



TRUSTCO GROUP HOLDINGS LIMITED
Incorporated in the Republic of Namibia
(Registration number 2003/058)
Registered as an external company in South Africa
(External registration number 2009/002634/10)
NSX share code: TUC
JSE share code: TTO
OTCQX share code: TSCHY
ISIN Number: NA000A0RF067
("Trustco" or "the Group")

TRADING STATEMENT FOR THE 11 (ELEVEN) MONTH PERIOD FROM 1 OCTOBER 2020 TO 31 AUGUST 2021

Trustco is a diversified triple listed family owned investment holding company, with a culture of creating long-term sustainable growth for all stakeholders. Decisions are biased towards long-term value creation and short-term hurdles are viewed as catalysts to drive above average investment returns. The Company invests in high quality, world class assets in the Financial Services and Resources industries in Africa.

Trustco shareholders ("**Shareholders**") are advised that the Group is finalising its audited results for the 11-month period ended 31 August 2021 ("**Results**"). Comparisons for purposes of this trading statement are made against Trustco's audited results for the 18-month financial period ended 31 September 2020 ("**Previous Audited Results**").

Trustco expects to report in respect of the Results:

- A decrease in revenue by between 36% and 56%, being revenue between NAD 393 million and NAD 270 million, compared to the revenue of the Previous Audited Results of NAD 618 million.
- A headline loss between NAD 716 million and NAD 767 million compared to the headline loss of the Previous Audited Results of NAD 254 million.
- A headline loss per share between 45.32 cents and 49.14 cents compared to the Headline loss per share of the Previous Audited Results of 19.06 cents.

- A basic loss between NAD 821 million and NAD 874 million compared to the basic loss of the Previous Audited Results of NAD 266 million.
- Basic loss per share between 51.98 cents and 55.97 cents compared to the basic loss per share of the Previous Audited Results of 19.95 cents.

The following key factors impacted the 2021 financial results:

- The period under review saw progressively worsening macroeconomic conditions in Namibia where Trustco is based and where a significant portion of its investments are held, which has experienced its worst economic recession since independence. In the midst of the COVID-19 pandemic, the country's economy contracted by more than 8% during 2020, with a contraction of 2.5% posted in the first quarter of 2021, minimal growth of 1.6% reported in the second quarter of 2021, and growth of 2.4% in the third quarter, resulting in a trading period under severely distressed conditions.
- Despite a severely distressed investment and operating environment, Trustco generated positive cash flows from operations, driven primarily by the student lending unit.
- The majority of the losses recorded relate to non-cash (unrealised) impairments of certain investments and unrealised foreign exchange losses. The impairment of certain investments was the result of assumptions applied in the valuation methodology to address the uncertainties around the longer-term impact of the pandemic on the operating markets. The unrealised foreign exchange losses resulted from exchange rate fluctuations.
- Delays in closing various corporate transactions have resulted in timelines being deferred in realising matured investments.
- Nevertheless, Shareholders are referred to the Cautionary announcement issued on SENS on 28 December 2021. Trustco is optimistic that this transaction and other corporate actions will realise the anticipated shareholder value of its investments.

The financial information on which this trading statement is based has not been reviewed or reported on by Trustco's auditors.

Trustco is expecting to release its audited financial results for the 11 month period ending 31 August 2021 on or about 31 January 2022.

Windhoek, Namibia,

28 January 2022

Komada Holdings (Pty) Ltd

Company Secretary and Investor Relations Services to Trustco Group Holdings Limited

JSE Sponsor

JSE Sponsor

Vunani Sponsors - Johannesburg

NSX Sponsor

Simonis Storm Securities Proprietary Limited – Windhoek

OTCQX Sponsor

J.P Galda & Co – New York