

Sasfin Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration number 1987/002097/06)

Share code: SFN

ISIN: ZAE000006565

("Sasfin Holdings")

South African Revenue Services ("SARS") summons on Sasfin Bank Limited ("Sasfin Bank" or "the Bank")

Shareholders of Sasfin Holdings are advised that Sasfin Bank, a wholly owned subsidiary of Sasfin Holdings, was served a civil summons for a total amount of R4,872,327,649.27 plus interest and costs in the form of a damages claim, instituted by SARS. This summons, which was received on 9 January 2024, arises from SARS' purported inability to collect income tax, Value Added Tax and penalties allegedly owed by former foreign exchange clients of the Bank.

Former foreign exchange clients of the Bank operated as a syndicate that ran an unlawful scheme to facilitate the expatriation of money out of South Africa and colluded with former employees of the Bank who operated outside the scope of their employment. The details hereof are disclosed in the 2023 Integrated Annual Report of Sasfin Holdings (available on Sasfin Holdings' website). The Bank took decisive action when it became aware of this unlawful scheme, including instituting an expanded investigation led by an independent forensic consultancy. This resulted in the termination of relationships with the implicated clients and employees and the opening of criminal cases against them.

Subsequent to receiving the summons, Sasfin Bank engaged transparently with the relevant regulators on the matter and obtained a legal opinion from ENS, authored by Professor Dale Hutchinson, Professor Michael Katz and Aslam Moosajee and endorsed by Adv. Wim Trengove S.C ("Legal Opinion"). The Legal Opinion is unequivocal that the claim falls outside of the recognised parameters of applicable law and has a very remote likelihood of success. On the basis of this strong Legal Opinion, Sasfin Holdings concluded that the claim will not result in the recognition of any liability. Sasfin Holdings continues to engage with its regulators in this regard.

It has become appropriate to announce this matter on SENS, however the board of directors of Sasfin Holdings remains of the view that SARS' claim has no merit and has little chance of success. The Bank will therefore defend the claim, and given that this involves a defended trial action, the matter is only likely to come to trial in several years' time.

Johannesburg

27 February 2024

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