

FGL 201707130007A

Fraction rate announcement

FINBOND GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2001/015761/06)

JSE code: FGL

ISIN: ZAE000138095

(`Finbond' or `the Company')

FRACTION RATE ANNOUNCEMENT

Shareholders are referred to the company's announcement on the Stock Exchange News Service ("SENS") dated 23 June 2017, in which the company declared a gross cash dividend of 7.28 cents per share ("cash dividend") for the year ended 28 February 2017. Shareholders will, however, be entitled to elect to receive a capitalisation share issue alternative of 2.20812 for every 100 ordinary shares, to ordinary shareholders recorded in the Finbond register on the record date, being Friday, 14 July 2017 ("capitalisation share issue award").

The ratio of entitlement is based on the volume weighted average traded price per Finbond ordinary share on the JSE Limited over the five trading days up

to and including 26 May 2017, of 329.69200 cents per share, which will be the issue price per Finbond share ("the issue price").

Shareholders were advised that where a shareholder's entitlement to new ordinary shares calculated in accordance with the capitalisation issue share award formula gives rise to a fraction of a new ordinary share, such entitlement will be rounded down to the nearest whole number resulting in allocations of whole securities and a cash payment to the shareholder for the fraction. Any fractional entitlement payment will also be subject to 20% dividend withholding tax.

The fraction rate is 279 cents per share and has been calculated at 310 cents per share, the volume weighted average price of a Finbond share traded on the JSE on Wednesday, 12 July 2017 (being the day on which the Finbond share began trading 'ex' the entitlement to receive the capitalisation share issue award or cash dividend alternative), discounted by 10% in accordance with schedule 18 of the JSE listings requirements. The net fraction rate paid will be 223.20 cents per share, unless dividend withholding tax exemptions apply.

Example of fractional entitlement

Assuming a shareholder holds 100 Finbond shares on Tuesday 11 July 2017 (Last

day to trade), unless the shareholder elects to receive cash dividends, the shareholder will receive $100 * 2.20812 / 100 = 2.20812$ shares. This is rounded down to 2 shares. The fraction of 0.20812 shares is paid at the fraction rate 279 cents per share = 58.06 cents per share before a deduction for any dividend withholding tax is applicable.

Pretoria

13 July 2017

Sponsor: Grindrod Bank Limited

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