the JSE Limited Listings Requirements.
6. Unlisted securities (if applicable) and shares held as treasury shares do not carry the right to vote at the AGM.
7. The quorum for the purposes of considering the resolutions below shall consist of at least three shareholders present in person or represented by proxy and entitled to vote on at least one matter at the AGM. In addition, a quorum shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the AGM.

## Purpose and Agenda of the AGM

The purpose of the AGM is to transact the following business:

1. **The consideration and acceptance of the presentation of the audited Annual Financial Statements, including the Directors' report and the Group Audit and Compliance Committee report.**

The Annual Financial Statements can be found on the Company's website at <https://www.sasfin.com/investor-relations/#results-and-reports>.

2. **To consider and, if deemed fit, approve the following ordinary and special resolutions with or without modification:**

### 2.1. Ordinary resolutions

#### 2.1.1. Ordinary resolution number 1: Re-election of Directors of the Company

The following Directors retire by rotation or are deemed to retire in terms of the Company's MOI and, being eligible, make themselves available for re-election, each by way of a separate vote. Biographical details of the Directors are included in the Integrated Report 2021 on pages 80 and 81.

#### *Ordinary resolution number 1.1*

*"RESOLVED THAT Mr RWR Buchholz who retires by rotation in terms of the MOI of the Company and, being eligible, offers himself for re-election and is hereby re-elected as a Non-Executive Director of the Company."*

#### *Ordinary resolution number 1.2*

*"RESOLVED THAT Mr RDEB Sassoon who retires by rotation in terms of the MOI of the Company and, being eligible, offers himself for re-election and is hereby re-elected as a Non-Executive Director of the Company."*

#### *Ordinary resolution number 1.3*

*"RESOLVED THAT Ms EA Wilton who retires by rotation in terms of the MOI of the Company and, being eligible, offers herself for re-election and is hereby re-elected as a Non-Executive Director of the Company."*

#### *Motivation*

The Company's MOI requires that at each AGM, one-third of the Non-Executive Directors or, if their number is not a multiple of three, then the number nearest to, but not less than one-third, shall retire from office. The three Directors who are scheduled to retire by rotation as above are eligible and have made themselves available for re-election. The MOI further states that the Non-Executive Directors so to retire at each AGM shall be those who have been longest in office since their last election.

The Board supports the re-election of Mr RWR Buchholz, Mr RDEB Sassoon and Ms EA Wilton as Non-Executive Directors of the Company and recommends their re-election to shareholders.

#### *Voting requirement*

Ordinary resolutions numbers 1.1, 1.2 and 1.3 will, in terms of the Companies Act, require the support of at least 50% plus one vote of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolutions at the AGM, to be approved.

The re-elections will be conducted by a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy as required under section 68(2) of the Companies Act.

#### 2.1.2. Ordinary resolution number 2: Election of Director

The Board has, in terms of section 68(3) of the Companies Act, appointed the following person as a Non-Executive Director of the Company:

Mr TH Njikizana      Appointed      3 May 2021

In terms of the Company's MOI, Mr TH Njikizana shall cease to hold office at the conclusion of the AGM on 25 November 2021, being the first annual shareholders' meeting after his appointment, unless he is elected as a Non-Executive Director of the Company at such AGM. Mr TH Njikizana is eligible and has made himself available for election.

#### *Ordinary resolution number 2*

"RESOLVED THAT Mr TH Njikizana be and is hereby elected as a Non-Executive Director of the Company."

#### *Motivation*

The appointment of Mr TH Njikizana served to fill a vacancy on the Board and to address succession planning requirements. The appointment further serves to enhance the Board's mix of skills and experience. The election of Mr TH Njikizana has been recommended by the Board to shareholders for adoption.

Mr TH Njikizana's biographical details appear in the Integrated Report on page 81.

#### *Voting requirement*

Ordinary resolution number 2 will, in terms of the Companies Act, require the support of at least 50% plus one vote of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

#### 2.1.3. Ordinary resolution number 3: Appointment of independent auditors

"RESOLVED THAT PricewaterhouseCoopers Inc. (with Mr. Vincent Tshikhovhokhovho as designated auditor) be appointed as auditors of the Company until the conclusion of the next AGM in terms of section 90(1) of the Companies Act."

#### *Voting requirement*

Ordinary resolution number 3 will, in terms of the Companies Act, require the support of at least 50% plus one vote of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

#### *Explanatory note*

In compliance with section 90(1) of the Companies Act, a public company must appoint an auditor each year at its AGM.

Shareholders are therefore requested to consider, and if deemed fit, to appoint PwC Inc. as auditors of the Company to hold office until the conclusion of the next AGM. The Group Audit and Compliance Committee has recommended the appointment of PwC Inc. and the Board has endorsed their appointment.

# Notice of Annual General Meeting continued

## 2.2. Special resolutions

### 2.2.1. Special resolution number 1: General authority to repurchase shares

*“RESOLVED THAT, subject to the Banks Act, No 94 of 1990, as amended (Banks Act), the relevant legislation which provides for the implementation of the Basel III Accord in South Africa (Capital Regulations) (Basel III), the JSE Limited Listings Requirements (JSE Listings Requirements) and the Companies Act, 71 of 2008, as amended (Companies Act), and in particular section 48(8)(b) of the Companies Act, read with sections 114 and 115 of the Companies Act, to the extent required, the Company and/or its subsidiaries be and are hereby authorised, by way of a general approval, to acquire any of its existing ordinary shares in the issued ordinary share capital of the Company (ordinary shares), upon such terms and conditions and in such amounts as the Board of Directors of the Company (Board) may from time to time decide, provided that:*

1. such general approval shall expire at the date of the Company's next AGM or 15 months from the date of this special resolution, whichever is the earlier;
2. the acquisition is authorised in terms of the Company's MOI;
3. purchases in the market will only be conducted through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
4. an announcement, as contemplated in the JSE Listings Requirements, will be published when the Company and/or its subsidiaries have acquired, on a cumulative basis, 3% of the initial number of Shares of a class it had in issue at the date of this special resolution and for each additional 3% in aggregate of that initial number of that class. Thereafter, the number of ordinary shares which may be acquired shall not, in any one financial year, exceed 5% of the number of ordinary shares in issue in respect of which the acquisition is being made;
5. an acquisition may not be made at a price greater than 10% above the weighted average of the market value of the applicable class of ordinary shares in issue for the five business days immediately preceding the date on which the transaction is completed. The JSE will be consulted for a ruling if the applicable class of the Company's ordinary shares have not traded in such a five-business day period;
6. at any point in time, the Company may only appoint one agent to effect any acquisition(s) on the Company's behalf;
7. the Board has resolved:
  - a. to authorise the acquisition;
  - b. that the Company and its subsidiaries have passed the solvency and liquidity test (as contemplated by section 4 (1) of the Companies Act); and
  - c. that, since the solvency and liquidity test was performed, there have been no material changes to the financial position of the Sasfin Group of companies.
8. Ordinary shares may not be acquired during any prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless a repurchase programme is in place in respect of which the dates and quantities of ordinary shares to be traded during such period are fixed, has been submitted to the JSE in writing prior to the commencement of the prohibited period, and executed by an independent third party.”

#### *Motivation*

The effect of the general authority and the rationale is to extend the general authority given to the Directors of the Company or any subsidiary of the Company in terms of the Companies Act and the JSE Listings Requirements for the acquisition by the Company or its subsidiaries of ordinary shares, which authority shall be used at the Directors' discretion during the course of the authorised period.

### *JSE Listings Requirements*

In accordance with the JSE Listings Requirements, it is recorded that:

The Directors would utilise the renewed general authority to repurchase ordinary shares to serve shareholders' interests, as and when suitable opportunities present themselves, which opportunities may require expeditious and immediate action.

Any repurchases under special resolution number 1 by the Company or by a subsidiary of the Company of ordinary shares in the Company will be at market value in accordance with the provisions set out under special resolution number 1.

The Directors undertake that they will not implement any repurchase as contemplated in special resolution number 1 while this general authority is valid unless:

- (i) The Company and its subsidiaries will be able to pay their debts in the ordinary course of business
- (ii) The assets of the Company and its subsidiaries will be in excess of the liabilities of the Company and its subsidiaries, the assets and liabilities being recognised and measured in accordance with the accounting policies used in the latest audited Group Annual Financial Statements
- (iii) The share capital and reserves of the Company and its subsidiaries are adequate for ordinary business
- (iv) The working capital of the Company and its subsidiaries are adequate for ordinary business
- (v) The requirements of the Banks Act will be met

Disclosures required in terms of paragraph 11.26 of the JSE Listings Requirements:

The following additional information is provided in terms of the JSE Listings Requirements for purposes of special resolution number 1:

On page 3 of this report:

Major shareholders

On page 21 of this report:

Company's share capital

### *Directors' responsibility statement:*

The Directors, whose names are given on pages 80 and 81 of the Integrated Report 2021, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the aforementioned special resolution contains all the information required by law and the JSE Listings Requirements.

### *Material changes*

Other than the facts and developments reported on in the Integrated Report 2021, there have been no material changes in the financial or trading position of the Company or its subsidiaries since the Company's financial year-end and the signature date of the Integrated Report 2021.

### *Voting requirement*

Special resolution number 1 will, in terms of the Companies Act and the JSE Listings Requirements, require the support of at least 75% of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

# Notice of Annual General Meeting

## continued

2.2.2. Special resolution number 2: Financial assistance to related or inter-related companies  
“RESOLVED THAT the Company be and is hereby authorised, in terms of a general authority contemplated in section 45(3) (a) (ii) of the Companies Act, to provide direct or indirect financial assistance (as defined in section 45(1) of the Companies Act (Financial Assistance)) for a period of two years from the date of this resolution, to any of the following categories of persons (Categories of Persons):

- a) related or inter-related companies or corporations; and/or
- b) member/s of related or inter-related companies or corporations;

subject to, in relation to each grant of Financial Assistance to the Categories of Persons, compliance with the Company’s MOI and the Companies Act, including but not limited to the Board of the Company being satisfied that:

- (i) pursuant to section 45(3)(b)(i) of the Companies Act, immediately after providing the Financial Assistance, the Company would satisfy the solvency and liquidity test (as contemplated by section 4(1) of the Companies Act);
- (ii) pursuant to section 45(3)(b)(ii) of the Companies Act, the terms under which the Financial Assistance is proposed to be given are fair and reasonable to the Company; and
- (iii) any conditions or restrictions in respect of the granting of the Financial Assistance set out in the Company’s MOI have been satisfied.”

### *Motivation*

Section 45 of the Companies Act regulates the provision of Financial Assistance by the Company to certain Categories of Persons. The term ‘Financial Assistance’ has been widely defined in the Companies Act and includes lending money, guaranteeing a loan or obligation, and securing any debt or obligation, but excludes lending money in the ordinary course of business by a company whose primary business is the lending of money.

In terms of the Companies Act, the Board of the Company may provide Financial Assistance as contemplated in section 45 of the Companies Act to the Categories of Persons, provided that the shareholders of the Company have passed a special resolution within the previous two years which approves such Financial Assistance generally for such Categories of Persons.

The effect is that this will allow the Board of the Company, subject to applicable law, in particular the solvency and liquidity requirements as set out in the Companies Act, to provide Financial Assistance to the said Categories of Persons.

### *Voting requirement*

Special resolution number 2 will, in terms of the Companies Act, require the support of at least 75% of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

- 2.2.3. **Special resolution number 3: Financial assistance for subscription of shares**  
“RESOLVED THAT, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval and subject to any restrictions as may be contemplated in terms of section 78(1) of the Banks Act, the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (“financial assistance” will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the Board of the Company may deem fit to any company or corporation that is related or inter-related to the Company (‘related’ or ‘inter-related’ will herein have the meaning attributed to it in section 2 of the Companies Act), on the terms and conditions and for amounts that the Board of the Company may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next AGM of the Company.”

#### *Motivation*

The reason for and effect of special resolution number 3 is to grant the Directors the authority, until the next AGM of the Company, to provide financial assistance to any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation.

This means that the Company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a subsidiary raises funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance, should the unforeseen need arise to use the authority.

#### *Voting requirement*

Special resolution number 3 will, in terms of the Companies Act, require the support of at least 75% of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

- 2.2.4. **Special resolution number 4: Approval of Non-Executive Directors’ remuneration**  
“RESOLVED THAT the remuneration (plus Value Added Tax (VAT) thereon, where applicable) as set out in the table below, be and is hereby approved to be payable to Non-Executive Directors (NED) for their services as Directors of the Company for the period 1 November 2021 until the last day of the month preceding the date of the next AGM.”

# Notice of Annual General Meeting continued

	2020/2021		2021/2022			
	Annual fee: Member R	Annual fee: Chair R	Annual fee: Member R	% change	Annual fee: Chair R	% change
Sasfin Holdings and Sasfin Bank Board	271 976	1 100 000	<b>285 575</b>	<b>5</b>	<b>1 155 000</b>	<b>5</b>
Group Audit and Compliance Committee (GACC)	84 436	183 402	<b>89 502</b>	<b>6</b>	<b>196 240</b>	<b>7</b>
Group HR and Remuneration Committee (Remco)	69 759	120 156	<b>73 247</b>	<b>5</b>	<b>128 567</b>	<b>7</b>
Social and Ethics Committee (SEC)	50 208	80 926	<b>52 216</b>	<b>4</b>	<b>87 400</b>	<b>8</b>
Group Risk and Capital Management Committee (GRCMC)	84 436	183 402	<b>87 813</b>	<b>4</b>	<b>196 240</b>	<b>7</b>
Credit and Large Exposures Committee (CLEC)	69 758	127 490	<b>73 247</b>	<b>5</b>	<b>131 315</b>	<b>3</b>
Information Technology Committee (ITC)	58 600	102 885	<b>60 944</b>	<b>4</b>	<b>110 087</b>	<b>7</b>

Notes:

- The annual fees indicated above are retainer fees payable to Board and committee members and are exclusive of VAT. Where applicable, VAT will be levied by the Non-Executive Directors and such fees plus VAT will be paid to the Non-Executive Directors concerned (subject to the issue of a valid tax invoice reflecting fees plus VAT).
- The fee for the Chair of the Board is an all-inclusive fee as Chair and member of any Board or Board Committee.
- The Board has considered the statutory requirement to have a separate Directors' Affairs and Nominations Committee and has considered it most expedient to hold the Directors' Affairs and Nominations Committee meetings immediately prior to the Board meetings, if possible, without paying a separate fee for attendance at meetings of this Committee. The Board fee reflects this principle.
- In view of the ongoing situation as a result of the Covid-19 pandemic and having regard to market comparative data as well as the nil increase in NED fees in 2020, the Board has resolved to propose a 5% increase for the Board Chair and Board members. A higher increase is recommended for:
  - The GACC, (member fees and the Chair's fee will be increased by 6%, and 7% respectively) to account for any special meeting fees that will no longer be paid. See paragraph 5 below.
  - The Chairs of the SEC, the ITC, the GRCMC as well as the Remco in light of the market positioning of these committees, their increased workloads and the importance of these committees to the strategic objectives of the Group.
- The annual retainer fees outlined in the table above will be paid in all instances and no special meeting fees will be payable, with the exception of the CLEC. In line with the recommendations of the Remco, due to the unique nature of the CLEC, a special meeting fee of 25% of the standard meeting fee will be payable to members of the CLEC on attendance of special meetings (R 4 577.94).
- Executive Directors of the Company do not receive fees as members of the Company Board and Board Committees.

7. Directors nominated by Wipfin Investments (Pty) Ltd do not receive any fees regardless of their attendance at meetings of the Boards and the committees on which they serve.
8. Remuneration for any additional work performed by a Non-Executive Director, outside of the scope of his/her duties towards the Boards and committees referred to in the fee schedule and the notes thereto, will be determined by the Chair of the Board in terms of the authority granted to him under this resolution to the extent required for such additional work performed by Non-Executive Directors. Remuneration for any additional work performed by the Chair of the Board outside the scope of his/her duties towards the Boards and committees referred to in the fee schedule and notes thereto, will be determined by the Lead Independent Director in terms of the authority granted to him under this resolution, to the extent required for such additional work performed by the Chair of the Board.

#### *Motivation*

In terms of section 66(8) and 66(9), read with section 65 (1) (h) of the Companies Act, remuneration may only be paid to Directors for their services as Directors in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited by the Company's MOI. The Company's MOI provides for payment of such remuneration.

If approved by the shareholders at the AGM, the fees as set out in the table above, will be payable to the Non-Executive Directors on the Board until the conclusion of the month preceding the next AGM. Remuneration and benefits paid to the directors are on page 110 of the 2021 Remuneration Implementation Report in the Integrated Report.

#### *Voting requirement*

Special resolution number 4 will, in terms of the Companies Act, require the support of at least 75% of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

- 2.2.5. Special resolution number 5: Amendment of the Memorandum of Incorporation (MOI) "RESOLVED THAT in accordance with section 16(1)(c) of the Companies Act, in order to give effect to the change of name of the Board's Group Audit and Compliance Committee, the Memorandum of Incorporation (MOI) of the Company be and is hereby amended as follows:

The reference to the words "Audit and Compliance Committee" in Articles 21, 23 and 39 of the MOI be deleted and replaced by the words "Group Audit Committee".

#### *Motivation*

As part of a review of the Company's governance restructure, the Board resolved that the Group Compliance function, which previously reported into the GACC, will report to the DANC (with effect from February 2021). Accordingly, the Board has recommended the change of the name of the GACC from 'Group Audit and Compliance Committee' to 'Group Audit Committee'. This special resolution is proposed to give effect to the name change.

#### *Voting requirement*

Special resolution number 5 will, in terms of the Companies Act, require the support of at least 75% of the total number of votes exercised by shareholders, present in person or by proxy and entitled to vote on such resolution at the AGM, to be approved.

### **3. To consider and, if deemed fit, pass the following non-binding advisory votes:**

#### **3.1. Non-binding advisory vote 1: Endorsement of the Remuneration Policy**

"By way of a non-binding advisory vote, the Company's Remuneration Policy as set out in the Remuneration Report on pages 101 to 107 of the Integrated Report 2021, is hereby endorsed."

#### **Motivation**

The King IV Report on Corporate Governance for South Africa 2016 (King IV™) recommends, and the JSE Listings Requirements require, that the Remuneration Policy of a company be tabled for a non-binding advisory vote by shareholders at each AGM.

# Notice of Annual General Meeting continued

This enables shareholders to express their views on the remuneration policies adopted by the Company. The non-binding vote is of an advisory nature only and failure to pass the non-binding vote by the requisite number of votes will therefore have no legal consequences on the existing remuneration arrangements.

However, the Board will engage with dissenting shareholders in good faith in the event that a vote of 25% or more is recorded against the remuneration policy, to ascertain with best reasonable effort the reasons for the dissenting votes, and to address legitimate and reasonable objections which may include amending the remuneration policy, or clarifying or adjusting remuneration governance and/or processes. Dissenting shareholders are also invited to engage with the Company to communicate their concerns to the Group Company Secretary, Charissa de Jager, at [charissa.dejager@sasfin.com](mailto:charissa.dejager@sasfin.com) within a reasonable period after the AGM.

The Board will take the outcome of the vote, and any subsequent engagement with dissenting shareholders, into consideration when considering amendments to the Company's Remuneration Policy.

### **3.2. Non-binding advisory vote 2: Endorsement of the Remuneration Implementation Report**

"By way of a non-binding advisory vote, the Company's Remuneration Implementation Report as set out on pages 108 to 111 of the Integrated Report 2021, is hereby endorsed."

#### **Motivation**

King IV™ recommends, and the JSE Listings Requirements require, that a report on the implementation of a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each AGM.

This enables shareholders to express their views on the implementation of the Company's Remuneration Policy. The non-binding vote is of an advisory nature only and failure to pass the non-binding vote by the requisite number of votes will therefore have no legal consequences on the existing remuneration arrangements.

However, the Board will engage with dissenting shareholders in good faith in the event that a vote of 25% or more is recorded against the Remuneration Implementation Report, to ascertain with best reasonable effort the reasons for the dissenting votes, and to address legitimate and reasonable objections which may include amending the Remuneration Implementation Report or clarifying or adjusting remuneration governance and/or processes. Dissenting shareholders are also invited to engage with the Company to communicate their concerns to the Group Company Secretary, Charissa de Jager, at [charissa.dejager@sasfin.com](mailto:charissa.dejager@sasfin.com) within a reasonable period after the AGM.

The Board will take the outcome of the vote, and any subsequent engagement with dissenting shareholders, into consideration when considering amendments to the Company's Remuneration Implementation Report.

27 October 2021

#### **Charissa de Jager**

Group Company Secretary  
[charissa.dejager@sasfin.com](mailto:charissa.dejager@sasfin.com)  
Tel: (011) 531 9253

#### **Registered office:**

29 Scott Street  
Waverley 2090

#### **Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196

# Form of proxy

**sasfin** Holdings Limited

## SASFIN HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1987/002097/06

Ordinary share code: SFN ISIN: ZAE 000006565

("Sasfin" or the "Company")

I/We (names in CAPITAL LETTERS)

Of (address)

Being a shareholder(s) of Sasfin and entitled, on a poll, to (number) votes, hereby appoint:

(name) of (address) or failing him/her

(name) of (address) or failing him/her

the Chair of the AGM, as my/our proxy to vote for me/us and on my/our behalf at the AGM of the Company to be held on Thursday, 25 November 2021, at 14:00 and/or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. Unless this is done, the proxy or the Chair, as the case may be, will be deemed to have been authorised to vote as he/she thinks fit.

### Proxy form resolutions

Number	Item	In favour	Against	Abstain
1.	To consider and accept the Annual Financial Statements			
2.	Ordinary and special resolutions			
2.1	To consider the following ordinary resolutions:			
	(1) Re-election of Directors of the Company			
	(1.1) To re-elect, as a Non-Executive Director, Mr RWR Buchholz			
	(1.2) To re-elect, as a Non-Executive Director, Mr RDEB Sassoon			
	(1.3) To re-elect, as a Non-Executive Director, Ms EA Wilton			
	(2) Election of Director			
	(2.1) To elect Mr TH Njikizana as a Non-Executive Director			
	(3) Appointment of independent auditors			
	(3.1) To appoint PricewaterhouseCoopers Inc. as independent auditors and the designated audit partner for the 2022 financial year			
2.2	To consider the following special resolutions:			
	(2.2.1) General authority to repurchase shares			
	(2.2.2) General authority to provide financial assistance to related and inter-related companies/corporations (section 45)			
	(2.2.3) General authority to provide financial assistance for subscription of shares (section 44)			
	(2.2.4) Approval of Non-Executive Directors' fees 2021/2022			
	(2.2.5) Amendment of the MOI			
3.	To consider the following non-binding advisory votes:			
	(3.1) Endorsement of the Company's Remuneration Policy (non-binding vote)			
	(3.2) Endorsement of the Company's Remuneration Implementation Report (non-binding vote)			

Signature

Date

Please read the notes accompanying this form.

For use only by certificated ordinary shareholders and own name registered dematerialised ordinary shareholders at the AGM of Sasfin shareholders to be held on Thursday, 25 November 2021, at 14:00 or such later time that may be applicable.

Not to be used by beneficial owners of shares who have dematerialised their shares (dematerialised shares) through a central securities depository participant (CSDP) or broker unless they are recorded on the sub-register as own name dematerialised shareholders. Generally, you will not be an own name dematerialised shareholder unless you have specifically requested your CSDP or broker to record you as the holder of the shares in your own name in the Company's sub-register.

Only for use by certificated, own name dematerialised shareholders and CSDPs or brokers (or their nominees) registered in the Company's sub-register as the holders of dematerialised shares.

Each shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies (none of whom need to be a shareholder of the Company) to attend, speak, and vote in place of that shareholder at the AGM and any adjournment or postponement thereof.

### **Notes to the form of proxy**

1. It is recommended that the proxy forms should be lodged with the Transfer Secretary of Sasfin, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or posted to the Transfer Secretary at Private Bag X9000, Saxonwold, 2132, to be received by them not later than 14:00 on Tuesday 23 November 2021 (for administrative purposes only). However, any form of proxy not delivered to the Transfer Secretary by this time and date may be emailed to the Transfer Secretary at proxy@computershare.co.za (who will provide same to the Chair of the AGM) at any time prior to the AGM.
2. Voting will be performed by way of a poll so that each shareholder present or represented by way of proxy will be entitled to vote the number of shares held or represented by him or her.
3. The completion and lodging of this form of proxy will not preclude the relevant Sasfin shareholder from attending the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof. The appointment of a proxy shall remain valid until the end of the meeting contemplated in this appointment. The appointment of a proxy is revocable unless the proxy appointment expressly states otherwise.
4. Where there are joint holders of shares, the votes of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of shareholders, will be accepted.
5. A proxy is entitled to attend, speak and vote at the AGM in place of the shareholder, who he or she is representing. A proxy does not need to be a Sasfin shareholder.
6. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of ordinary shares than you own in Sasfin, insert the number of ordinary shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy or Chair, as the case may be, to vote or to abstain from voting at the AGM as he or she deems fit in respect of all of the shareholder's votes exercisable thereat.
7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Transfer Secretary of Sasfin or waived by the Chair of the AGM of Sasfin shareholders.
8. Any alterations or corrections made to this form of proxy must be initialed by the signatory/ies.
9. The Chair of the AGM may, in the Chair's absolute discretion, accept or reject any form of proxy which is completed, other than in accordance with these notes.
10. Dematerialised shareholders, other than by own name registration, must NOT complete this form of proxy, but must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such shareholders and their CSDP or broker.

# Summarised Consolidated Group Results, Dividend Declaration and Changes to the Board

for the year ended 30 June 2021

**>100%**

HEADLINE EARNINGS

**R141.071 m**  
2020: (R48.617 m)

**>100%**

HEADLINE EARNINGS  
PER ORDINARY SHARE

**438.24 cents**  
2020: (151.00 cents)

**11.65%**

TOTAL  
INCOME<sup>1</sup>

**R1.303 bn**  
2020: R1.167 bn  
<sup>1</sup> including associate income

**>100%**

RETURN ON AVERAGE  
SHAREHOLDERS'  
EQUITY

**9.11%**  
2020: (3.12%)

**425 bps**

COST-TO-  
INCOME RATIO

**77.95%**  
2020: 82.20%

**13.22%**

TOTAL  
ASSETS

**R12.155 bn**  
2020: R14.006 bn

**1.82%**

TOTAL  
EQUITY<sup>2</sup>

**R1.563 bn**  
2020: R1.535 bn  
<sup>2</sup> excluding preference shares and  
non-controlling interest

**1.24%**

GROSS LOANS  
AND ADVANCES

**R7.251 bn**  
2020: R7.162 bn

**228 bps**

CREDIT-LOSS  
RATIO

**75 bps**  
2020: 303 bps

**0.21%**

NET AVAILABLE  
CASH<sup>3</sup>

**R2.346 bn**  
2020: R2.351 bn  
<sup>3</sup> Total cash and liquid negotiable  
securities less funding under  
repurchase agreements

**10.89%**

ASSETS UNDER  
MANAGEMENT AND  
ADVICE<sup>4</sup>

**R53.899 bn**  
2020: R48.605 bn  
<sup>4</sup> excluding under administration

**146 bps**

GROUP CAPITAL  
ADEQUACY RATIO

**18.06%<sup>5</sup>**  
2020: 16.59%  
<sup>5</sup> unaudited

# Financial highlights

For the year ended 30 June 2021

	%	<b>30 June</b>	30 June
	Change	<b>2021</b>	2020
<b>Consolidated statement of financial position</b>			
Total cash (Rm)	(25.71)	<b>1 286</b>	1 731
Negotiable securities (Rm)	(33.31)	<b>2 085</b>	3 126
Total assets (Rm)	(13.22)	<b>12 155</b>	14 006
Gross loans and advances (Rm)	1.24	<b>7 251</b>	7 162
Non-performing loans and advances (Rm)	(14.19)	<b>611</b>	712
<b>Income statement</b>			
Earnings/(loss) attributable to ordinary shareholders (Rm)		<b>77.644</b>	(60.176)
Headline earnings/(loss) (Rm)		<b>141.071</b>	(48.617)
<b>Financial performance</b>			
Return on ordinary shareholders' average equity (%)	>100	<b>9.11</b>	(3.12)
Return on total average assets (%)	>100	<b>1.08</b>	(0.34)
<b>Operating performance</b>			
Non-interest income to total income (%)		<b>57.25</b>	55.84
Cost-to-income ratio (%)		<b>77.95</b>	82.20
Credit-loss ratio (bps)		<b>75</b>	303
Non-performing advances to total amortised cost gross loans and advances (%)		<b>8.81</b>	10.26
<b>Share statistics</b>			
Earnings/(loss) per ordinary share (cents)	>100	<b>241.20</b>	(186.90)
Headline earnings/(loss) per ordinary share (cents)	>100	<b>438.24</b>	(151.00)
Number of ordinary shares in issue at end of the year ('000)		<b>32 301</b>	32 301
Number of ordinary shares in issue at end of the year excluding treasury shares ('000)		<b>30 773</b>	32 197
Weighted average number of ordinary shares in issue excluding treasury shares ('000)		<b>32 191</b>	32 197
Dividends per ordinary share for the year (cents) <sup>1, 3</sup>		–	48.89
Preference share dividend for the year (cents)		–	416.91
Net asset value per ordinary share (cents)	1.83	<b>4 839</b>	4 752
<b>Capital adequacy</b>			
Capital adequacy ratio (%)		<b>18.06<sup>2</sup></b>	16.59

<sup>1</sup> Based on the total shares in issue, including treasury shares.

<sup>2</sup> Unaudited.

<sup>3</sup> A dividend of 131.02 cents per share was declared by the Board on 27 August 2021. Refer to page 34 for more information.

# Condensed consolidated statement of financial position

at 30 June 2021

	30 June 2021 R'000	30 June 2020 R'000
<b>ASSETS</b>		
Cash and cash balances	1 285 578	1 731 243
Negotiable securities	2 085 077	3 126 595
Trading assets	703 433	1 060 342
Trade and other receivables	511 941	436 644
Non-current assets held for sale	6 700	6 700
Loans and advances	6 715 951	6 609 328
Current taxation asset	26 595	21 035
Investment securities	540 061	654 966
Investments at fair value through profit and loss	519 972	528 771
Equity accounted associates	20 089	126 195
Property, equipment and right-of-use assets	65 068	103 550
Investment property	16 400	13 123
Intangible assets and goodwill	160 856	205 206
Deferred tax asset	37 584	36 808
<b>Total assets</b>	<b>12 155 244</b>	<b>14 005 540</b>
<b>LIABILITIES</b>		
Funding under repurchase agreements and interbank	700 067	1 882 806
Trading liabilities	658 957	999 842
Current taxation liabilities	5 093	3 963
Trade and other payables	722 531	783 786
Bank overdraft	30 392	151 462
Provisions	72 714	41 629
Lease liabilities	43 205	70 266
Deposits from customers	4 732 764	5 138 778
Debt securities issued	2 741 583	2 743 823
Long-term loans	730 904	371 649
Deferred tax liability	110 770	94 531
<b>Total liabilities</b>	<b>10 548 980</b>	<b>12 282 535</b>
<b>EQUITY</b>		
Ordinary share capital	321	321
Ordinary share premium	166 945	166 945
Treasury shares	(40 177)	(177)
Reserves	1 435 844	1 367 830
Preference share capital	18	18
Preference share premium	43 313	188 068
<b>Total equity</b>	<b>1 606 264</b>	<b>1 723 005</b>
<b>Total liabilities and equity</b>	<b>12 155 244</b>	<b>14 005 540</b>

# Condensed consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	30 June 2021 R'000	30 June 2020 R'000
Interest and similar income	995 061	1 285 549
Interest income calculated using the effective interest method	947 447	1 250 375
Other interest income	47 614	35 174
Interest and similar expense	(457 081)	(779 234)
Interest expense calculated using the effective interest method	(440 234)	(733 312)
Other interest expense	(16 847)	(45 922)
<b>Net interest income</b>	<b>537 980</b>	<b>506 315</b>
<b>Non-interest income</b>	<b>745 800</b>	<b>640 180</b>
Net fee and commission income	416 112	429 445
Fee and commission income	628 388	638 402
Fee and commission expense	(212 276)	(208 957)
Gains and losses on financial instruments	168 845	85 674
Other income	160 843	125 061
Total income	1 283 780	1 146 495
Credit impairments	(150 696)	(252 618)
<b>Net income after impairments</b>	<b>1 133 084</b>	<b>893 877</b>
<b>Total operating costs</b>	<b>(1 015 455)</b>	<b>(959 040)</b>
Employee costs	(530 484)	(517 605)
Other operating expenses	(444 387)	(424 784)
Impairments of non-financial assets	(40 584)	(16 651)
<b>Profit/(loss) from operations</b>	<b>117 629</b>	<b>(65 163)</b>
Share of associate profit	18 962	20 161
<b>Profit/(loss) before income tax</b>	<b>136 591</b>	<b>(45 002)</b>
Income tax	(58 947)	1 848
<b>Profit/(loss) for the year</b>	<b>77 644</b>	<b>(43 154)</b>
<b>Other comprehensive income for the year, net of tax effects</b>		
Items that may be subsequently reclassified to profit and loss:		
Foreign exchange differences on translation of foreign operation	(40 843)	41 313
Reclassification of foreign currency differences on loss of control	(75 886)	–
Reclassification of hedge reserves on loss of control	107 099	–
<b>Total comprehensive income/(loss) for the year</b>	<b>68 014</b>	<b>(1 841)</b>
<b>Profit/(loss) attributable to:</b>	<b>77 644</b>	<b>(43 154)</b>
Non-controlling interest	–	1 993
Preference shareholders	–	15 029
Equity holders of the Group	77 644	(60 176)
<b>Total comprehensive income attributable to:</b>	<b>68 014</b>	<b>(1 841)</b>
Preference Shareholders	–	15 029
Non-controlling interest	–	1 993
Equity holders of the Group	68 014	(18 863)
<b>Earnings per share:</b>		
Basic and diluted earnings/(loss) per share (cents)	241.20	(186.90)

# Headline earnings reconciliation

For the year ended 30 June 2021

	30 June 2021 R'000	30 June 2020 R'000
Earnings/(loss) are determined as follows:		
Earnings attributable to equity holders of the Group	<b>77 644</b>	(60 176)
Headline adjustable items	<b>63 427</b>	11 559
Goodwill and intangible asset impairments	<b>40 583</b>	16 651
Gross	<b>40 583</b>	16 651
Tax impact	–	–
Loss/(profit) on loss of control of subsidiary	<b>31 016</b>	(4 674)
Investment property – fair value loss on non-current assets held for sale	<b>3 726</b>	1 707
Gain on dilution of interest in associate	–	(2 125)
Gain on disposal of interest in associate	<b>(11 898)</b>	–
Gross	<b>(21 195)</b>	–
Tax impact	<b>9 297</b>	–
Headline earnings/(loss)	<b>141 071</b>	(48 617)
Headline earnings/(loss) per ordinary share (cents)	<b>438.24</b>	(151.00)

# Condensed consolidated statement of changes in equity

For the year ended 30 June 2021

	30 June 2021 R'000	30 June 2020 R'000
<b>Opening total shareholders' equity</b>	<b>1 723 005</b>	1 777 384
<b>Total comprehensive income/(loss) for the year</b>	<b>68 014</b>	(1 841)
<b>Profit/(loss) for the year</b>	<b>77 644</b>	(43 154)
<b>Other comprehensive income net of income tax for the year</b>	<b>(9 630)</b>	41 313
Foreign exchange differences on translation of foreign operations	<b>(40 843)</b>	41 313
Reclassification of foreign currency differences on loss of control	<b>(75 886)</b>	–
Reclassification of hedge reserves on loss of control	<b>107 099</b>	–
<b>Changes in Ownership Interests</b>		
Business Disposals	–	(5 666)
<b>Transactions with owners recorded directly in equity</b>		
Net increase in treasury shares	<b>(40 000)</b>	–
Preference share buy-back	<b>(144 755)</b>	–
Dividends to preference shareholders	–	(15 029)
Dividends to ordinary shareholders	–	(31 844)
Closing balance	<b>1 606 264</b>	1 723 005

# Condensed consolidated statement of cash flows

For the year ended 30 June 2021

	30 June 2021 R'000	30 June 2020 R'000
Cash flows from operating activities	<b>248 096</b>	141 077
Changes in operating assets and liabilities	<b>(591 928)</b>	154 604
Net cash flows from operating activities	<b>(359 590)</b>	295 681
Net cash flows from investing activities	<b>117 980</b>	48 374
Net cash flows from financing activities	<b>(73 354)</b>	(31 052)
Net (decrease)/increase in cash and cash equivalents	<b>(314 964)</b>	313 003
Cash and cash equivalents at the beginning of the year	<b>1 579 781</b>	1 266 778
Effect of exchange rate fluctuations on cash held	<b>(9 631)</b>	–
Cash and cash equivalents at end of the year	<b>1 255 186</b>	1 579 781
Cash and cash equivalents	<b>1 285 578</b>	1 731 243
Overdraft	<b>(30 392)</b>	(151 462)

# Condensed consolidated segmental analysis

For the year ended 30 June 2021

Previously management reported on three operating segments: Banking, Capital and Wealth. At the beginning of the 2021 financial year, internal restructuring occurred between existing segments. In order to better represent the revised operating model, management now reports on four segments (excluding the Group functions and inter-segment eliminations segment). These segments are Asset Finance, B\Yond Business Banking, Capital and Wealth.

Accordingly, the segment information for the prior year has been restated.

	30 June 2021 R'000	30 June 2020 R'000
<b>GEOGRAPHICAL SEGMENTS</b>		
<b>Total income</b>		
South Africa	1 277 094	1 118 300
Asia Pacific	6 686	28 195
<b>Total</b>	<b>1 283 780</b>	<b>1 146 495</b>
<b>Segment assets</b>		
South Africa	12 155 244	13 487 003
Asia Pacific	-	518 537
<b>Total</b>	<b>12 155 244</b>	<b>14 005 540</b>
<b>BUSINESS SEGMENTS</b>		
<b>Segment income</b>		
Asset Finance	579 444	530 264
B\Yond Business Banking	111 030	104 579
Capital (including Trade and Debtor Finance)	170 579	166 369
Wealth	326 412	313 425
Group and inter-segment eliminations	96 315	31 858
<b>Total income</b>	<b>1 283 780</b>	<b>1 146 495</b>
<b>Segment profit/(loss)</b>		
Asset Finance	289 273	68 937
B\Yond Business Banking	(40 269)	(42 903)
Capital (including Trade and Debtor Finance)	(4 648)	(62 786)
Wealth	77 476	65 135
Group and inter-segment eliminations	(185 241)	(73 385)
<b>Profit/(loss) for the year</b>	<b>136 591</b>	<b>(45 002)</b>
<b>Segment assets</b>		
Asset Finance	9 496 439	7 881 294
B\Yond Business Banking	829 621	698 244
Capital (including Trade and Debtor Finance)	1 929 050	2 049 219
Wealth	984 589	1 358 624
Group and inter-segment eliminations	(1 084 455)	2 018 159
<b>Total assets</b>	<b>12 155 244</b>	<b>14 005 540</b>
<b>Segment liabilities</b>		
Asset Finance	9 002 987	7 654 218
B\Yond Business Banking	858 616	731 939
Capital (including Trade and Debtor Finance)	1 808 348	1 785 543
Wealth	833 222	1 080 661
Group and inter-segment eliminations	(1 954 193)	1 030 174
<b>Total liabilities</b>	<b>10 594 980</b>	<b>12 282 535</b>

# Selected explanatory notes to the condensed consolidated financial statements

## Condensed consolidated financial statements

The Condensed Consolidated Financial Statements comprise the following:

- Condensed Consolidated Statement of Financial Position
- Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
- Condensed Consolidated Statement of Changes in Equity
- Condensed Consolidated Statement of Cash Flows
- Condensed Consolidated Segmental Analysis

at and for the year ended 30 June 2021.

Although these financial results were themselves not audited they are extracted from the consolidated and company annual financial statements which were audited by PricewaterhouseCoopers Inc (PwC Inc.) who issued an unmodified audit opinion on the financial statements. Their audit opinion can be viewed on the Company's website, which also provides more details on the key audit matters on pages 9 to 17 of the annual financial statements.

The Board of directors (the Board) of the Group take full responsibility for the preparation of this report. These Condensed Consolidated Financial Statements have been prepared under the supervision of Angela Pillay, CA(SA), Group and Bank Financial Director. The results were made publicly available on 31 August 2021.

## Basis of preparation and presentation of the condensed consolidated financial statements for the year ended 30 June 2021

The Condensed Consolidated Financial Statements have been prepared in accordance with and contain disclosure required by IAS 34 Interim Financial Reporting, as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listings Requirements (JSE Listings Requirements), and the requirements of the Companies Act of South Africa, No 71 of 2008, as amended (Companies Act).

The directors assess the Group's future performance and financial position on a continuous basis and have no reason to believe that the Group will not continue to be a going concern in the reporting year ahead. Consequently, the Condensed Consolidated Financial Statements have been prepared on the going concern basis.

The accounting policies applied in the Condensed Financial Statements are the same as those applied in the Group's Audited Consolidated and Separate Annual Financial Statements for the year ended 30 June 2021.

The Condensed Consolidated Financial Statements are presented in ZAR. All entities in the Group, with the exception of Sasfin Asia Limited, operate in the Republic of South Africa with a functional currency of ZAR.

### 1. Impact of Covid-19

The operating conditions in the second half of 2021 were better than what was originally anticipated at the start of the Covid-19 pandemic. This is evidenced by the upward projections on GDP growth, with early interventions by government to stimulate growth and increased rollout of vaccines across the country. The impact of the more positive conditions in the second half was evidenced by improved collections and consequential improved credit impairments. The Group managed to grow total income across all business segments from increased volumes, improved pricing and uplift in fair value measurements in our Specialised Lending and Property portfolios, which have shown good growth over the year.

# Selected explanatory notes to the condensed consolidated financial statements continued

## 2. Changes in legal and investment structure

- Sasfin Wealth (Proprietary) Limited (Sasfin Wealth), disposed of its 21.10% interest in its associate, Efficient Group Limited, for a disposal consideration of R146.261 million. The disposal was concluded on 3 December 2020.
- Sasfin Holdings Limited (SHL) sold 100% of its wholly owned subsidiary, SPH, to Sasfin Property Equity Investments Holdings (Proprietary) Limited (SPEIH), a fellow subsidiary of SHL. This internal reorganisation was effected at cost and concluded in March 2021.
- Sasfin Bank Limited's wholly owned subsidiary, Sasfin Asia Limited was wound up with effect from 31 May 2021.
- SHL's wholly owned subsidiary, Sasfin Property Holdings (Proprietary) Limited (SPH) sold 100% of its share of Sasfin Commercial Solutions (Global Trade) (Proprietary) Limited for R33.100 million. This disposal was concluded on 30 June 2021.

The above transactions were concluded in order to optimise the capital of the Group and streamline the business legal structure.

## 3. Related parties

There have been no material changes, by nature or amount, in transactions with related parties since the 2020 financial year-end.

## 4. Accounting standards, interpretations and amendments to existing standards that are not yet effective

There have been no changes of a significant nature in respect of such items from what has been previously reported.

## 5. Subsequent events

### Settlement of Preference share buy-back

Sasfin acquired all of its issued preference shares by means of a repurchase of the preference shares, implemented by way of a scheme of arrangement. The unconditional obligation to the preference shareholders was raised as a liability at year-end, resulting in the reduction in preference share premium.

On 5 July 2021 Sasfin paid the Preference Shareholders for their preference shares and the shares were transferred back to SHL, to be held as authorised unissued shares.

### Land Bank

On 19 July 2021 the Land Bank repaid 10% (R41.4 million) of the capital outstanding on the Land Bank bills held by Sasfin. The gross amount of Bills, at 30 June 2021, was R415.9 million, before stage 3 impairment of R121.6 million.

### Operational loss

During August 2021, Sasfin Securities (Proprietary) Limited in the normal course of business participated in a corporate action on behalf of a client where an error occurred that resulted in an operational loss of R33.9 million. The Company is insured under professional indemnity insurance for such losses. The timing and quantum of any insurance settlement is currently uncertain.

### New head office and lease

Sasfin Holdings Limited concluded a lease for a new head office in August 2021 with occupation expected to take place in December 2021. It is currently estimated that the resulting lease liability and asset will approximate R135 million.

# Commentary

## Purpose

We contribute to society by going beyond a bank to enable growth in the businesses and global wealth of our clients.

## Operating environment

The global and South African economy has performed better than anticipated. Locally, this was due to the strong performance in the commodity sector coupled with some of the early interventions by the government, including the reduction in interest rates and fiscal stimulus.

Against this backdrop Sasfin has delivered improved results, returning to profitability while taking active steps to support our stakeholders, including society at large. During this distressed time, our people have gone beyond expectations for our clients and our Company, ensuring meaningful progress in meeting the strategic objectives of the Group, while demonstrating compassion for others.

The economy, however, remains fragile, and the full impact of the third Covid-19 wave and recent civil unrest remain to be seen. New strains of the Coronavirus and the relatively low vaccination rates are a concern.

## A streamlined business

During the year, Sasfin concluded several transactions to streamline the legal structure and optimise the capital of the Group. Most notably:

- Sasfin Wealth sold its 21.10% interest in Efficient Group (Proprietary) Limited for R146.2 million resulting in a post-tax profit of R12.2 million. The proceeds were distributed to SHL.
- Sasfin closed its Hong Kong operation, Sasfin Asia Limited. The foreign trade finance operations were moved to South Africa, releasing \$12 million of capital to Sasfin Bank Limited. A once-off cost of R30.0 million was incurred, as a result of the unwinding of the hedging and foreign currency translation reserves.
- Sasfin sold 100% of Sasfin Commercial Solutions (Proprietary) Limited, resulting in a small loss. This enabled the Group to reallocate R30.0 million worth of capital.
- Sasfin impaired intangible assets of R40.6 million, some of which related to the sunseting of legacy systems.

The above transactions and income statement effects were headline earnings adjustable items. The net result of these items was to cause headline earnings to be higher than profits; more importantly, however, the changes made are expected to enhance the Group's future earnings on a sustainable basis.

Additionally:

- Sasfin's repurchase of its preference shares became unconditional during the year, resulting in a liability to the preference shareholders of R144.7 million (including transactional costs) at year-end. The preference share premium was reduced by this amount. The transaction had no impact on earnings. Post year-end, the full liability was settled, and the preference shares were cancelled. This transaction will result in an uplift in regulatory capital and shareholders' equity in 2022.
- The Sasfin share incentive trust purchased 1,424,035 Sasfin shares for, R40.1 million in anticipation of a share incentive scheme which is being designed to align executives' interests to those of the shareholders of the Group. On consolidation these shares are a reduction against Group Equity.

# Commentary continued

## Financial performance

Group headline earnings were R141.1 million (2020: loss of R48.6 million) for the year ended 30 June 2021. This improvement was largely because of improved credit performance and an increase in total income of 11.65% to R1.303 billion (2020: R1.167 billion). Group profit was R77.6 million (2020: Loss of R43.2 million). The headline earnings adjustments are due to the impact of the corporate transactions and the impairment of intangible assets detailed above. Return on Equity improved to 9.11% (2020: -3.12%).

The focus on improving credit quality and strengthening our distribution teams is yielding results. Each Sasfin Pillar recorded income growth. Non-interest revenue grew 16.50% and net interest income grew by 6.25%, despite marginal growth in loans and advances of 1.24%, as our cost of funding improved, and we focused on margins.

Once-off costs associated with the closing of Sasfin Asia Limited and the impairment of intangible assets contributed to the cost growth of 5.88%. Excluding these items, costs would have contracted by 0.78%, reflecting the focus on cost management. As a result of higher total income, the cost-to-income ratio improved to 77.95% (2020: 82.20%). Excluding headline adjustable items, which are not expected to recur in the next financial year, the cost-to-income ratio would have been 73.36%.

## Financial, liquidity and capital position

Total assets declined 13.22% to R12.155 billion (2020: R14.006 billion) due to the Group's decision, during Covid-19, to reduce funding obtained under repurchase agreements. Net available cash dropped marginally by 0.21% to R2.346 billion (2020: R2.351 billion).

Gross loans and advances grew 1.24% to R7.251 billion (2020: R7.162 billion). Core funding (excluding funding received under repurchase agreements) dropped 2.02% to R8.236 billion as deposits fell 7.90% to R4.733 billion (2020: R5.139 billion), while long-term funding increased to R730.9 million (2020: R371.6 million).

The Group's capital adequacy ratio (unaudited) strengthened to 18.06% (2020: 16.59%) due to proactive capital management and a decline in risk weighted assets. The liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) remain strong and above the regulatory requirements. As a result of the return to profitability and the strong capital and liquidity position, the Company has declared a dividend of 131.02 cents (2020: 48.89000 cents) per share.

## Credit performance

Despite the fragile economy, our clients have demonstrated resilience. Through a focus on collection efforts, we have seen a marked improvement in arrears. Most clients who we worked closely with in the immediate aftermath of the first lockdown, have pleasingly brought their accounts back up to date.

As such, the profile of our book has improved over the year:

- Stage 1 Loans (up to date loans): 84.99% of total book (2020: 81.68%)
- Stage 2 Loans (overdue loans): 6.20% of total book (2020: 8.06%)
- Stage 3 Loans (non-performing loans): 8.81% of total book (2020: 10.26%)

This improvement in staging has, together with a reduction in non-performing loans of 14.18% to R611 million (2020: R712 million), been the primary driver for the decrease in the coverage ratio to 7.71% (June 2020: 7.96%) and a significant improvement in our income statement credit-loss ratio to 75bps (June 2019: 303bps). While the forward-looking assumptions have improved year-on-year, we continue to anticipate tough economic conditions.

The ECL provision on the Land Bank bills we held increased by R98.2 million (2020: R23.4 million) to R121.6 million at 30 June 2021. This is in addition to a negative mark-to-market of R13 million on Land Bank bonds held by Sasfin Wealth.

## Segmental overview

### Asset Finance

Asset Finance delivered exceptional performance, achieving an operating profit of R289.3 million (2020: R68.9 million). Total income increased 9.27% due to better-quality margins and new business volumes nearing 2019 levels. Improved arrears from focused collection efforts resulted in a material decrease in impairments. Operating costs have been well managed and are down 3.60%.

Covid-19 had a significant impact on our clients, and we worked closely with our clients and suppliers to navigate the related uncertainty. We offered payment holidays, relief loans, and refinancing solutions where appropriate. We have focused on proactively managing supplier relationships and improving our client experience to grow our business. We carefully managed our growth by being mindful of the disproportionate impact of Covid-19 on certain sectors and exploring opportunities within our risk appetite criteria.

Asset Finance has been the pre-eminent business of Sasfin Bank for many years and we see continued scope to grow this business as we increasingly finance new asset types and roll out new products to support our clients. We anticipate increased demand for climate-friendly asset purchases and the use of software within the economy, which we are well placed to finance.

### B\\YOND Business Banking

Sasfin continues to invest heavily in its digital business banking franchise which now incorporates integrated banking, foreign exchange, and lending focused on SMEs. Approximately 3,000 new business accounts were opened during the year with higher funding levels and increased credit utilisation. This business, which is responsible for generating lower cost funding for the Group, grew transactional deposits by 45%. The Pillar was, however, negatively impacted by the lower interest rates as the margin earned on transactional deposits fell. Despite this, B\\YOND Business Banking grew total income by 6.17%, with an increase in operating costs of 1.33% resulting in a reduced operating loss of R40.3 million (2020: R42.9 million).

Cost growth was negligible despite the increased investment, through the consolidation of the foreign exchange and transactional banking businesses, thus reducing duplication and creating efficiencies. As we transform the digital business banking experience, we continue to strengthen our client value proposition. We are growing our lending capabilities and have built new credit offerings, introduced a credit application scorecard for smaller loans and have put in place the necessary funding and support to focus on SME lending.

While we are focused on a strong digital product set, our ability to provide a human touch where it matters most, adds important value to our clients, especially as their needs evolve.

### Sasfin Capital (including Trade and Debtor Finance)

Sasfin Capital posted an operating loss of R4.6 million (2020: R62.8 million loss). This significant improvement in performance was due to strong profits emerging from the specialised lending and property lending businesses, offset by continued pressure on the legacy private equity portfolio and lower utilisations in Trade and Debtor Finance.

# Commentary continued

We continue to exit private equity investments, where appropriate, on acceptable terms. The Trade and Debtor Finance business, which has achieved improved credit performance over the last couple of years, has experienced lower utilisation of limits as foreign supply chains of our clients were severely impacted by Covid-19. We have grown our specialised and property lending books by 60% to R688 million. These well-secured portfolios are performing to expectation. The loans typically include profit participation, which provide good revenue growth potential for Sasfin Capital.

Following the onshoring of our foreign trade finance business and the exit of Sasfin Commercial Solutions we will reduce costs in this business.

## **Sasfin Wealth**

Sasfin Wealth increased operating profit to R77.5 million (2020: R65.1 million), primarily, because of growth in Assets Under Advice and Management (collectively AUM) to R53.9 billion (2020: R48.6 billion). Foreign assets under management have remained stable at 28% of total AUM, despite the stronger Rand at year-end. While the Pillar benefited from the disposal of Efficient, it was impacted by the negative mark-to-market on its exposure to the Land Bank as detailed above.

Our investment performance remains strong, as evidenced by our award-winning funds - the Sasfin BCI Flexible Income Fund won its third consecutive Raging Bull award, and the Sasfin Balanced Fund won its second consecutive Morningstar Award. We have also strengthened our advice franchise, as evidenced by Sasfin being recognised as one of the top five boutique wealth managers by Intellidex in the Top Wealth Managers survey for 2021.

Costs were well managed, coming in flat year-on-year, despite an investment in the distribution and technology teams. Sasfin Wealth continues to enhance its offering and strengthen its institutional asset management capabilities.

## **Prospects and refinement of strategy**

### **Transforming our society**

The last few months have reinforced the need for every business to play its role in transforming our society. In Sasfin's case, we are:

- Improving access to SME finance via our Nasira partnership with the FMO (Dutch Development Bank)
- Driving ESG imperatives in the way we manage investments via a new association with RBN (an impact investment firm) and lending money in terms of our focus on affordable housing and climate-friendly asset types
- Enabling access to financial services of historically marginalised consumers via our relationship with Hello Paiza
- Enhancing our transformation focus as evidenced by our improved level 2 B-BBEE score, previously level 4

Transforming our society starts at home and, over the last year, we have supported our employees and their families to ensure that the impact that we endeavour to see in society is happening within our Company.

### **Going digital and future of work**

After 14 years, our Waverley lease ends in May 2022. We will be moving to new premises at 140 West Street Sandton, where we will meaningfully change how we work. In evaluating what is in the best interests of clients and employees, we are adopting a hybrid work model. As such we expect no more than 60% of our employees to work from the office at any given point in the post-pandemic world. This has resulted in our taking reduced space and ensuring that the space is appropriately designed to support a hybrid work model. This will result in an improved employee value proposition while generating efficiencies. Given the IFRS-16 Accounting standards, the financial benefits are only expected to be realised on the income statement in FY 23.

We continue to enhance our digital offering and have rolled out improved digital capabilities across the Group, including the introduction of a new credit scorecard, the imminent launch of our forex online platform, and improved data analytics capabilities, as we near the end of the risk data aggregation and risk reporting project, which will provide meaningful insights into our business.

### **Streamlined business**

As detailed above, the Group has become far more streamlined, thereby optimising the capital of Sasfin. There are further opportunities to consolidate the business and eliminate inefficient structures, including exiting the legacy private equity portfolio. As we sunset old systems and move our business onto cloud-based platforms, there should be additional efficiencies to be gained into the future. This remains a major focus of the executive team.

### **Continued growth in Asset Finance and Sasfin Wealth**

Asset Finance and Wealth have grown from strength to strength. Both these Pillars deliver excellent returns to the Group and remain the core focus of our business. Both of these businesses have been investing in new people, technologies and capabilities which ensure that there is scope for continued growth.

In Asset Finance, the focus is to deepen the credit curve and widen the asset types financed while working closely with our clients to provide them with solutions to their complex issues. In Wealth we are focused on strengthening our offshore capabilities, offering greater value to clients across the wealth spectrum through a combination of digital and high touch engagements, and are building further scale in our institutional asset management business.

### **Strengthening a credit-led business banking proposition**

We are ready to take the next step in the journey of building a comprehensive business banking offering. Our credit product range has been broadened and now includes revolving credit facilities and term loans in addition to property loans and Trade and Debtor Finance.

We have integrated banking, credit, and foreign exchange for the benefit of our clients and our digital suite continues to evolve. Our offering focuses on both small and large businesses. We have built a comprehensive digital offering where clients are able to have their full business banking requirements met with no human touch. At the same time, we are growing a team of seasoned business and commercial bankers, as well as specialist transactors, to deliver meaningful value to business clients who are so often neglected by the banking industry.

### **Future changes to the composition of the Board**

In compliance with Directive 4 of 2018 (issued by the Prudential Authority (PA)), Mr Roy Andersen and Mr Grant Dunnington have both decided to retire at the AGM on 25 November 2021, having served on the Board for more than 9 years.

Over the past two years, the Board carefully considered and managed continuity and succession of the Board and has identified Mr Deon de Kock as the new Chair to succeed Mr Roy Andersen, with his appointment effective from 25 November 2021. Deon joined the Board as an Independent Non-executive Director in August 2020. Given Deon's previous experience, including having previously been a Chair of a South African bank, in-depth induction programme, and the time invested by Deon over the last year on understanding Sasfin's business, the Board is comfortable that he can seamlessly move into the role of Chair.

We acknowledge the excellent contribution of our Board and, in particular, we thank our Chair, Mr Roy Andersen and our longest serving Independent Non-executive Director, Mr Grant Dunnington, both of whom as announced on SENS today, will be retiring at our upcoming AGM, for their invaluable contribution over the years. We wish Mr Deon De Kock, our in-coming Chair, all the best for his new role which he will assume at the AGM.

### **Conclusion**

Sasfin has successfully weathered the Covid-19 storm to date. While challenging times in our country will remain, Sasfin has a solid foundation, and each of our Pillars is well positioned to take advantage of new opportunities as they present.

# Commentary continued

We continue to invest to ensure sustainable growth, and we are confident that our approach of blending digital capabilities where possible and high touch where it matters, will enable us to deliver improved value to all our stakeholders in the years ahead. With our strong capital and liquidity base, the Group is in a good position to grow both organically and acquisitively.

We thank our clients, who have been incredibly resilient, as evidenced by the improved credit performance, and our exceptional employees who have gone above and beyond for our clients and our Company.

Many South Africans have struggled against adversity over the last few years, but the entrepreneurial, compassionate, and resilient spirit remains embedded in so many. It is this spirit, that we are so focused on supporting among our business and investor clients, which will help rebuild our country.

## **Final ordinary share cash dividend**

The directors have declared a final ordinary share cash dividend for the year ended 30 June 2021 of 131.02000 cents (2020: Nil) per share.

There was no interim ordinary dividend declared in the current year (2020: 48.89000 cents) for the six months ended 31 December 2020. The total ordinary dividend for the financial year ended 30 June 2021 amounts to 131.02000 cents (2020: 48.89000 cents) per share.

The ordinary dividend is payable to holders of ordinary shares recorded in the register of the Company at the close of business on Friday, 24 September 2021.

The salient dates relating to the ordinary dividend are as follows:

### **Last day to trade 'cum' the ordinary dividend**

Monday, 20 September 2021

### **Ordinary shares commence trading 'ex' the ordinary dividend**

Tuesday, 21 September 2021

### **Ordinary dividend record date**

Thursday, 23 September 2021

### **Payment date of ordinary dividend**

Monday, 27 September 2021

Ordinary share certificates may not be dematerialised or rematerialised between Tuesday, 21 September 2021 and Thursday, 23 September 2021, both days inclusive.

The above dates and times are subject to amendment. Any such amendment will be published on SENS and in the press.

The following further information is provided to shareholders with regards to the ordinary dividend declaration in respect of the dividends tax:

- The dividend has been declared from income reserves
- The dividend withholding tax rate is 20%, and a net dividend of 104.81600 cents (2020: 39.91200 cents) per share is paid to those shareholders who are not exempt from dividend withholding tax
- The issued number of ordinary shares as at declaration date is 32 301 441 (2020: 32 301 441)
- The issued number of ordinary shares (excluding treasury shares) as at declaration date is 30 772 847 (2020: 32 196 882)

# Corporate details

<b>Country of incorporation and domicile</b>	South Africa
<b>Independent Non-Executive Chair</b>	Roy Andersen <sup>1</sup>
<b>Executive Directors</b>	Michael Sassoon (Chief Executive Officer) Angela Pillay (Financial Director)
<b>Independent Non-Executive Directors</b>	Deon de Kock Eileen Wilton Grant Dunnington <sup>2</sup> Mark Thompson Richard Buchholz (Lead) Tapiwa Njikizana <sup>3</sup>
<b>Non-independent, Non-Executive Directors</b>	Gugu Dingaan Nontobeko Ndhrazi Roland Sassoon Shaun Rosenthal (Alternate)
<b>Group Company Secretary</b>	Charissa de Jager
<b>Website and email</b>	www.sasfin.com investorrelations@sasfin.com
<b>Transfer secretaries</b>	Computershare Investor Services (Proprietary) Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196
<b>Sponsor</b>	Sasfin Capital (Proprietary) Limited (a member of the Sasfin Group)
<b>Independent sponsor</b>	Deloitte & Touche Sponsor Services (Proprietary) Limited
<b>Auditors</b>	PricewaterhouseCoopers Inc.
<b>Registered office</b>	29 Scott Street, Waverley, Johannesburg, 2090 Tel: +27 11 809 7500 Fax: +27 11 887 6167/2489
<b>Postal address</b>	PO Box 95104, Grant Park, Johannesburg, 2051
<b>Company registration number</b>	1987/002097/06
<b>Tax reference number</b>	9300/204/7117

<sup>1</sup> Exemption from Directive 4 of 2018 (issued by the Prudential Authority) granted by the PA until March 2023.

<sup>2</sup> Exemption from Directive 4 of 2018 (issued by the Prudential Authority) granted by the PA until the Group's 2021 AGM.

<sup>3</sup> Appointed on 3 May 2021.

## Disclaimer

The Group has, in good faith, made a reasonable effort to ensure the accuracy and completeness of the information contained in this report, including information that may be regarded as forward-looking statements.

Forward-looking statements are not statements of fact, but statements by the Board based on its current estimates, projections, expectations, beliefs and assumptions regarding the Group's future performance, and no assurance is given.

The risks and uncertainties inherent in the forward-looking statements include, but are not limited to, changes to IFRS and the interpretations, applications and practices as they apply to past, present and future periods; domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political risks; and the effects of current and future litigation.

The Group does not undertake to update any forward-looking statements and does not assume responsibility for any loss or damage, however arising, as a result of the reliance by any party thereon, including, but not limited to, loss of earnings, profits or consequential loss or damage.

**sasfin**

beyond a bank