

CLIENTELE LIMITED
Incorporated in the Republic of South Africa)
Registration Number: 2007/023806/06)
Share code: CLI
ISIN: ZAE000117438
("Clientele")

Change statement, notice of annual general meeting,
publication of Integrated Annual Report and B-BBEE Compliance
Certificate

Integrated Annual report

Shareholders are advised that the company's integrated annual report including the audited annual financial statements for the year ended 30 June 2020 has been published and is available on the Company's website:

https://www.clientele.co.za/siteimgs/annual-reports/Clientele%20Limited%202020_lores.pdf, and contains modifications to the reviewed results which were announced on SENS on 19 August 2020.

The annual financial statements were audited by the Company's auditors, PricewaterhouseCoopers Inc. and their unmodified report which includes Key Audit Matters, is included in the integrated annual report and also available for inspection at the companies registered office.

Change Statement

The change statement highlights the change between the integrated annual financial statements and published reviewed results on 19 August 2020, none of which were major. These changes had no impact on earnings per share, net asset value, tangible net asset value and/or the amounts presented in the statement of financial position and statement of changes in equity.

The impact of the change on the financial results is detailed below:

- 1) Reclassification of an IFRS16 elimination journal entry from "Other Income" to "Operating Expenses"

As buildings are classified as "owner occupied", the effects of IFRS16 in the operating entities are eliminated on consolidation. The elimination entry

amounting to R16.586 million was incorrectly debited to "Other Income" as opposed to "Expenses" in the Condensed Preliminary Group Results. This has been corrected in the Integrated Annual Report. This adjustment has no effect on "Profit before taxation". The effect of the correction is to increase "Other income" by R16.586 million and increase "Expenses" by R16.586 million.

2) Reclassification of related party "Other Income" to "Operating Expenses"

A guarantee fee is paid by the holding company of the Group on behalf of its subsidiaries. The subsidiaries repay the holding company accordingly. The net effect of this on the group is nil. The income received by the holding company from its subsidiaries was therefore reclassified from "Other Income" and included in "Operating Expenses". This adjustment has no effect on "Profit before taxation". The effect of the correction is to reduce "Other income" by R4.463 million and reduce "Operating Expenses" by R4.463 million.

3) Reclassification from "Other Income" to "Revenue from Contracts with Clients"

Rewards fee income earned was reclassified from "Other Income" to "Revenue from Contracts with Clients." This adjustment has no effect on "Profit before taxation". The effect of the correction reduced "Other income" by R6.196 million and increased "Revenue from Contracts with Clients" by R6.196 million.

The effects of Notes 1, 2 and 3 above on "Other Income" are as follows:

	Per preliminary results R' 000	Per Annual Report R' 000	Adjustment R' 000
Other Income	42,049	47,976	5,927

The effects of Notes 1 and 2 above on "Operating Expenses" are as follows:

	Per preliminary results	Per Annual Report	Adjustment R' 000
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	R'000	R'000	
Operating Expenses	1,385,999	1,398,122	12,123

The effects of Note 3 above on "Revenue from Contracts with Clients" is as follows:

	Per preliminary results R'000	Per Annual Report R'000	Adjustment R'000
Revenue from Contracts with Clients	117,391	123,587	6,196

4) Correction of "Headline Earnings", and accordingly "Headline Earnings per share"

An asset impairment (net of tax) amounting to R0.653 million that should have been adjusted for in arriving at the Headline Earnings within the Condensed Preliminary Group Results was erroneously omitted. This adjustment has been made in the Integrated Annual Report. The effect of this change is as follows:

- Headline earnings increased by R0.653 million;
- Headline earning per share increased by 19 cents per share;
- Diluted headline earnings per share increased by 21 cents per share.

The effect of Note 4 above is as follows:

	Per preliminary results R'000	Per Annual Report R'000	Adjustment R'000
Headline Earnings	331,914	332,567	0,653
Headline Earnings per Share	98.99 cents	99.18 cents	0.19 cents
Diluted Headline Earnings per Share	98.88 cents	99.09 cents	0.21 cents

- 5) Reclassification of a financial guarantee liability to "Working capital changes" on the Statement of Cash Flows

The movement in a financial guarantee liability amounting to R20 million was reclassified from "Profit from operations adjusted for non-cash items" to "Working Capital Changes." The effect of the adjustment was an increase in "Profit from operations adjusted for non-cash items" and decrease "Working Capital Changes." The adjustment did not impact the increase in cash and cash equivalents for the period.

- 6) Reclassification of useful life adjustment to depreciation

Useful life adjustments on property and equipment amounting to R1.004 million have been reclassified to "Profit from operations adjusted for non-cash items" from "Cash flows from investing activities." The useful life adjustment was incorrectly accounted for as a revaluation. The adjustment did not impact the increase in cash and cash equivalents for the period.

The effect of Notes 5 and 6 above on the "Statement of Cash Flows" is as follows:

	Per preliminary results R'000	Per Annual Report R'000	Adjustment R'000
Profit from operations adjusted for non-cash items	652,298	633,302	(18,996)
Working Capital Changes	(134,204)	(114,204)	20,000
Cash flows from investing activities	(49,791)	(50,795)	(1,004)

Annual general meeting

The annual general meeting of the members of Clientele will be held in the Boardroom, Building 7, Clientèle Office Park, corner Rivonia and Alon Roads, Morningside on 29 October 2020 at 08:00 to transact the business as stated in the notice of the annual general meeting forming part of the annual report.

The record date in terms of section 59(1) (b) of the Companies Act for shareholders to participate in and vote at the annual general meeting is Friday, 23 October 2020. Accordingly, the last date to trade in the Company's shares on the JSE Limited in order to be eligible to participate in and vote at this annual general meeting is Tuesday, 20 October 2020.

Broad-Based Black Economic Empowerment Amendment Act No.46 of 2013 ("B-BBEE Act"): Annual Compliance Report.

In accordance with paragraph 16.21(g) and Appendix 1 of Section 11 of the JSE listings requirements, notice is hereby given that Clientele's annual compliance report, in terms of section 13G(2) of the B-BBEE Act, is available on the company's website at www.clientele.co.za

Johannesburg

25 September 2020

Sponsor

PricewaterhouseCoopers Corporate Finance (Pty) Ltd

Registration number 1970/003711/07)