

ANCHOR GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2009/005413/06)

JSE share code: ACG ISIN: ZAE000193389

("Anchor Group" or "the Company")

**VOLUNTARY TRADING STATEMENT AND ASSET UNDER MANAGEMENT UPDATE****Voluntary Trading Statement**

The Company's Earnings per share ("EPS") for the year ended 31 December 2018 for continuing operations is anticipated to be between 3% higher and 16% lower than the year ended 31 December 2017 restated EPS of 33,4 cents per share and is expected to be between 34,4 and 28,2 cents per share. The Company's Headline Earnings per share ("HEPS") for the year ended 31 December 2018 for continuing operations is anticipated to be between 3% higher and 16% lower compared to the year ended 31 December 2017 restated HEPS of 33,4 cents per share and is expected to be between 34,4 and 28,2 cents per share.

The Company's Adjusted Headline Earnings per share ("AHEPS") for the year ended 31 December 2018 for continuing operations is anticipated to be between 5% higher and 14% lower compared to the year ended 31 December 2017 restated AHEPS of 38,8 cents per share and is expected to be between 40,8 and 33,4 cents per share. Adjusted headline earnings for continuing operations are calculated by the Company in order to reflect the sustainable cash-equivalent earnings of the group. This number is used for the purpose of dividend distributions.

The earnings and headline earnings were negatively impacted in the 2018 year by the impairment of Capricorn Fund Managers Malta Limited ("CFM Malta"), the offshore hedge-fund subsidiary. CFM Malta is now classified as a discontinued operation, and the 2017 earnings are restated. The previously published EPS and HEPS were 32,6 cents per share, AHEPS was 38 cents per share. These numbers have been restated to 33,4 cents per share and 38,8 cents per share as noted in the table below.

| | 2018 | 2017 (restated) | % change |
|--|------------------|--------------------|------------|
| Continuing operations: | | | |
| Earnings per share (cents) | 34,4 to 28,2 | 33,4 | 3% to -16% |
| Headline earnings per share (cents) | 34,4 to 28,2 | 33,4 | 3% to -16% |
| Adjusted headline earnings per share (cents) | 40,8 to 33,4 | 38,8 | 5% to -14% |
| Weighted average number of shares in issue (million) | 199 500 | 194 310 | 3% |
| Discontinued operations: | | | |
| Earnings per share (cents) | -164,1 to -134,3 | -1,1 | n.m |
| Headline earnings per share (cents) | -2,1 to -1,7 | -1,1 | 91% to 55% |
| Adjusted headline earnings per share (cents) | -2,1 to -1,7 | -1,1 | 91% to 55% |
| Weighted average number of shares in issue (million) | 199 500 | 194 310 | 3% |

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors. Anchor Group's results for the year ended 31 December 2018 will be released on or about 27 March 2018.

Assets under management update

Anchor Group assets under management and advice declined by 6% during the year to R49 billion (31 December 2017: R52.3 billion). Inflows in the core Anchor business were in excess of R5 billion for the period, but this was offset by a negative market, the closure of the Capricorn GEMS fund and the withdrawal of a large non-fee generating portfolio.

12 February 2019

Designated advisor

JAVACAPITAL