

CA SALES HOLDINGS LIMITED

Incorporated in the Republic of South Africa
Registration number 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: EX2017/18292
Share code: CAS
ISIN: ZAE400000036
("CA&S" or "the Company" or "the Group")



TRADING UPDATE AND CAUTIONARY ANNOUNCEMENT – SIX MONTHS ENDED 30 JUNE 2020

The Listings Requirements of the Botswana Stock Exchange ("BSE") require CA&S to advise shareholders of any circumstances or events that have, or are likely to have, a material effect on the financial results of the Company for the next reporting period.

The Board of CA&S wishes to announce that the Company's profit before tax for the six months ended 30 June 2020 is expected to be between R 75.8m and R 81.7m compared to the reported profit before tax for the previous corresponding period of R 117.6m, which represents a decrease of between 31% and 36% on the profit before tax for the previous corresponding period.

The Company's headline earnings per share ("HEPS") for the six months ended 30 June 2020 has been negatively affected by the global economic fallout of the Covid-19 pandemic. Accordingly, HEPS is expected to decrease to between 3.72 cents and 4.54 cents per share, a decrease of between 23% and 28% in comparison to the HEPS of 16.33 cents reported in the previous corresponding period.

The Company's earnings per share ("EPS") is expected to decrease between 7.64 cents and 8.46 cents per share, a decrease of between 47% and 52% in comparison to the EPS of 16.36 cents in the previous corresponding period.

Majority of the Group's products and services are classified as essential products and services, ensuring continued trading during this COVID-19 pandemic, albeit challenged under the circumstances. Trade restrictions in certain sectors and challenges in cross-border distribution hampered the expected growth. The businesses that were significantly impacted by the trade restrictions in quarter two were the distributors of alcohol and tobacco products as well as the promotions operations. Trading bans have since been lifted in South Africa but the ban on the sale of alcohol products is still in force in Botswana and Swaziland. The Group's diversified portfolio should enable it to deliver sustainable results for the remainder of the year.

Preparation of results for the six months ended 30 June 2020 has started and is expected to continue until on or about 30 September 2020 when the unreviewed condensed interim financial results are expected to be released.

Accordingly, shareholders are advised to exercise caution when trading in the Company's securities until such time as the interim results are released.

The information in this announcement has not been reviewed or reported on by CA&S' independent auditors.

BY ORDER OF THE BOARD OF DIRECTORS OF CA SALES HOLDINGS

28 August 2020

Issuer Agent: PSG Capital
Sponsoring Broker: Imara Capital