

TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia

(Registration number 2003/058)

NSX Share Code: TUC

JSE Share Code: TTO

OTCQX share code: TSCHY

ISIN Number: NA000A0RF067 ("the Company" or "Trustco")

MEDIA RELEASE

2 June 2023

TRUSTCO ANNOUNCES STRATEGIC DECISION TO DIVEST A PORTION OF ITS BANKING AND FINANCE INVESTMENT PORTFOLIO

Trustco is pleased to inform investors of its strategic decision to divest a portion of its investment in its banking and finance portfolio. This strategic move aligns with Trustco's overall investment strategy and reflects the Company's commitment to driving long-term investment growth and creating value for its investors. As part of this strategic initiative, Finbond Group Limited ("Finbond") will acquire 49% ownership in Trustco Finance (Pty) Ltd ("Trustco Finance"), known as the "Finbond Transaction."

The Finbond Transaction is in line with Trustco's transition from managing fully owned and operated businesses to an investment entity with a diversified portfolio of assets in emerging markets. By recycling capital from a long-held investment, Trustco has seized the opportunity to optimize its investment portfolio and again align with another strategic international partner.

"We are delighted to welcome Finbond as a new coinvestor in Trustco's banking and finance portfolio," said QZ van Rooyen, Deputy CEO of Trustco. "With Finbond's expertise and presence in the market, we anticipate that synergies between Trustco Finance and Finbond will only strengthen. As the markets recognize the importance of diversification of investment assets, we believe that the diversification of investors in an asset can also contribute to positive growth. We are confident that our partnership with Finbond will unlock significant value in our investment as our relationship deepens over the next few years."

"Namibia's resurgence as the preferred investment destination in Africa for international investors is truly remarkable. Trustco is proud to be at the forefront, actively contributing to the nation's economic growth and welcoming investors from around the world to participate in our journey of success," he continued

Trustco Finance has evolved into a preferred student loan lender in Namibia since Trustco's initial investment in 2005 for NAD 5 million when it was serving only approximately 4000 students. Over the past 18 years, Trustco Finance's loan portfolio has grown significantly, currently exceeding NAD 650 million gross loan book value with a peak loan book of over NAD 771 million. To date, Trustco Finance has disbursed loans amounting to approximately NAD 1.3 billion, benefiting more than 62,000 students, and collected over NAD 2.5 billion in loan repayments. The proposed divestment represents 2.47% of Trustco's total investment portfolio as of August 31, 2022.

Finbond is a leading financial services institution operating in South Africa and North America, renowned for its expertise in designing and delivering innovative credit products that prioritize borrower requirements over institutional policies and practices. With a strong presence in both brick-and-mortar and online channels, Finbond operates through an extensive network of 589 stores, consisting of 397 in South Africa and 192 in North America, while also offering online services in South Africa and six states within the United States of America.

Finbond specializes in providing unique value- and solution-based savings, insurance, and transactional banking products, reflecting their commitment to meeting the specific needs of depositors and borrowers. Finbond's unwavering dedication to being a global leader in short-term consumer lending fuels their pursuit of excellence in the financial sector. The Finbond Transaction with Trustco exemplifies their vision and passion for delivering exceptional short-term lending services.

The successful completion of the Finbond Transaction is contingent upon fulfilling several conditions precedent. These include obtaining approvals from Finbond's Board and Investment Committee, as well as Trustco's Board and Investment Committee, as well as all necessary regulatory approvals.



With the completion of the Finbond Transaction, Trustco is strategically positioned to enhance the valuation and unlock substantial growth opportunities within its banking and finance portfolio. By strategically expanding the portfolio's lending operations, capitalizing on new opportunities, strengthening its market presence, and diversifying its revenue streams, Trustco remains confident in its ability to significantly increase the value of our banking and finance portfolio going forward.

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Directors: Adv. R. Heathcote (Chairman) (Non Executive), Mr. Q. van Rooyen (Managing Director), Mr. F. J. Abrahams (Financial Director)
Mr. W. Geysler (Non Executive), Mr. R. J. Taljaard (Non Executive), Mr. R. Marney (Non Executive), Ms. J. van den Heever (Non Executive), Komada Holdings (Pty) Ltd (Company Secretary)