

Finbond Group Limited  
(Registration number: 2001/015761/06)  
Share code: FGL ISIN: ZAE000138095  
("Finbond" or "the Company" or "FGL")

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**NOTIFICATION OF CHANGE IN AUDITOR**

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The Board of Directors of Finbond ("the Board"), through the Audit, Risk and Social and Ethics Committees, have investigated and assessed the well-publicised serious concerns with regards to KPMG as reported in the media as well as communications in response thereto by KPMG.

Given the Board's commitment to good governance, principled and ethical behavior the Board has resolved that it can no longer justify nor support Finbond's further association with KPMG.

KPMG's appointment as external auditors will terminate on conclusion of its responsibilities relating to the 28 February 2018 financial year audit, which is expected to be on or about 29 June 2018. The Company will commence with a formal tender process to appoint a firm of auditors to replace KPMG and a further announcement, containing details of the new audit firm and designated audit partner, will be released in due course.

The Board and the Risk and Audit Committees are satisfied that enhanced quality processes and quality reviews from KPMG resulted in an audit of satisfactory quality for the financial year ending February 2018.

31 May 2018  
Pretoria

Sponsor  
Grindrod Bank Limited