

## Audit Fee Analysis & Resignation Letters

### JSE Companies with Market Caps between R2bn and R5bn

Company	Base Currency	Audit Fee	Latest Fiscal Audited Revenue	Market Cap (Base Currency)	% of Revenue	% of Market Cap
Curro Holdings	Rands	2 000 000	2 944 000 000	2 348 901 537	0.07%	0.09%
Metair Investments	Rands	22 774 000	10 276 966 000	2 696 258 755	0.22%	0.84%
Afrimat Limited	Rands	5 073 000	2 966 399 000	3 295 035 476	0.17%	0.15%
SA Corporate RE	Rands	4 138 000	2 309 524 000	3 344 593 686	0.18%	0.12%
Mix Telematics	Rands	11 259 000	1 975 863 000	3 479 407 240	0.57%	0.32%
Cashbuild Ltd	Rands	10 515 000	10 821 235 000	3 123 476 477	0.10%	0.34%
Raubex	Rands	11 873 000	8 519 142 000	3 235 150 641	0.14%	0.37%
Advtech	Rands	10 700 000	4 389 000 000	3 764 541 455	0.24%	0.28%
Rhodes Food Group	Rands	4 805 000	5 413 625 000	3 652 392 050	0.09%	0.13%
Famous Brands	Rands	9 769 000	7 179 536 000	2 627 880 301	0.14%	0.37%
<b>Average</b>					<b>0.21%</b>	<b>0.33%</b>

Trustco Group Holdings	NAD	10 462 000	1 478 918 000	2 885 536 114	<b>0.71%</b>	<b>0.36%</b>
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### JSE Top 40 companies

Company	Base Currency	Audit Fee	Latest Fiscal Audited Revenue	Market Cap (Base Currency)	% of Revenue	% of Market Cap
Firststrand Ltd	Rands	436 000 000	166 316 000 000	241 320 173 803	0.26%	0.18%
Standard Bank	Rands	383 000 000	270 055 000 000	176 337 778 491	0.14%	0.22%
ABSA Group	Rands	356 000 000	152 517 000 000	68 193 064 619	0.23%	0.52%
Sanlam	Rands	228 000 000	77 721 000 000	128 860 159 205	0.29%	0.18%
Nedbank Ltd	Rands	195 000 000	101 917 000 000	44 327 313 113	0.19%	0.44%
MTN	Rands	158 000 000	134 560 000 000	73 392 307 074	0.12%	0.22%
Sasol	Rands	97 000 000	203 576 000 000	17 484 856 772	0.05%	0.55%
Bidvest	Rands	83 514 000	77 152 384 000	49 649 429 825	0.11%	0.17%
Discovery Ltd	Rands	62 000 000	43 036 000 000	53 012 152 970	0.14%	0.12%
Vodacom	Rands	59 000 000	86 627 000 000	218 926 896 599	0.07%	0.03%
Multichoice Group	Rands	59 000 000	50 095 000 000	37 215 316 220	0.12%	0.16%
Remgro	Rands	58 000 000	56 968 000 000	68 020 261 910	0.10%	0.09%
Bidcorp	Rands	56 920 000	148 752 374 000	68 321 837 984	0.04%	0.08%
Woolworths	Rands	36 000 000	73 103 000 000	31 142 527 337	0.05%	0.12%
Exxaro Resources	Rands	32 000 000	25 491 000 000	34 471 719 059	0.13%	0.09%
British American Tobacco	Pounds	25 400 000	24 492 000 000	64 728 618 244	0.10%	0.04%
Tiger Brands	Rands	23 600 000	29 383 700 000	37 952 396 064	0.08%	0.06%
The Foschini Group	Rands	21 300 000	34 101 400 000	17 759 128 618	0.06%	0.12%
Old Mutual	Rands	19 900 000	176 116 000 000	58 386 065 248	0.01%	0.03%
Impala Platinum	Rands	19 900 000	48 629 000 000	68 117 661 032	0.04%	0.03%
Ango American Platinum	Rands	17 000 000	99 571 000 000	201 452 368 842	0.02%	0.01%
Spar Group	Rands	15 700 000	109 477 100 000	35 415 721 037	0.01%	0.04%
Capitec Bank	Rands	15 340 000	25 755 000 000	121 736 721 204	0.06%	0.01%
Growthpoint Properties	Rands	15 000 000	11 554 000 000	38 506 603 907	0.13%	0.04%
Redefine Properties	Rands	14 727 000	8 637 504 000	14 077 435 193	0.17%	0.10%
BHP Group	US Dollar	14 528 000	44 288 000 000	32 356 843 031	0.03%	0.04%
Anglo American PLC	US Dollar	12 900 000	28 870 000 000	22 407 035 044	0.04%	0.06%
Pick 'n Pay	Rands	9 300 000	88 293 200 000	31 852 218 221	0.01%	0.03%
Mr Price	Rands	9 000 000	22 361 000 000	32 894 141 684	0.04%	0.03%
Naspers	US Dollar	7 000 000	3 291 000 000	63 073 394 495	0.21%	0.01%
Mondi Group	Euros	4 500 000	7 481 000 000	7 181 709 149	0.06%	0.06%
RMB Holdings	Rands	3 000 000	10 417 000 000	78 194 241 245	0.03%	0.00%
Nepi Rockcastle	Euros	1 182 000	583 980 000	2 511 949 404	0.20%	0.05%
<b>Average</b>					<b>0.10%</b>	<b>0.12%</b>

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Saxonwold  
Johannesburg

24 March 2020

Raymond Heathcote  
Chairman of the Board  
Trustco Group Holdings Limited

Via email [heathcote@mweb.com.na](mailto:heathcote@mweb.com.na)

Dear Raymond

**Resignation as director**

I hereby resign as a director of Trustco Group Holdings Limited with immediate effect. This resignation relates to all boards and committees I serve on in the Trustco Group. There are two main reasons for this decision: the circumstances surrounding Moore's resignation as auditors, and Quinton's instruction to the Audit and Risk Committee that Moore and BDO Namibia consider a 30 percent reduction of their proposed fee as presented at the last Committee meeting. In my opinion, where a company puts pressure on its auditors in respect of the audit fee, it creates a danger that those auditors will sacrifice their professional competence and due care.

The uncertainty around the Directors' and Officers' Insurance coverage is a further issue which has caused me to resign.

I wish to thank all my fellow board members, the management team and the Trustco staff for the past two years and wish them every success in the future.

Yours sincerely



Kristin van Niekerk

2 Kianga Cres  
Burns Beach  
6028  
Western Australia

The Chairman  
Trustco Group Holdings Limited

25 March 2020

Dear Raymond

**Resignation as Director**

It is with regret that I hereby tender my resignation from the Board and sub-committees of Trustco Group Holdings Limited and its subsidiary companies effective as of the date of this letter.

I take my responsibility as a director, and a member of Audit and Risk Committee, very seriously and I am uncomfortable with the manner in which the proposed audit fee and audit plan was handled. The Companies Act of South Africa, and the King IV Code clearly state that the nomination of the auditors and the approval of their fees is the responsibility of the Audit Committee. Management's request of a thirty percent reduction in audit fees creates, in my opinion, a threat to the independence and due care of the auditors as required i.t.o the SAICA Code of Professional Conduct. The resultant resignation of the JSE accredited auditors has confirmed my opinion in this regard.

I wish to thank my fellow directors and the staff and management of the group for their assistance and support during my time on the board.

Sincerely



Lana Weldon



**MOORE**

**Moore Johannesburg**

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23 March 2020

To the Audit and Risk Committee,

**TRUSTCO GROUP LIMITED - RESIGNATION LETTER**

We tender our resignation as auditors of Trustco Group Limited with immediate effect.

The audit and risk committee held on Friday 20 March 2020 requested a fee reduction, which we are unable to accommodate. A reduction in audit fees will likely compromise our ability to adequately perform our duties. This request prompted us to relook at our ongoing relationship and we have decided that it would be appropriate for you to seek new auditors.

We would like to thank the management team and members of the audit and risk committee for their support during our 2 years as auditors of Trustco Group Limited.

We will fulfil our current obligations required for the circular relating to the Conduit Transaction.

Yours respectfully,

**Moore Johannesburg Inc.  
Registered Auditors**

**Per: CA Whitefield  
Registered Auditor  
Director**