

**ANCHOR GROUP LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 2009/005413/06)

Share code: ACG ISIN: ZAE000193389

("Anchor" or "the Company")

The logo for Anchor Group, featuring the company name in white capital letters on a dark blue rectangular background. The letter 'A' is stylized with a horizontal line extending to the left.

---

**TRADING UPDATE**

---

Business conditions in South Africa have changed dramatically in the past few months due to COVID-19 and the board of directors of Anchor wish to provide shareholders with an update on the impact of the COVID-19 pandemic on Anchor.

For the first quarter of 2020, ended 31 March 2020, the ongoing turnover of the business is 10% higher than the comparable period in the prior year (which excludes the once-off termination fee earned by the Company in respect the Astoria investment management agreement during February 2019).

Assets under management and administration have increased from R57.4 billion at 31 December 2019 to R59.2 billion at 31 March 2020 (an increase of 3%). Strong inflows, a weaker Rand and higher brokerage revenue have more than offset the decline in equity markets. Inflows for the first quarter have been in excess of R3 billion. Adjusted headline earnings per share is in line with management's expectations for the first quarter.

Following the first quarter, April 2020 saw a meaningful bounce back in markets, which is positive for Anchor. However, we expect volatility to continue and it is difficult to forecast earnings for the remainder of the year.

Anchor's balance sheet remains strong with cash and investments of R123m at 31 December 2019 and with approved facilities of R45m as at 31 March 2020.

We are still in the early stage of understanding the impact of COVID-19 on the global economy, financial markets and the timing thereof. Anchor has reacted proactively with a focus on the preservation of client wealth, client communication and identification of new opportunities. The board of directors will continue to monitor the impact of COVID-19 on the business and will communicate with shareholders as circumstances change.

The financial information contained in this trading update has not been reviewed or reported on by our auditors.

6 May 2020

---

Designated advisor

The logo for Java Capital, featuring the word "JAVACAPITAL" in a stylized, grey, sans-serif font. A blue horizontal line is drawn through the middle of the letters 'A', 'V', and 'A'.