



Novus Holdings Limited
(Incorporated in the Republic of South Africa)
JSE share code: NVS
ISIN: ZAE000202149
("Novus Holdings", "the Company" or "the Group")

Further Business Update

Further to the Business update released on SENS on 28 September 2018, the Company is now in a position to provide further guidance to Shareholders on the anticipated headline earnings for the year to 31 March 2019.

As a result of the Company's foreign exchange cover policy and conclusion of certain supplier negotiations, the uncertainty regarding costs of imported input material for the balance of the financial year is now removed allowing more precise margin forecasting for the remaining period. A number of other market initiatives that were not yet formalised as at 28 September 2018, have now been implemented and the impact can be assessed.

Furthermore, following the buyback of shares subsequent to the Business update, a more accurate estimate of the effective weighted number of shares is known to allow the earnings per share to be more accurately forecast.

The revised guidance takes the form of a narrower range around a revised mean estimate. It must be stressed that the earnings guidance continues to be on a basis of earnings from normal trading activities, and makes no allowance for any once off strategic initiatives that may have an impact on EBIT or HEPS for the period as may result from any decisions that may be taken by the Board of directors during the ensuing months up to reporting for the year.

Historic and projected range of headline earnings per share in cents

Year ended 31 March 2018	Forecast year ending 31 March 2019
102 c	Current forecast between 60 c and 65 c
	Previous forecast Between 50 c and 60 c

The abovementioned forecasts are based on the undermentioned key assumptions, namely;

- General economic conditions which continue to place downward pressure on demand and pricing.
- Retention of existing print contracts in the normal course of business.

Additional factors accounted for in the above projections are the following;

- Plaslope (Pty) Ltd., an ITB subsidiary has been impacted by the general Industrial action initiated in a segment of the plastic packaging industry, this action has run for eight weeks to mid December.

- Whilst ITB has resolved the industrial action it experienced in August of 2018 the impact on production has been felt right through to the current period.

The earnings forecast range is in terms of headline earnings per share as this is seen as a realistic comparative for sustainable earnings and cash generation. The forecasted gross revenue ranges and forecasted gross margin ranges for the 12 months ending 31 March 2019 for the Group remain within the ranges as previously reported in the SENS announcement on 28 September 2018.

Whilst further asset impairments are not specifically contemplated at this time, Management will continuously assess any assets that may be impaired from the strategic initiatives. Management will continue to be critical of balance sheet values of any non-performing assets that are identified to be sold or abandoned.

In line with the stated strategic initiative to enhance the Group's BBBEE status this rating improved from level 4 to level 3 on 21 December 2018.

This content has not been reviewed or reported on by Novus Holdings' external auditor.

By order of the Board

Cape Town
9 January 2019
Sponsor Investec Bank Limited