
Sebata Holdings Limited
Incorporated in the Republic of South Africa
(Registration number 1998/003821/06)
Share code: SEB ISIN: ZAE000260493
("Sebata" or "the Company" or "the Group")

TRADING STATEMENT

In terms of the Listings Requirements of the JSE Limited ("JSE Listings Requirements"), companies are required to publish a trading statement as soon as they become reasonably certain that the financial results for the period to be reported on will differ by more than 20% from that of the previous corresponding period.

As set out in the Trading Statement released on SENS on 18 December 2018, shareholders were advised by the board of directors ("Board") that, in light of the disposal of the NOSA Group of Companies during the 2018 financial year, the continued headline earnings per share ("continued HEPS") and continued basic earnings per share ("continued EPS") are more relevant and appropriate measures of Group performance. Accordingly, a review of the financial results for the year ended 31 March 2019 by management has indicated that:

- The continued EPS is 131.93 cents, reflecting an increase of 80%, compared to the continued EPS of 73.37 cents for the year ended 31 March 2018;
- The significant increase in continued EPS is a result of the disposal of the NOSA Group of Companies;
- The continued HEPS is -30.19 cents, reflecting a decrease of 142%, compared to the continued HEPS of 72.13 cents for the year ended 31 March 2018;
- The decrease in continued HEPS is a direct result of a combination of the following:
 - o A key municipal client failing to pay approximately R88 million due to the Company. While management is confident that the funds will be received, the Board has decided to exclude this amount from the period's earnings due to the prolonged difficulty in receiving payment.
 - o As a result of the investment into the software division for the development of the ERP solution for Local Government having been completed and the system implemented, amortisation of R21 million has been expensed in the current period.
 - o Tough trading conditions within the Local Government sector due to the election year. It has been the Board's experience that Government spending typically slows in the year of an election due to the uncertainty associated with the outcome.

As required in terms of paragraph 3.4(b)(vi) of the JSE Listings Requirements, a review of the financial results for the year ended 31 March 2019 by management has indicated that:

- The basic earnings per share ("EPS") is 131.93 cents, reflecting a decrease of 14.6%, compared to the EPS of 154.50 cents for the year ended 31 March 2018; and
- The headline earnings per share ("HEPS") is -30.19 cents, reflecting a decrease of 119.7%, compared to the HEPS of 153.26 cents for the year ended 31 March 2018.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors. Sebata's financial results are expected to be released on SENS on or about 28 June 2019.

Johannesburg
24 June 2019

Sponsor
Merchantec Capital