



SERVING THOSE WHO SERVE SINCE 1913

**ASSUPOL HOLDINGS LIMITED**

*Incorporated in the Republic of South Africa*

(Registration Number: 2010/015888/06)

**4AX Share Code: 4AASP**

**ISIN: ZAE400000051**

("Assupol Holdings" or "the Company")

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**TRADING UPDATE FOR THE RESULTS FOR THE YEAR ENDED 30 JUNE 2021**

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Assupol Holdings and its subsidiaries ("**the Group**") are currently in the process of finalising its financial year-end results for the year ended 30 June 2021 and this trading update announcement serves as a further update to the previous one.

We refer shareholders to the Company's trading update for the interim results for the six months ended 31 December 2020, released on the 4AX news service on 18 March 2021, which noted the impact of Covid-19 on the business operations and financial performance of the Group. Although the adverse impact of the COVID-19 pandemic is clearly evident on the financial results for the Group, it has still managed to deliver a resilient set of financial results for the financial year ended 30 June 2021.

Since our previous trading update and the release of the interim results, South Africa experienced a third wave of the pandemic. This wave peaked towards the end of June 2021, which corresponds with the Group financial year-end.

The Group has reassessed its own mortality experience at year end against a backdrop of the statistics provided by the South African Medical Research Council, industry expectations in South Africa, the rate at which the South African government intends to vaccinate the population, and the fact that a large portion of the Group's policyholders are first line essential workers. The outcome of this assessment was to create a further explicit Covid-19 mortality reserve for the remainder of the third wave as well as the possibility of a fourth wave.

Shareholders are advised that the Group's reported performance for the year ended 30 June 2021 is expected to be as set out below:

- the earnings per share of the Group will reflect a decrease of between 35% and 45% compared to the earnings per share of 139.9 cents reported for the year ended 30 June 2020;
- the solvency capital requirement ("**SCR**") ratio of Assupol Life Limited ("**Assupol Life**"), being a major subsidiary of Assupol Holdings, exceeds 170% at 30 June 2021 (SCR was 185% at 30 June 2020);
- the Group has provided for an explicit reserve for COVID-19 related claims between R160 and R170 million (after tax);
- a liquidity assessment of the Group has been performed. The Group expects to have sufficient liquidity to meet all its obligations for the foreseeable future. This liquidity assessment is monitored continuously for any changes.

The financial results for the year ended 30 June 2021 are expected to be released on or about 29 September 2021. The information contained in this announcement, including any estimates or forecast financial information on which this trading update announcement is based, has not been reviewed or reported on by Assupol Holdings' external auditors.

Pretoria  
23 September 2021

**External Issuer Agent:**

**Palfidus**

THE REAL DEAL