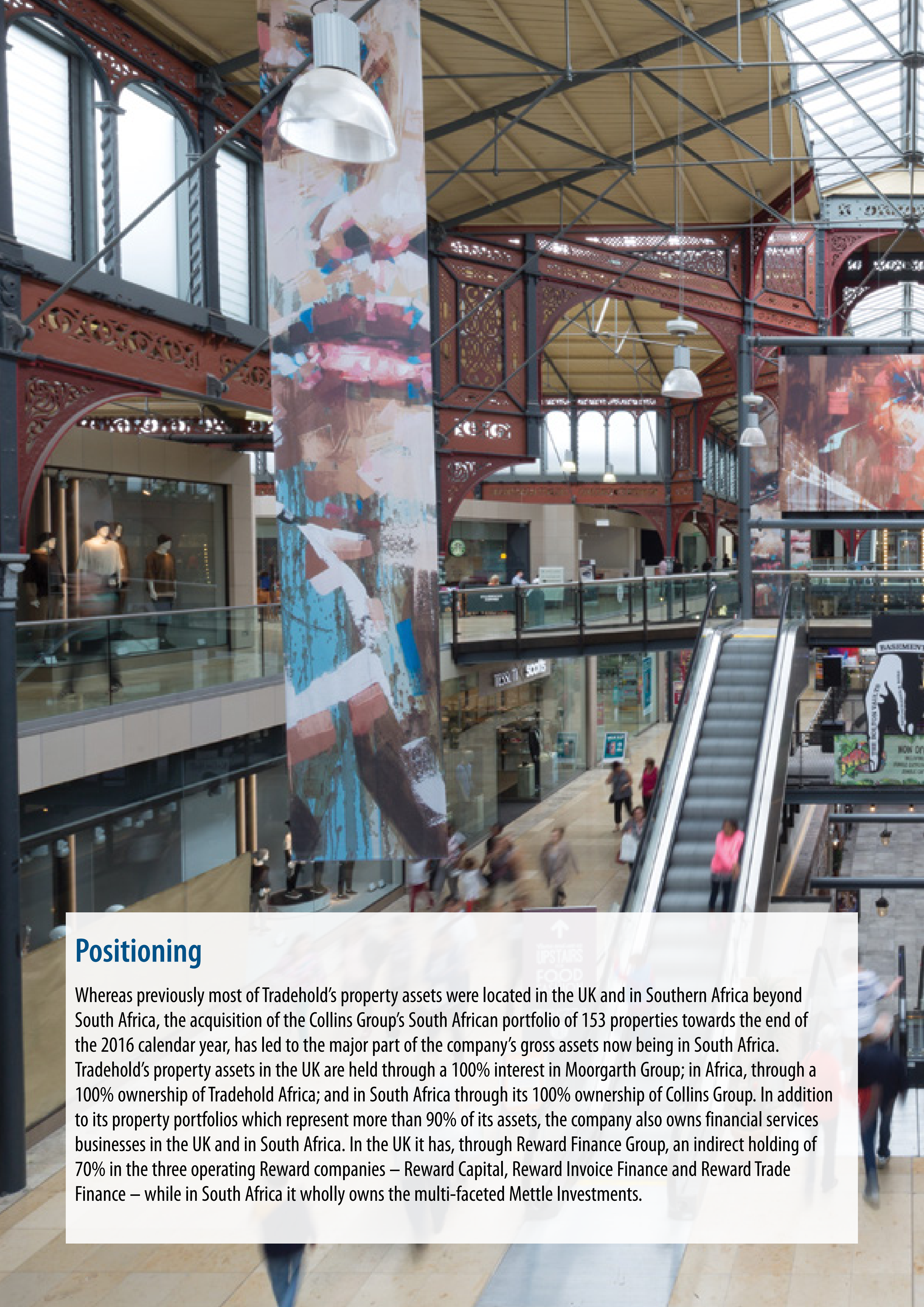
TRADEHOLD LTD

Integrated Report 2018



Positioning

Whereas previously most of Tradehold's property assets were located in the UK and in Southern Africa beyond South Africa, the acquisition of the Collins Group's South African portfolio of 153 properties towards the end of the 2016 calendar year, has led to the major part of the company's gross assets now being in South Africa. Tradehold's property assets in the UK are held through a 100% interest in Moorgarth Group; in Africa, through a 100% ownership of Tradehold Africa; and in South Africa through its 100% ownership of Collins Group. In addition to its property portfolios which represent more than 90% of its assets, the company also owns financial services businesses in the UK and in South Africa. In the UK it has, through Reward Finance Group, an indirect holding of 70% in the three operating Reward companies – Reward Capital, Reward Invoice Finance and Reward Trade Finance – while in South Africa it wholly owns the multi-faceted Mettle Investments.

TRADEHOLD LTD

Contents

BUSINESS OVERVIEW

Market Place Shopping Centre, Bolton, UK

Chairman's statement & review of operations

"The new optimism in the country, supported by predictions of stronger economic growth, also by the World Bank, are expected to generate renewed investor interest in the local property market as demand increases for industrial space in particular."

CH Wiese
Chairman

Stakeholder approach

As our shareholders and stakeholders are the main users of the integrated report, its contents was determined by their needs.

Operating environment

Economic conditions in the UK and South Africa – the main markets in which Tradehold is invested – remain fragile. Although the UK economy has to date outperformed the gloomy forecasts made following the Brexit referendum in 2016, the market is still characterised by uncertainty as negotiations with the EU drag on and companies delay investment until there is greater clarity. The real-estate market in particular has proved very challenging. Although the economy is now growing at a higher than expected 1.7%, the pace is still below that of most of the G20 countries. A weaker currency was expected to produce an export boom but this has not quite materialised. On the positive side unemployment is at its lowest level in almost 40 years, while strong VAT returns confirm a welcome upturn in consumer spending for the final months of the reporting period.

In South Africa, the election of a new political leadership with its promise of significant social and economic changes has altered the general mood in the country for the better. In the first quarter of 2018 consumer confidence rose to its highest level since 1982. Contributing to this positive sentiment has been the decision of the international credit ratings agency Moody's to keep the South African government's debt rating unchanged while revising the outlook from negative to stable. The rand has strengthened amidst signs of greater stability while the government has embarked on an intensive programme to attract international investment. The new optimism in the country, supported by predictions of stronger economic growth, also by the World Bank, are expected to generate renewed investor interest in the local property market as demand increases for industrial space in particular.

Financial results

The strong revenue growth – by 138.6% to £101 million from £42.5 million in the 2017 financial year - was due largely to the integration of the results of Collins Group for the first time with those of Tradehold for the full reporting period. Total assets increased by 7.8% to £1 075 million from £997.6 million. Total profit attributable to shareholders came to £30.8 million (2017: £47.5 million). The decrease is mainly due to the once-off gain on business combination of £21.6 million in the 2017 financial year following the acquisition of Collins Group. Headline earnings per share increased 300% to 9.2 pence from 2.3 pence while tangible net asset value ("TNAV") per share (as defined by management) was 11.2% higher at 144 pence, up from 129.5 pence. The sum-of-the-parts ("SOTP") valuation per share (as defined by management) was 152.9 pence.

The SOTP valuation is calculated as the sum of the TNAV of the property divisions plus the fair value of the serviced office business, The Boutique Workplace Company (90% interest at £12.9 million), based on the latest transaction between third parties (Enterprise value of 6 times forward EBITDA) and the fair value of the financial services unbundling dividend of R604 million (£37 million in total, being 15 pence per share).

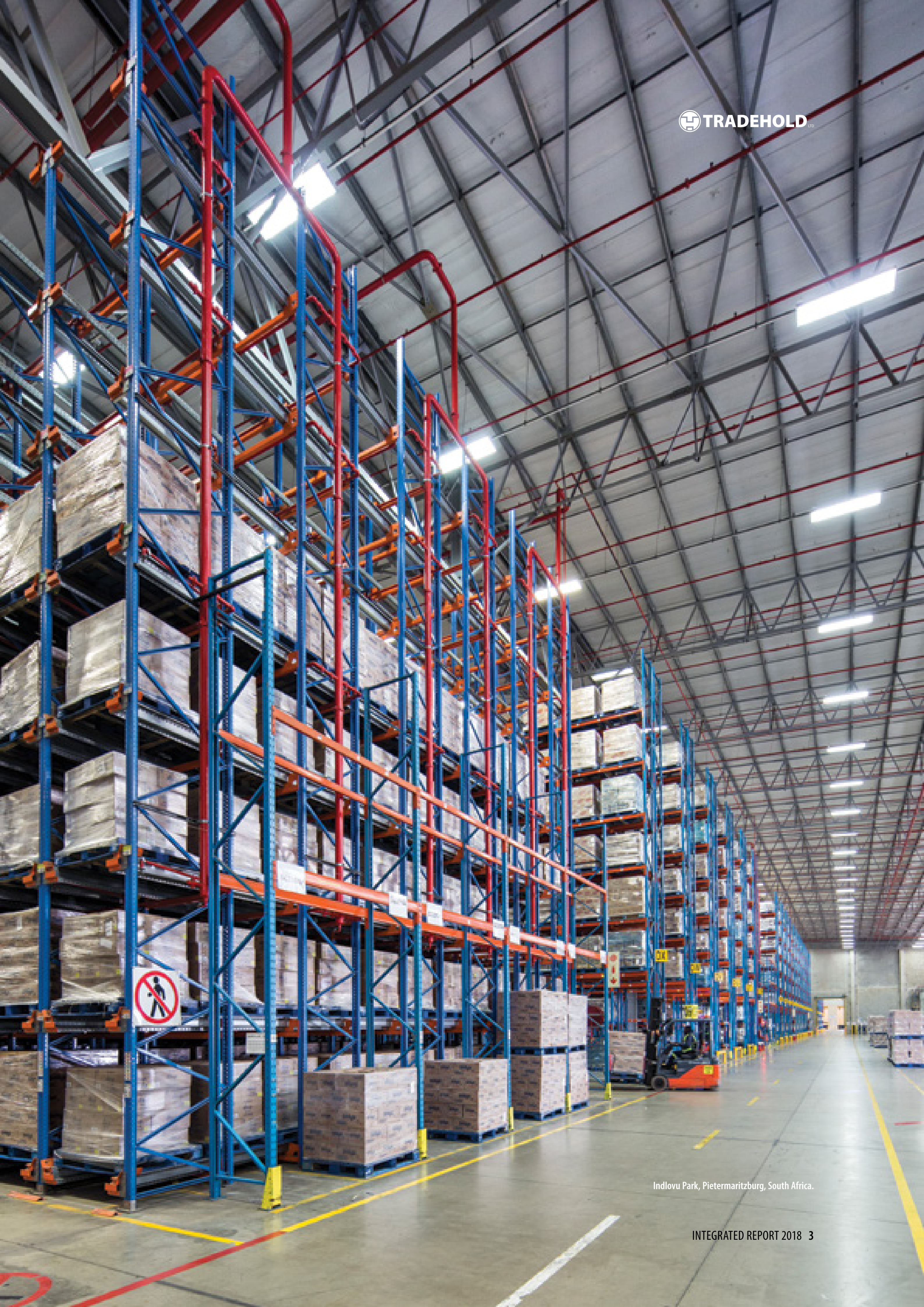
Restructuring

Tradehold is in the final stages of restructuring its business to strengthen the focus on its core property markets in the UK and South Africa. As part of this process, its financial services businesses will be unbundled and listed separately to create two focused businesses each with its own clear identity. Shareholders will receive shares in the new company equal to the number of shares held in Tradehold. Although the financial services assets are at this stage still small, they are considered an effective platform for growth both organically and through acquisitions.

Property

Moorgarth Group

During the twelve-month reporting period Moorgarth grew the value of its portfolio by £32 million to £250 million if its interest in joint ventures is included. Its major acquisitions during the year were Waverley Mall in Edinburgh at a cost of £24.7 million in a joint venture with the long-established South African Moolman Property Group and Connelly Works for £14 million, a Central London office building. It disposed of three non-core properties at prices above book value, as part of its



Indlovu Park, Pietermaritzburg, South Africa.

Chairman's statement & review of operations (continued)

ongoing drive to upgrade its portfolio. During the reporting period it generated revenue of £29 million compared to 2017's £28.8 million which included income of £1.5 million from an hotel investment, a legacy asset disposed of in February 2017. Moorgarth's contribution to total group profits was £8.3 million (2017: £18.1 million). The decrease was due mainly to a prior year £12 million valuation uplift following completion of extensive renovations at the Market Place retail centre in Bolton.

Tradehold's UK business has withstood the highly volatile environment, with management focussing on driving value and income, particularly from the regional shopping centres and office portfolio across the UK. Moorgarth's four major shopping centres – in Bolton in Greater Manchester, in Reading, Edinburgh and Birmingham – are all located in densely populated areas and enjoy high levels of passing trade, as in the case of Waverley Mall located next to Edinburgh's main railway station. To increase operational efficiency and reduce outsourcing costs, Moorgarth is increasingly bringing all business activity in-house. This move has already yielded considerable savings and increased productivity.

During the year Moorgarth continued to expand its offering of serviced office space through its 90% held subsidiary, The Boutique Workplace Company (TBWC), in an increasingly competitive environment. The refurbishment of an office building in Grays Inn Road in London, acquired to provide additional space for TBWC, was completed and fully occupied by year-end. Although turnover grew £2.8 million, results were below forecast, due to a long-term focus on investing in growth, an approach which impacts short-term profitability. Two new centres incurred operating losses of £1 million, thereby reducing EBITDA to £1.8 million (2017: £3.1 million). However, management is confident that TBWC will, in the new financial year, further entrench its leading position in this fast-evolving industry and deliver substantially improved results.

Collins Group

Tradehold's association with Collins Group, a privately-owned Kwa-Zulu/Natal company founded in 1904, dates to 2015. This is when it bought that company's portfolio of properties in the UK and elsewhere in Southern Africa. Towards the end of the 2017 financial year, Tradehold acquired its far larger South African portfolio. The Collins name has been retained for Tradehold's interests in South Africa.

At the end of the period under review the value of the South African portfolio was £535 million (2017: £513 million). It comprises 144 properties with a total gross lettable area (GLA) of 1.6 million square metres. Almost 91% of these are industrial properties, including a number of major state-of-the-art distribution centres and industrial complexes that are let on long-term triple-net leases to tenants such as Unilever, Sasol, Massmart, Nampak and Pep. By February 2018, occupancy of the total portfolio was 98.4% while the weighted average lease expiry profile was 7.7 years.

Management is in the process of rationalising the portfolio by selling off non-core assets to reduce gearing and to enable it to focus on developments that better support the needs of major players in the market.

Currently retail represents about 6% of the portfolio and office space, the remaining 3%. The company is at present developing a number of small convenience shopping centres near major taxi ranks and railway stations with likely anchor tenants such as Shoprite, Spar, Cambridge (Massmart) and Boxer. All these developments are expected to deliver yields above 10.5%. In the light of the positive response from value retailers to these convenience centres, Collins is developing a pipeline of them in seven regions of the country.

In view of the present depressed market conditions, Tradehold has decided not to pursue its previously announced intention of listing its Namibian assets on the Namibian Stock Exchange but to integrate these more closely with its South African operations as they are located within the rand-denominated Common Monetary Area. These assets are now in the care of the highly experienced team of in-house property managers and developers that came with the Collins acquisition. The total Collins portfolio, including Namibia (£41 million), was £576 million at year-end.

Namibia continues to be the main focus of Tradehold's property holdings elsewhere in Africa. One of its major retail developments, the 27 000m^2 Dunes Mall in Walvis Bay in partnership with Atterbury Property Group, was completed during the year at a cost of £29 million. Work in the meanwhile is continuing on the 10 000m^2 shopping mall in Gobabis to be anchored by Shoprite. The completion date has been set for November 2018.

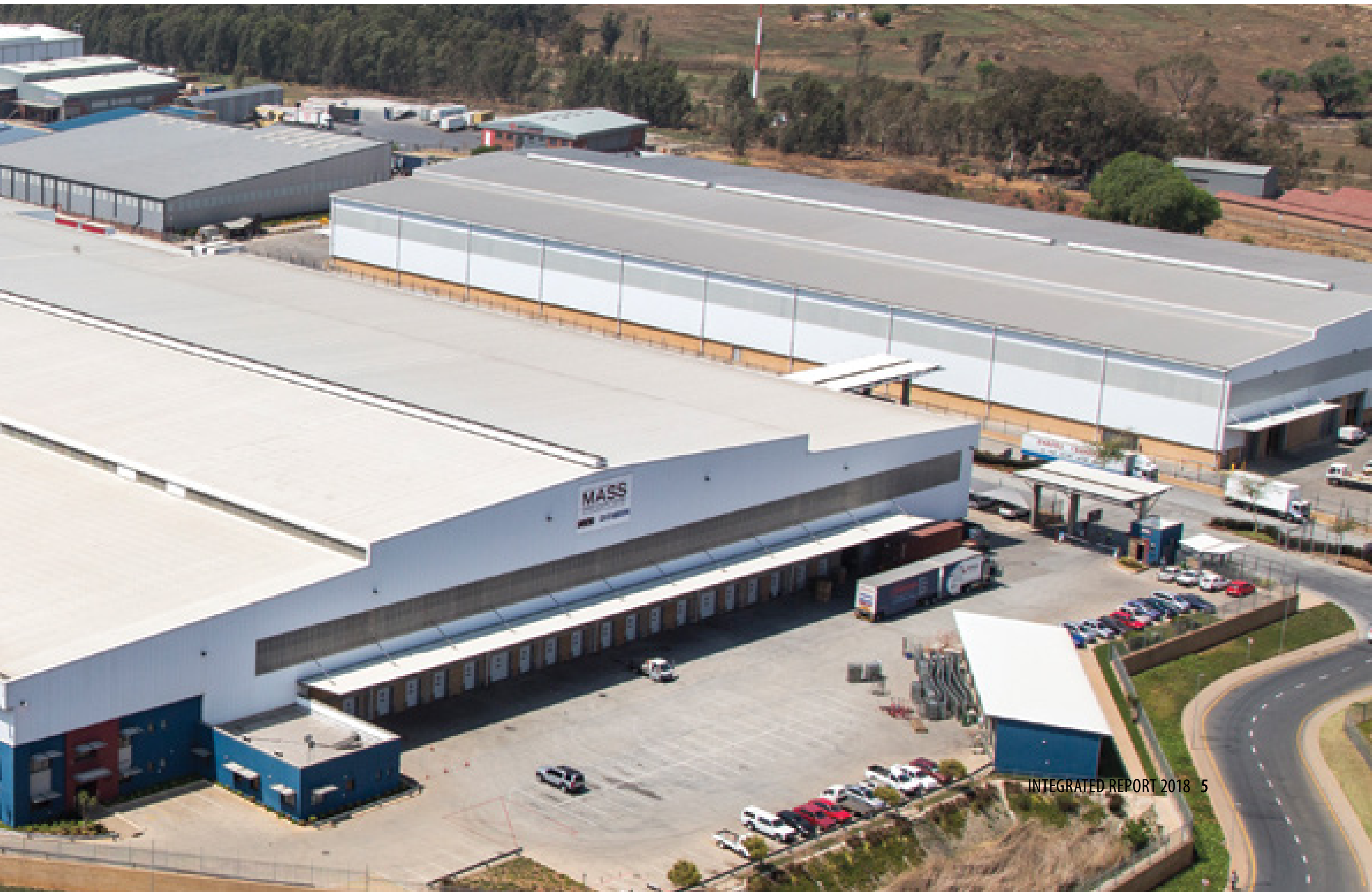
During the twelve months to February 2018, Collins, including Namibia, achieved turnover of £66 million and contributed £15 million to net profit after minorities. Its prior year contribution is not comparable, due to the 2017 financial year including only two months of its results.

Tradehold Africa

The value of Tradehold Africa's portfolio, outside South Africa and Namibia, decreased by £2 million to £74 million, mainly due to the disposal of its Botswana properties during the review period. Revenue grew by 88% to £6.2 million (2017: £3.3 million) and the company contributed £4.3 million to total group profits compared to £3 million in the corresponding period.

Given the complexity of managing a small number of properties across different countries, Tradehold has decided to reduce its exposure to the rest of Africa. With the exception of one, all the assets owned in Botswana have been sold while those in Zambia are on the market. The Cognis corporate residential development in Maputo in Mozambique that is let on a long-term basis to the US Embassy and the oil-exploration company Anadarko, is in the process of being sold.

Mass Discounters, Germiston, South Africa.



Chairman's statement & review of operations (continued)

Financial services

Reward

Reward's business is spread across three operating units: Reward Capital, which focuses on short-term, asset-backed loans to smaller businesses; Reward Invoice Finance, which offers bespoke invoicing-discounting facilities to similar-sized ones; and Reward Trade Finance.

Established in 2011, Reward has been benefiting considerably from the continuing volatility in the UK business environment which has seen banks and other mainstream lenders increasingly loathe to grant loans to especially smaller businesses. Reward addresses this gap in the market. To derive the maximum benefit from these conditions, it has been further building its presence in especially the Manchester market and recruiting additional qualified staff to man its new offices.

During the year Reward secured its first external funding, a £40 million loan note facility from the London-based Foresight Fund. Access to this funding, together with favourable market conditions, enabled Reward to report another profitable year. Its total loan book grew 28% from £41 million to £52.5 million while turnover increased 17.3% to £8.8 million and its contribution to group profits by 10.5% to £2.1 million.

Mettle

The various divisions of Cape-based Mettle Investments produced a strong combined performance during the year, generating a net after-tax contribution to the group of £990 000 (2017: £777 000), an increase of 27%. The company continues to grow organically and through acquisitions in the financial services industry. Mettle Solar, the company's venture into solar power solutions in Africa, commissioned five new roof-top projects during the year.

Outlook

The year ahead will be another challenging one. In the UK, there is still no clarity as to how and on what basis the country will divorce itself from its European partners. Until that happens, the volatility in the British economy is bound to continue. At the same time, change generates new opportunities and Moorgarth's management has a track record for resourcefulness and drive in capitalising on such opportunities. Its move into serviced office space is a cogent example.

The problems facing South Africa are severe and resolving them over time will require enormous effort and sacrifice. However, there is viable hope of growth in many areas. We expect the present high consumer confidence to lead to increased spending, spawning greater demand for industrial space. This could in turn generate renewed investor interest in the local property market away from rand-hedge companies invested in Central and Eastern Europe.

Fibres Road 300 (Pepkor), KwaZulu-Natal, South Africa.

Management's focus in the new financial year will be on unlocking the full potential of our various businesses, as we continue to add value to the assets we acquire. The process of separating our property interests from our financial services businesses in South Africa and the UK is almost complete. Much attention will be paid to bedding down the new company, to be listed on the JSE under the name Mettle Investments. Financial services represent only about 7% of total assets so a priority will be to bulk up the new company through both organic growth and meaningful acquisitions while establishing clear separate identities for the two businesses in investors' minds.

Sustainability context

Tradehold's strength is built on achieving economic sustainability in adverse market conditions. In the short term, the board of directors will continue to focus on measures needed to keep the Group profitable despite the many challenges confronting it in the various markets in which it operates. Tradehold's management approach to its subsidiaries is to be actively involved in day-to-day operations and to maintain open and ongoing communication with subsidiaries' executive and management teams. This approach affords the executive charged with oversight responsibility the insight and influence into all major decisions necessary for ongoing risk management and to ensure that we meet our short-term objectives.

Acknowledgments

The challenging business environment, coupled with the demands made by the restructuring of our operations in recent months, have placed a heavy load on both management and staff. However, thanks to their sterling efforts, Tradehold is now excellently positioned for strong, sustained growth in the new financial year and beyond. On behalf of the board I want to congratulate and thank all of them for their dedication and hard work.

At the end of the financial Mr JM (Martin) Wragge resigned as a member of the board. His extensive knowledge of property development in particular has been of enormous value to the Tradehold board in strategising the future of the company. He will in the minds of many always be remembered for his visionary development of Century City outside Cape Town. We were privileged having him as a member of our board and we want to extend our heartfelt thanks to him for his contribution. At the same time I am delighted to welcome Dr LL (Lawrence) Porter to the board. Dr Porter (66), a management and IT specialist who holds a doctorate from the University of Oxford, retired from a senior position at IBM in the UK in 2002.

CH Wiese
Chairman

22 May 2018

Corporate governance

Tradehold Limited is an investment holding company. At year-end, its principal business consisted of:

- A 100% interest in the property-owning business and 90% in the serviced office business of the Moorgarth group of companies
- A 100% stake in the property-owning Collins Property Group of companies based in South Africa
- A 100% stake in property-owning and property development Nguni Property Fund group of companies, based in Namibia.
- A 100% stake in property-owning and property development Tradehold Africa group of companies, based in Mauritius
- A 70% interest in asset-backed, short-term lender Reward, based in the United Kingdom and
- A 100% holding in financial services business Mettle based in South Africa

It conducts treasury activity through its wholly-owned finance company, Tradegro S.á r.l . Transactions within the Moorgarth group deal mainly with the acquisition, development, refurbishment, letting, and sale of property assets, and a serviced office business. Transactions within the Collins group deal mainly with the letting, acquisition, development, and sale of property assets. At year-end the Collins Group owned and managed 144 commercial properties, and the Moorgarth Group owned and managed 28 commercial properties.

Tradehold Limited is committed to upholding good ethical standards and the application of corporate governance principles. During the year, Tradehold reviewed the principles contained in the King IV Report on Governance ("King IV") and assessed their relevance and applicability to the group. In compliance with the regulations of the JSE, a complete list of the King IV principles and the company's compliance therewith appears on the company's website – www.tradehold.co.za .

Board and board committees

The board takes overall responsibility for managing the group. The board is responsible for the long-term success of the group, develops strategy, determines the nature and extent of significant risks, and approves major transactions.

It has established the following board committees, which report on their activities to the board: audit committee, remuneration committee and social & ethics committee.

It has established the following management committee, which reports on its activities to the board: investment committee.

The board comprises the following nine members:

- Non-executive chairman – leads the board and ensures it operates effectively, and maintains a culture of openness and debate and effective communication with stakeholder.
- Three independent non-executive directors – provide an independent, external perspective, work with and challenge the executive directors, contribute with a broad range of experience and expertise. Mr. Herman Troskie has been appointed the lead independent director.
- A non-executive director – works with and challenges the executive directors, contributes with a broad range of experience and expertise.
- Four executive directors – responsible for the day-to-day management of the group and implementation of strategy. Two of the executive directors jointly act as chief executive officer with overall responsibility, and specific areas are delegated to the remaining executives (finance and operations).

The composition of the board is reviewed on a regular and ongoing basis.

The process for appointing new directors is performed by the board as a whole and new directors are obliged to retire and offer themselves for re-election at the first annual general meeting following their appointment.

All directors are subject to the retirement and re-election provisions of the memorandum of incorporation, which require one-third of the non-executive directors to retire and, if they so wish, offer themselves for re-election at each annual general meeting. Due to the nature of the business, induction as well as ongoing training and development programmes are not driven through formal processes.

The board meets at least twice a year and more often when required. The directors ensure that they allocate sufficient time to discharge their duties effectively. For details on board meetings and attendance, refer to the table below:

The composition of the board, outlined above and below, reflects the attendance of board and committee meetings for the financial year.

Composition of the board and attendance of meetings for the financial year.

Board of directors	Qualification	Date of appointment	Age	Executive/ independent non-executive	Meetings attended (out of 4)	Other significant directorships
Dr CH Wiese	BA, LLB, D Com (HC)	29 September 2000	76	Non-executive	3	Chairman of Shoprite Holdings Limited and Invicta Holdings Limited, director of Brait SE and various other companies.
Mr HRW Troskie	B Juris, LLB, LLM	27 April 2006	48	Independent non-executive #	4	Brait SE and Ardagh Group S.A.
Mr MJ Roberts	BA, SEDP	28 February 2012	71	Independent non-executive	2	
Mr JM Wragge		27 May 2014 Resigned 1 March 2018	70	Independent non-executive	3	Gritprop Investments (Pty) Ltd, Mountain Mill Shopping Centre (Pty) Ltd and various other companies.
Mr KR Collins		17 February 2017	46	Non-executive	4	Texton Property Fund Limited, Collins Property Group and various other companies.
Dr LL Porter	BA, BSc, DPhil, FBCS, CITP	2 May 2018	66	Non-executive	—	Brait SE
Ms KL Nordier	BAcc, BCompt Hons, CA(SA)	27 May 2014	51	Executive	4	
Mr TA Vaughan	BSc (Hons) MRICS	10 November 2010	52	Executive	4	Managing director of Moorgarth Group.
Mr FH Esterhuyse	BAcc Hons, MCom(Tax), CA(SA)	27 May 2014	48	Executive	4	Managing director of Mettle Group.
Mr DA Harrop	BA Hons, ACA	27 May 2014	48	Executive	4	Financial director of Moorgarth Group.

[#] The independence of directors is assessed on an annual basis and the board is confident that the independence of Mr Troskie has not been impaired by his length of service.

The board is satisfied that it has effectively discharged its statutory duties and oversight role and wishes to report that:

- it has and continues to maintain an approvals framework that allows it appropriate insight into and influence over significant business transactions within the group;
- the current compliance strategy followed is appropriate for the structure of the group and the board is not aware of any instances of non-compliance to applicable laws and regulations:; and
- the IT infrastructure and strategy is appropriate for the structure of the group.

It is the board's view that its performance and that of its members are directly correlated to the success of the group. The performance evaluation of the board, its committees and all directors are reflected upon during the annual review of the group's performance.

The board is satisfied that the company secretary has the correct qualifications and experience, and is competent for this role. The board can also confirm the relationship between the company secretary and the board is at arms-length.

Audit committee report

The audit committee has submitted the following, as required by section 94 of the Companies Act, Act 71 of 2008, as amended.

1. Functions of the audit committee

The audit committee has adopted a formal terms of reference, delegated to it by the board. The audit committee wishes to report that it has:

1.1. monitored the integrity of the financial statements and formal announcements relating to financial performance and considered significant financial reporting issues, judgements and estimates. This included reviews of the interim and preliminary results and the year-end annual financial statements, as well as the content of the integrated report and also an assessment of the quality, consistency and integrity of the group's financial reporting, including assessing whether the annual Integrated Report is fair, balanced and understandable, culminating in a recommendation to the board to adopt it;
1.2. held regular meetings with executive management to understand key issues;
1.3. considered and reviewed the investment property valuation process and the business combination financial reporting;
1.4. reviewed the external auditor audit plan and reports on the annual financial statements;
1.5. held meetings with external audit partner and manger without management present;
1.6. reviewed the system of internal controls and risk management by review of the risk management and internal control reports presented to it and through discussions held with executive management, to ensure that the group is identifying, considering and mitigating, as far as possible, the risks for the group;
1.7. reviewed the King IV Report on Corporate Governance and considered its recommendations and applicability to the group;
1.8. reviewed the tax structure and tax risk of the group;
1.9. responded and satisfactorily resolved the JSE's queries arising from the JSE pro-active monitoring of the group's 2017 Integrated Report;
1.10. considered the JSE's pro-active monitoring report for 2017 and its applicability to the group's reporting;
1.11. verified the independence of the external auditors, nominated PricewaterhouseCoopers Inc. as the auditors for 2018 and noted the appointment of Mr Anton Wentzel as the designated auditor;
1.12. approved the audit fees and engagement terms of the external auditors; and
1.13. determined the nature and extent of allowable non-audit services and approved the contract terms for the provision of non-audit services by the external auditors.

2. Members of the audit committee and attendance at meetings

The audit committee aims to fulfil the roles and responsibilities as required by the Companies Act and King IV. The audit committee consists of three members.

The audit committee meets at least twice a year as per the audit committee charter, details of meetings held during the year are listed below. All members act independently as described in section 94 of the Companies Act, Act 71 of 2008, as amended.

Audit committee	Qualification	Date of appointment	Age	Executive/ independent non-executive	Meetings attended (out of 2)
Mr HRW Troskie	B Juris, LLB, LLM	15 February 2008	48	Independent non-executive	2
Mr MJ Roberts	BA, SEDP	28 February 2012	71	Independent non-Executive	2
Mr JM Wragge		27 May 2014 Resigned 1 March 2018	70	Independent non-Executive	2
Dr LL Porter	BA, BSc, DPhil, FBCS, CITP	2 May 2018	66	Independent non-Executive	—

The external auditors, in their capacity as auditors to the group, attended and reported to all meetings of the audit committee. Members of the executive management also attended the audit committee meetings by invitation.

3. Independence of external auditors

The audit committee reviewed a representation by the external auditors and, after conducting its own review, confirmed the independence of the auditors.

4. Expertise and experience of financial resources

The audit committee has satisfied itself that the financial director has appropriate expertise and experience. The audit committee has considered, and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the finance function.

5. Statement on effectiveness of internal financial controls

The audit committee reviewed the financial reports submitted for the group and through discussion with management and the external auditors herewith reports that internal financial controls were adequate and operated effectively for the financial year ended 28 February 2018.

The audit committee is satisfied that controls over the accuracy and consistency of the information presented in the Integrated Report are robust and that the Integrated Report presents a fair, balanced and understandable overview of the business of the group, and provides stakeholders with the necessary information to assess the group's position, business model and strategy. It recommends the adoption of the Integrated Report to the Board.

Remuneration committee

The remuneration committee is a sub-committee of the board and consists of three members. Its main functions are:

- setting the remuneration policy for executive directors;
- to determine the total individual remuneration package of the executive directors;
- to monitor performance against conditions attached to annual and long-term incentive awards to executive directors;

Corporate governance (continued)

- approving the selection, appointment and terms of reference of any independent remuneration consultants; and
- recommendations to the board regarding the fees to be paid to non-executive directors and the chairman.

Details of meetings held during the year are listed below.

Remuneration committee	Qualification	Date of appointment	Age	Executive/independent non-executive	Meetings attended (out of 1)
Mr HRW Troskie	B Juris, LLB, LLM	25 October 2012	48	Independent non-executive	1
Mr MJ Roberts	BA, SEDP	27 May 2014	71	Independent non-executive	1
Mr KR Collins		23 May 2017	46	Non-executive	1

Certain executive members of management attended the remuneration committee meeting by invitation.

The remuneration policy is to compensate employees on a basis comparable with similar organisations, taking into consideration performance as an important factor in determining the remuneration of executive directors.

The performance measures that determine the levels of variable pay for executive directors are fully aligned with the group's business strategy and the long term interests of shareholders and other stakeholders. These measures are linked to consistent growth in shareholder value. This means that in any year that the group delivers weaker growth, variable pay is lower, and if it delivers stronger performance, variable pay is higher.

Non-executive directors' fees are based on their relative contributions to the activities of the board.

Details of the remuneration and participation of directors in share incentive schemes appear elsewhere in this report.

Social and ethics committee

The social and ethics committee is a sub-committee of the board and consists of three members. The committee functions in accordance with a formal mandate adopted by the board. The main task of the committee is to monitor any issues concerning the social and ethical behaviour of the company as required in section 72(4) of the Companies Act no. 71 of 2008 read with Regulation 43 of the Companies Regulations, 2011.

The social and ethics committee wishes to report that it has reviewed the reports presented to it on the code of conduct and policies for anti-fraud, anti-bribery and corruption, anti-money laundering, gifts and conflicts of interest, and through discussions held with executive management, is satisfied that the group has adequate procedures in place to detect unethical behaviour.

The membership and members attendance of the committee is set out below.

Social and ethics committee	Qualification	Date of appointment	Age	Executive/independent non-executive	Meetings attended (out of 2)
Mr HRW Troskie	B Juris, LLB, LLM	28 May 2012	47	Independent non-executive	2
Mr. MJ Roberts	BA, SEDP	28 May 2012	70	Independent non-executive	2
Ms KL Nordier	BAcc, BCompt Hons, CA(SA)	22 May 2017	51	Executive	2

Risk management and internal control

The board is satisfied that the executive directors' intimate involvement in the operations of the group, as well as the robust management structure of its United Kingdom and South African operations is sufficient to provide it with appropriate and relevant information on risk management activities performed, risks identified and action plans in place to mitigate material risks as well as on internal control measures in place.

The United Kingdom and South Africa business components are each headed by an experienced qualified chief executive, assisted by an experienced and qualified finance director. These executives are responsible for the implementation of internal control, risk management and financial reporting policies, procedures and monitoring in accordance with the group corporate governance framework set by the board.

Detailed reports on risk management and internal controls are submitted to the audit committee, and key considerations are elevated to the board as and when appropriate.

The board applies the following principal elements of internal control:

- an annual budgeting process, integrating both financial budgets and cash flow forecasts, together with the identification of risks inherent in each area of operation, which are subject to board approval;
- monthly preparation of individual component and consolidated management accounts, and comparison of actual results with budgets and forecasts, together with the preparation of revised forecasts whenever deemed necessary, for review and consideration by the board;
- confirmation to the board of any changes in business, operational and financial risk in each area of the business;
- clearly defined authorisation procedures for capital expenditure and major transactions established by the board, and
- limited authority levels designated to subsidiary board directors and senior management.

The nature of the business, and the nature and limited number of transactions do not warrant the establishment of an internal audit function.

Integrity and ethics

Tradehold Limited at all times endeavours to maintain the highest standard of integrity in dealing with its clients, staff, the authorities, shareholders, suppliers and the investor community and, in doing so, to ensure the largest measure of credibility, trust and stability. Structures and procedures are in place for the reporting of unethical behaviour. The chief executive of each component is responsible for ethical behaviour within his organisation, and provides reports to the audit committee and social and ethics committee on the policies and procedures in place to monitor integrity and ethics. The board is of the opinion that a high level of standards was being maintained by the group and it is not aware of any instances of unethical behaviour during the year ended 28 February 2018.

Gender and race diversity

Tradehold Limited supports the principles and aims of gender and race diversity at board level, and has adopted a gender and race diversity policy. Should a vacancy on the board arise, or should there be a requirement for an additional board appointment, consideration will be given to the appointment of female and racially diverse director(s) so as to attain and maintain the voluntary target level of gender and race diversity.

TRADEHOLD LIMITED
(Registration number: 1970/009054/06)
Incorporated in the Republic of South Africa
JSE Ordinary Share code: TDH ISIN: ZAE000152658
JSE B Preference Share code: TDHBP ISIN: ZAE000253050
("Tradehold" or "the Group")

Notice to shareholders

Tradehold Limited and its subsidiaries

Notice is hereby given that the annual general meeting ("AGM") of the shareholders of Tradehold will be held in the boardroom, located on the 3rd floor of the Pepkor Building at 36 Stellenberg Road, Parow Industria, at 10am on Tuesday, 28 August 2018.

The purpose of the AGM is to consider and pass the ordinary and special resolutions set out in this notice, with or without modification:

Attendance and voting

In terms of section 59(1)(a) and (b) of the Companies Act, 71 of 2008, as amended ("the Act), the board of directors ("the Board") has set the record date for the purpose of determining which shareholders are entitled to:

- receive notice of the AGM, i.e. the Notice Record Date (being the date on which a shareholder must be registered in the company's share register in order to receive notice of the AGM as Friday, 16 May 2018; and
- participate in and vote at the AGM, i.e. the Meeting Record Date (being the date on which a shareholder must be registered in the company's share register in order to participate in and vote at the AGM) as Friday, 17 August 2018.

Accordingly, the last day to trade in the company's shares to be recorded in the share register on the voting record date is Tuesday, 14 August 2018.

Please note that all participants at the AGM will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Ordinary Resolution Number 1

That the annual financial statements for the year ended 28 February 2018, including the auditor's report, be adopted.

Additional information

The complete electronic copy of the audited Annual Financial Statements, including the Directors' Report, Auditor's Report and the Report by the Chairman is available online at: www.tradehold.co.za.

Voting requirement

Ordinary Resolution Number 1 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 2

That PricewaterhouseCoopers Inc, as nominated by the company's audit committee, be re-appointed as independent auditors of the company to hold office until the conclusion of the next AGM of the company. It is to be noted that Mr A Wentzel is the individual and designated auditor who will undertake the company's audit for the financial year ending 28 February 2018.

Voting requirement

Ordinary Resolution Number 2 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 3

That Mr HRW Troskie who retires as director in terms of the Memorandum of Incorporation ("MOI") of the company and, being eligible, offers himself for re-election to the Board, be re-appointed. Mr HRW Troskie is 48 years of age and has the qualification B.Juris, LLB, LLM.

Voting requirement

Ordinary Resolution Number 3 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 4

That, Dr LL Porter, who was appointed as director to fill the vacancy arising from the resignation of Mr M Wragge with effect from 1 March 2018, who retires in terms of the MOI and the Act, and being eligible, offers himself for re-election to the Board, be re-appointed as director of the company. Dr Porter is 67 years of age.

Voting requirement

Ordinary Resolution Number 4 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 5

That, subject to the provisions of the Act and in accordance with the JSE Limited ("JSE") Listings Requirements ("Listings Requirements"), the Board is hereby authorised to issue ordinary shares ("Ordinary Shares") of no par value for cash, as and when suitable situations arise, subject to the following conditions:

- that this authority is valid until the company's next AGM, provided it shall not extend beyond 15 months from the date that this authority is given;
- that the equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- that a paid press announcement giving full details, including the impact on net asset value and earnings per share and other applicable Listings Requirements, will be published at the time of any issue representing, on a cumulative basis within a financial year, 5% or more of the number of Ordinary Shares in issue prior to the issue in question;
- that securities which are the subject of the issue for cash may not exceed 15% of the company's listed equity securities as at the date of this notice of AGM (this number of shares being 37 076 156);

that in determining the price at which an issue of Ordinary Shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price as determined over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities; and

that any such issue will only be made to public shareholders as defined by the Listings Requirements and not to related parties.

Reason and effect

The reason and effect of this resolution is to empower the Board to issue shares for cash or for acquisitions within the limits imposed by the above terms.

Voting requirement

In terms of the Listing Requirements, Ordinary Resolution Number 5 will require the support of more than 75% (seventy five percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Notice to shareholders (continued)

Tradehold Limited and its subsidiaries

Ordinary Resolution Number 6

Resolved that in accordance with the MOI, the authorised but unissued Ordinary Shares and Unspecified Preference Shares (as defined below) in the capital of the company be and are hereby placed under the control of the Board, who shall be authorised to issue such unissued Ordinary Shares and Unspecified Preference Shares on such terms and conditions as they may in their discretion deem fit, but subject to the Act, the MOI, the Listings Requirements, in the case of Ordinary Shares, the conditions in Ordinary Resolution Number 6, and, in the case only of:

- 10 000 000 redeemable class C preference shares of no par value having the rights, privileges, restrictions and conditions as determined by the Directors upon issue thereof ("Unspecified C Preference Shares");
- 10 000 000 redeemable class D preference shares of no par value having the rights, privileges, restrictions and conditions as determined by the Directors upon issue thereof ("Unspecified D Preference Shares");
- 10 000 000 redeemable class E preference shares of no par value having the rights, privileges, restrictions and conditions as determined by the Directors upon issue thereof ("Unspecified E Preference Shares"),

(the Unspecified C Preference Shares, Unspecified D Preference Shares and the Unspecified E Preference Shares, collectively, the "Unspecified Preference Shares") subject to the following additional limitations:

- the authority will be valid from the date of the AGM until the next annual general meeting of the company;
- the maximum amount to be raised by the issue of Unspecified Preference Shares is R3 000 000 000,
- the Unspecified Preference Shares may only be issued if the Board is of the opinion, having taken into account prevailing conditions in the South African market for redeemable preference shares, that the commercial and technical terms and features of the shares are in all material respects arms' length and in line with current market norms (which for clarity will include, without limitation, that the shares will bear a market-related coupon, that they will have a fixed date of maturity, that they will rank in priority to the Ordinary Shares and the non-convertible, non-participating, non-transferable, redeemable preference shares ("N Preference Shares") in the share capital of the company having the preferences, rights, limitations and other terms contemplated in clause 9 of this MOI in respect of distributions and on a winding up, and that they will have voting rights only in limited circumstances);
- if any Unspecified Preference Shares are issued to a related party (as defined in paragraph 10.1 of the Listings Requirements), the issue to such related party shall be subject to a fairness opinion from an independent expert acceptable to the JSE stating that the issue is fair insofar as the shareholders are concerned; and
- the Unspecified Preference Shares will be non-participating redeemable preference shares, i.e. the rate of dividends and returns payable in respect of the Unspecified Preference Shares will not be a function of the profitability of the company,
- there being no further limitations on the Board's authority (including on the price at which the Unspecified Preference Shares may be issued).

Reason and effect

The reason and effect of this resolution is to place the unissued shares under the control of the Board subject to certain restrictions.

Voting requirement

Ordinary Resolution Number 6 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 7

That the following independent directors of the company be elected as members of the audit committee of the company, as a single resolution, until the conclusion of the next AGM of the company:
H R W Troskie
M J Roberts
L L Porter

Reason and effect

The reason and effect of this resolution is to appoint the company's audit committee, which will be valid until the next AGM.

Voting requirement

Ordinary Resolution Number 7 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 8

That the following directors of the company be elected as members of the social and ethics committee of the company, as a single resolution, until the conclusion of the next AGM of the company:
H R W Troskie
M J Roberts
K L Nordier

Reason and effect

The reason and effect of this resolution is to appoint the company's social and ethics committee, which will be valid until the next AGM.

Voting requirement

Ordinary Resolution Number 8 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 9

That the following independent directors of the company be elected as members of the remuneration committee of the company, as a single resolution, until the conclusion of the next AGM of the company:
H R W Troskie
M J Roberts
K R Collins

Reason and effect

The reason and effect of this resolution is to appoint the company's remuneration committee, which will be valid until the next AGM.

Voting requirement

Ordinary Resolution Number 9 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 10

Resolved as a non-binding advisory vote that the remuneration policy of the company, as set out on page 9 of the annual report of which this notice forms part ("the annual report"), be and is hereby endorsed through a non-binding advisory vote as recommended in terms of the King Code IV report on Corporate Governance for South Africa 2016.

TRADEHOLD LTD

Reason for and effect of non-binding advisory vote
In terms of principle 2.27 of the King Code of Governance for South Africa 2009, the company's remuneration policy should be tabled to the shareholders for a non-binding advisory vote at the AGM. Accordingly, the shareholders are requested to endorse the company's remuneration policy by way of a non-binding advisory vote in the same manner as an ordinary resolution.

Voting requirement
The non-binding advisory vote will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 11

Resolved that the shareholders of Tradehold hereby approve and ratify the issue of 1 134 790 B Unspecified Shares (which were determined by the Board to be "B" Preference Shares) at a price of R1 000 per "B" Preference Share pursuant to the Tradehold Limited ZAR1 250 000 000 Domestic Preference Share Programme (the "Programme") which Tradehold undertook during December 2017.

Reason and effect
The reason for Ordinary Resolution Number 11 is to ratify the issue of "B" Preference Shares pursuant to the Programme. Notwithstanding that the authorised but unissued shares of Tradehold were under the control of the Board at the time of the Programme, Tradehold at the time undertook to the JSE to obtain ratification approval from the shareholders of Tradehold for the Programme at its next annual general meeting.

Voting requirement
Ordinary Resolution Number 11 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Special Resolution Number 1

Resolved as a Special Resolution that the directors' remuneration to be paid by the company for services rendered during the reporting period be confirmed to be as follows:

CH Wiese:	EUR 50 000
H R W Troskie:	EUR 25 594
M J Roberts:	EUR 4 602

Reason and effect
In terms of section 66(8) and (9) of the Act, non-executive directors' fees for their services to the company, must be approved by way of a special resolution passed by shareholders of the company within the previous two years. Accordingly, the reason for and effect of Special Resolution Number 1 is to approve the payment of and the basis for calculating the remuneration payable by the Company to its non-executive directors for the period ending 28 February 2018. .

Voting requirement
Special Resolution Number 1 will require the support of more than 75% (seventy five percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Special Resolution Number 2

Resolved as a Special Resolution that the company be and is hereby authorised, in terms of section 45(3)(ii) of the Act and the MOI of the company, to, on the instructions of its Board, provide direct or indirect financial assistance to a director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related company or corporation, or to a person related to any such company, corporation, director, prescribed officer or member.

The Board considers that such a general authority should be put in place in order to assist the company inter alia to make loans to persons, including subsidiaries as well as to grant letters of support and guarantees in appropriate circumstances. The existence of a general authority would void the need to refer each instance to shareholders for approval. This general authority would be valid up to and including the 2018 AGM of the company.

Section 45 Board resolution will be subject to and effective to the extent that Special Resolution Number 2 is adopted by shareholders and the provision of any such direct or indirect financial assistance by the company, pursuant to such resolution, will always be subject to the Board being satisfied that immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(ii) of the Act.

Additional information
If the Board provides the aforesaid financial assistance the company will, in compliance with section 45(5) of the Act, provide written notice to all shareholders and to any trade union representing its employees, within 10 business days after the Board adopts the resolution, if the total value of all loans, debts, obligations or assistance contemplated in this resolution, together with any previous such resolution during the financial year, exceeds one-tenth of 1% of the company's net worth at the time of the resolution; or within 30 business days after the end of the financial year, in any other case.

Reason and effect
The reason and effect of the Special Resolution Number 2 is to grant the Board the general authority to provide direct or indirect financial assistance to a director or prescribed officer of the company or to a related or inter-related company or members or persons related to such company, director, prescribed officer or corporation.

Voting requirement
Special Resolution Number 2 will require the support of more than 75% (seventy five percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Special Resolution Number 3

Resolved as a Special Resolution that the company be and is hereby authorised, in terms of section 44(3)(ii) of the Act and the MOI of the company, to, on the instructions of its Board, provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise to any person for the purpose of or in connection with the subscription of any options or securities, issued or to be issued by the company or a related or inter-related company or for the purchase of any securities of the company or a related or inter-related company.

The Board considers that such a general authority should be put in place in order to assist the company inter alia to make loans to persons, including subsidiaries as well as to grant letters of support and guarantees in appropriate circumstances, for the purpose of the subscription or purchase of shares in the capital of the company. The existence of a general authority would avoid the need to refer each instance to shareholders for approval. This general authority would be valid up to and including the 2018 AGM of the company.

The section 44 Board resolution will be subject to and effective to the extent that special resolution number 3 is adopted by shareholders and the provision of any such

Notice to shareholders (continued)

Tradehold Limited and its subsidiaries

direct or indirect financial assistance by the company, pursuant to such resolution, will always be subject to the Board being satisfied that immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test as referred to in section 44(3)(b)(ii) of the Act; and that terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

The effect of the Special Resolution and the reason there for is to grant the Board the general authority to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company or for the purchase of any securities of the company a related or inter-related company.

Voting requirement

Special Resolution Number 3 will require the support of more than 75% (seventy five percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Special Resolution Number 4

Resolved as a special resolution that the mandate given to the company (or one of its wholly-owned subsidiaries) providing authorisation, by way of a general authority contemplated in sections 46 and 48 of the Act, read with sections 114 and 115, to acquire the company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the provisions of the Act and the Listings Requirements, be extended, subject to the following terms and conditions:

- authorisation be given by the company's MOI;
- any repurchase of securities must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counter-party;
- this general authority will be valid until the company's next AGM, provided that it shall not extend beyond fifteen months from date of passing of this special resolution;
- a paid press announcement will be published as soon as the company has cumulatively repurchased 3% of the initial number (i.e. the number of that class of share in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter, containing full details of such repurchases in compliance with the Listings Requirements;
- repurchases by the company in aggregate in any one financial year may not exceed 20% of the company's issued share capital as at the date of passing of this special resolution or 10% of the company's issued share capital in the case of an acquisition of shares in the company by a subsidiary of the company;
- repurchases may not be made at a price greater than 10% above the weighted average of the market value of the securities for the five business days immediately preceding the date on which the transaction is effected;
- repurchases may not be undertaken by the company (or one of its wholly-owned subsidiaries) during a prohibited period; unless the company has a share repurchase programme in place, the dates and quantities of shares to be traded during the relevant period are fixed and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company must instruct an independent third party, which makes its investment decisions in relation to the issuer's securities independently of, and uninfluenced by, the issuer, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE; and
- at any point in time, the company may only appoint one agent to effect any repurchase.

The Board intends either to hold the shares purchased in terms of this authority as treasury shares or to cancel such shares, whichever may be appropriate at the time of the repurchase of shares.

The Board is of the opinion that, after considering the effect of the maximum repurchase permitted and for a period of 12 months after the date of this notice of AGM:

- the company and the group will be able, in the ordinary course of business, to pay its debts as they become due;
- the assets of the company and the group will be in excess of the liabilities of the company and the group, the assets and liabilities being recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements;
- the working capital of the company and the group will be adequate for ordinary business purposes;
- the share capital and reserves are adequate for the ordinary business purposes of the company and the group; and
- a resolution by the board of directors that it has authorised the repurchase, that the company and its subsidiary/ies have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the company.

Reason and effect:

The effect of Special Resolution Number 4 and the reason therefore is to extend the general authority given to the directors in terms of the Act and the Listings Requirements for the acquisition by the company (or one of its wholly-owned subsidiaries) of its own securities, which authority shall be used at the directors' discretion during the course of the period so authorised.

Additional Information

In terms of the Listings Requirements, the following disclosures are required with reference to the general authority to repurchase the company's shares set out in Special Resolution Number 4, some of which are set out elsewhere in the annual report:

- Directors and management – refer page 18;
- Major shareholders of the company – refer page 114;
- Directors' interests in the company's securities – refer page 114;
- Share capital – refer page 61.

Voting requirement

Special Resolution Number 4 will require the support of more than 75% (seventy five percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Special Resolution Number 5

Resolved that in accordance with section 16(1)(c)(ii) of the Act, the MOI be and is hereby amended by:

- inserting the following new clause 16A immediately after the existing clause 16:

'16A ODD-LOT OFFERS

16A.1 The Company shall be entitled to implement an odd-lot offer in accordance with the provisions of this clause 16A if approved by the Shareholders in general meeting and in accordance with the restrictions and procedures imposed by the JSE Listings Requirements.

16A.2 If, upon implementation of any odd-lot offer made by the Company, there are holders of Ordinary Shares holding in aggregate less than 100 Ordinary Shares, or such other number of shares as determined by the JSE as amounting to an odd-lot ("Odd-Lots") in the Company ("Odd-Lot Holders"), then the Company shall, save in respect of Odd-Lot holders who have elected to retain their Odd-Lots in the Company:

16A.2.1 cause the Odd-Lots to be sold in such manner as the Directors may direct; and

16A.2.2 procure that the proceeds of such sales are paid to such Odd-Lot Holders.

16A.3 All unclaimed proceeds of such sales (other than monetary proceeds) may be invested, provided that all monies due to Shareholders must be held by the Company in trust. Subject to the laws of prescription, proceeds of such sales which remain unclaimed for a period of 3 years from the date on which they were declared (or such longer period as may be required under the laws of prescription) may be declared forfeited by the Directors for the benefit of the Company. The Directors may at any time annul such forfeiture upon such conditions (if any) as they think fit.'

Reason and effect

The reason for and effect of Special Resolution Number 5 is to amend the MOI to include provisions dealing with odd-lot offers.

Voting requirement

Special Resolution Number 5 will require the support of more than 75% (seventy five percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Ordinary Resolution Number 12

Resolved that any director of the company or the Company Secretary of the company be and is hereby authorised to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of the ordinary and special resolutions to be proposed at the AGM.

Reason and effect

The reason for Ordinary Resolution Number 12 is to authorise any director or the Company Secretary of the company to attend to the necessary requirements to implement the special and ordinary resolutions passed at the AGM and to sign all documentation required to record that the company will be authorised to attend to any matter regarding the implementation of the special and ordinary resolutions on behalf of the company.

Voting requirement

Ordinary Resolution Number 12 will require the support of more than 50% (fifty percent) of the total number of votes exercisable by shareholders, present in person or represented by proxy, to be approved.

Social and Ethics Committee

The chairperson of the Social and Ethics Committee will give verbal feedback on the activities of this committee for the past period as required in terms of regulation 43(5)(c) of the Companies Regulations, 2011.

Litigation Statement

Other than disclosed or accounted for in the annual report, the directors of the company, whose names are given on page 18 of the annual report, are not aware of any legal or arbitration proceedings, pending or threatened against the group, which may have or have had, in the 12 months preceding the date of this notice, a material effect on the group's financial position.

Directors' Responsibility Statement

The directors, whose names are given on page 18 of the annual report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to the above Ordinary and Special Resolutions and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the above Ordinary and Special Resolutions contain all information required.

Material change

Other than the facts and developments reported on in the annual report, there have been no material changes in the affairs, financial or trading position of the company since the signature date of the annual report and the posting date hereof.

Voting Requirements

In compliance with section 62(3)(c) of the Act and/or the Listings Requirements it is confirmed that a voting majority of 50% is required for the approval of Ordinary Resolutions Number 1 to 4, as well as 6 to 12. For Ordinary Resolution Number 5 a 75% voting majority is required by the JSE Listings Requirements. The Special Resolutions require a 75% voting majority in terms of the MOI and the JSE Listings Requirements.

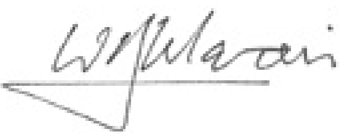
Proxies

All registered shareholders of the company will be entitled to attend and vote in person or by proxy at the AGM. A form of proxy is attached for completion by certificated shareholders and dematerialised shareholders with own name registration who are unable to attend in person. Forms of proxy must be deposited at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (PO Box 61051, Marshalltown, 2107, South Africa) so as to arrive by no later than 48 hours before the commencement of the AGM. Clause 23.7 of the company's MOI grants the Board or the chairman of the General Meeting the right to allow the form of proxy to be effective for purposes of voting at the AGM if the form of proxy is validly executed and received after this time but before the commencement of the General Meeting. Certificated Shareholders and Dematerialised Shareholders with own name registration who complete and lodge forms of proxy, will nevertheless be entitled to attend and vote in person at the AGM, should they subsequently decide to do so. Dematerialised Shareholders, other than own name registration, must inform their CSDP or broker of their intention to attend the AGM and obtain the necessary authorisation from the CSDP or broker to attend the AGM, or provide their CSDP or broker with their voting instructions, should they not be able to attend the AGM in person. This must be done in terms of the agreement entered into between the shareholder and the CSDP or broker concerned.

Electronic attendance

There will be no provision for electronic participation for attending and voting at the AGM.

By order of the board



Mettle Corporate Finance (Pty) Ltd
Secretary

22 May 2018
Parow Industria
7493

Stock exchange transactions

	2018	2017	2016	2015	2014
Number of shares traded ('000)	17 424	8 580	12 914	12 158	4 730
Value of shares traded (R'000)	320 410	203 619	287 754	199 705	50 891
Volume of shares traded as % of total issued shares	7.05	3.47	6.9	7.8	3.4
Market capitalisation (R'000)	3 954 790	5 139 533	5 477 781	2 888 458	1 898 367
Share prices for the year (cents)					
Lowest	13 90	1 875	1 650	1 245	750
Average	18 45	2 541	2 250	1 728	1 046
Highest	21 35	3 870	3 401	2 175	1 420
Closing	16 00	2 080	2 910	1 850	1 370

Secretarial certification

In my capacity as company secretary, I hereby confirm, in terms of the Companies Act, 2008, ("the Act"), that for the year ended 28 February 2017, Tradehold Ltd has filed all the required returns and notices in terms of the Act, and all such returns and notices are to the best of my knowledge and belief true, correct and up to date.

WD Marais
on behalf of Mettle Corporate Finance (Pty) Limited
Company Secretary

22 May 2018

Annual financial statements

The annual financial statements were audited by PricewaterhouseCoopers Inc in compliance with any applicable requirements of the Companies Act of South Africa. The preparation of the annual financial statements was supervised by the financial director, Ms KL Nordier.

The annual financial statements were authorised on 22 May 2018 by the Board of directors.

Approval of annual financial statements

The annual financial statements were approved by the Board of directors and are signed on its behalf by:

CH WIESE
Chairman

KL NORDIER
Director

22 May 2018

Directorate and administration

Directorate

C H Wiese (76)†
B A, LL B, D Com (HC)
Chairman

K R Collins (46) +

L L Porter (66) *
B A, BSc, DPhil, FBCS, CITP
Appointed on 2 May 2018

M J Roberts (71) * + °
B A

H R W Troskie (48) * + °
B Juris, LL B, LL M

J D Wiese (37) †
B A, LL B, M Com
alternate to C H Wiese

J M Wragge (70) *
Resigned on 1 March 2018

T A Vaughan (52) #
B Sc Hons, MRICS

F H Esterhuyse (48) #
B Acc Hons, M Com, CA(SA)

K L Nordier (51) # °
B Acc, BCompt Hons, CA (SA)
Financial director

D A Harrop (48) #
B A Hons, ACA

Executive
† Non-executive
* Non-executive and member of the audit committee
+ Non-executive and member of the remuneration committee
° Member of the social and ethics committee

Administration

Company secretary
Mettle Corporate Finance (Pty) Ltd
PO Box 3991
Tygervalley 7536

Sponsor
Mettle Corporate Finance (Pty) Ltd

Registrars
Computershare Investor Services (Pty) Ltd
PO Box 61051
Marshalltown 2107
Telephone. +27 11 370 5000
Facsimile. +27 11 370 5487

Registered office/number
Tradehold Limited
Registration number 1970/009054/06
Incorporated in the Republic of South Africa
36 Stellenberg Road
Parow Industria 7493
PO Box 6100
Parow East 7501
Telephone: +27 21 929 4800
Facsimile: +27 21 929 4785

Business address
Fourth Floor
Avantech Building
St Julian's Road
San Gwann SGN 2805
Malta
Telephone: +356 214 463 77

Auditors
PricewaterhouseCoopers Inc

Directors' report

Tradehold Limited and its subsidiaries

Share capital

Full details of the company's authorised and issued share capital are set out in the notes to the annual financial statements.

Business of the group

Tradehold Limited is an investment holding company with investments in subsidiaries, and at year-end the company held the following significant investments:

Subsidiaries:

- **Moorgarth Holdings (Luxembourg) S.à r.l.**
  Moorgarth owns a portfolio of commercial properties situated in the United Kingdom as well as The Boutique Workplace Company Ltd. a serviced office business.

- **Imbali Props 21 Proprietary Limited and Saddle Path Props 69 Proprietary Limited**
  Hold a portfolio of commercial properties through the acquisition of the Collins Group's South African property portfolio during the 2017 financial year.

- **Nguni Property Fund Limited**
  Nguni owns a portfolio of commercial properties and property developments in Namibia.

- **Tradehold Africa Limited**
  Tradehold Africa owns a development property in Mozambique and holds a portfolio of commercial properties in Mozambique, Botswana and Zambia.

- **Tradegro S.à r.l.**
  Tradegro renders certain head office and treasury services in the group.

At year end, the company also held the following subsidiaries, which are in the process of being unbundled through a distribution to shareholders, and were accounted for as discontinued operations:

- **Reward Investments Ltd**
  Reward is an asset-backed, short-term lending business situated in the United Kingdom.

- **Mettle Investments Proprietary Limited**
  Mettle Investments is a South African financial services group.

- **Tradehold Solar Limited**
  Tradehold Solar is a solar energy infrastructure provider in Africa.

Tradehold Limited's interests in its subsidiaries, as well as their individual activities, are set out in the annual financial statements.

Investment properties

Changes in properties during the year and details of property valuations at 28 February 2018 are shown in note 2 to the annual financial statements.

Borrowings

Interest-bearing borrowings are shown in note 15, 16 and 21 to the annual financial statements, and includes bank borrowings of £580 million (2017: £578 million).

Group results

Earnings

After taking into account the interest of non-controlling shareholders, the group reports a basic earnings per share of 12.5 pence (2017: 23.8 pence).

The annual financial statements on pages 24 to 113 set out fully the financial position, results of operations and cash flows of the group for the financial year ended 28 February 2018.

Dividends

A dividend of 10 cents per share, declared on 23 May 2017, was paid on 26 June 2017 (2017: 6.5 cents per share).

Events after the reporting period

As a result of the unbundling of the financial services and solar operations which is currently underway, the results of these operations have been accounted for as discontinued operations as set out in note 10 of the annual financial statements.

There are no other significant subsequent events after year end which need to be adjusted for or additional disclosure required.

Going concern

The directors consider that the group has adequate resources to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the group annual financial statements. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

Directorate

The names of the directors are listed elsewhere in the integrated report.

On 1 March 2018, Mr J M Wragge resigned as a non-executive director.

On 2 May 2018, Dr L L Porter was appointed as a non-executive director.

In terms of the Memorandum of Incorporation of the company Messrs HRW Troskie and Dr LL Porter retire as directors of the company at the annual general meeting but, being eligible, offer themselves for re-election.

At 28 February 2018 the directors of Tradehold Limited held a direct interest of 0.46% (2017: 0.47 %) and an indirect, non-beneficial interest of 61.85% (2017: 60.56%) of the issued ordinary share capital of the company.

No change in the shareholding of directors has occurred between the end of the financial period and the date of this report.

Holding company

At 28 February 2018 the company had no holding company. An analysis of the main shareholders of the company appears on page 114 of this report.

Secretary

The name and address of the secretary appears on page 18 of this report.

Auditors

PricewaterhouseCoopers Inc will continue in office in accordance with the Companies Act in South Africa.

Independent auditor's report

To the shareholders of Tradehold Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Tradehold Limited (the Company) and its subsidiaries (together the Group) as at 28 February 2018 and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Tradehold Limited's consolidated and separate financial statements set out on pages 24 to 113 comprise:

– the consolidated and separate statements of financial position as at 28 February 2018;
– the consolidated and separate statements of comprehensive income for the year then ended;
– the consolidated and separate statements of changes in equity for the year then ended;
– the consolidated and separate statements of cash flows for the year then ended; and
– the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

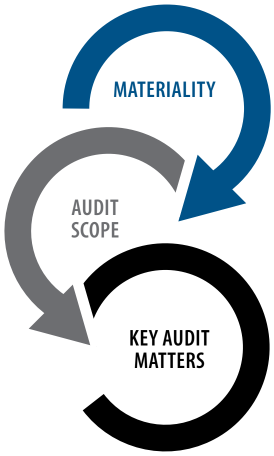
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

Our audit approach

Overview



Overall group materiality

£10 750 000, which represents 1% of Total Assets

Group audit scope

The group consists of four property owning components and two financial services components. We performed full scope audits on three of the property owning components and on one of the financial services components.

In addition we performed analytical procedures over the remaining components at a group level.

Key audit matters

Valuation of investment properties

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	£10 750 000
How we determined it	1% of Total Assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark considering that, in our view, this is the key benchmark against which the performance of the Group is most commonly measured by the users of the financial statements. The rapid expansion that the Group has experienced recently and which we expect to continue, further supports the use of total assets as our benchmark. We chose 1% which is consistent with quantitative materiality thresholds used for companies in this sector.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group mainly has a property portfolio and short-term lending operations. The property portfolio includes retail, serviced offices, industrial, residential and leisure properties in the United Kingdom ("UK"), South Africa, Namibia and other African countries. The Group's financial services interests are vested in companies in the UK and South Africa. The consolidated financial statements are a consolidation of the property owning and financial services components in the group.

Based on the financial significance of the property owning components, we performed full scope audits at three of the Group's property owning components: the UK, South Africa and Namibia components. Due to the materiality of certain properties within Mozambique, we performed specified audit procedures over the property valuations relating to these. We further performed a full scope audit over the UK financial services component and over the head office entities. In addition we performed analytical procedures at a group level on the remaining inconsequential components. In establishing the overall approach to the group audit, we determined the extent of the work that needed to be performed by us, as the group engagement team, or component auditors from other PwC network firms, operating under our instruction, in order to issue our audit opinion on the consolidated financial statements of the Group.

Where the work was performed by component auditors, we determined the level of group involvement necessary in the audit work of the components to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. By performing these considerations together with the procedures performed on the consolidation, intercompany eliminations and the analytical procedures performed at a group level, we have obtained sufficient and appropriate audit evidence regarding the financial information of the Group to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties The valuation of the Group's investment properties is a key contributor to the asset value and the Group's result for the year. The Group carries investment property at fair value in accordance with IAS 40 Investment Property. As at 28 February 2018 the Group's investment property portfolio was held at £841.6 million after recognising a gain in the statement of comprehensive income of £11.8 million. The fair values are based on the directors' valuation and for a portion the directors utilised valuation experts (the "Valuers") to assist them with the valuation of the investment properties. In determining a property's valuation the directors and the Valuers take into account property specific information such as the current tenancy agreements and rental income as well as associated expenses. The Valuers apply assumptions for yields and estimated market rents, which are influenced by prevailing market yields and comparable market transactions, to arrive at the final valuation. The valuation was considered to be a matter of most significance to the current year audit due to the existence of significant estimation uncertainty in relation to key assumptions (the yields and market rentals), coupled with the fact that only a small percentage difference in individual property valuations, when aggregated, could result in a material misstatement. Refer to note 2 of the financials for details on the valuation of investment properties and straight-lining lease accrual.	We inspected the valuation supporting documentation for all the properties valued externally or valued by the directors in the current year and confirmed that the valuation approach for each was in accordance with IFRS and suitable for use in determining the carrying value for the purpose of the financial statements. We assessed the Valuers' qualifications and expertise by agreeing that they are members of a registered body and have the expected expertise and experience in property valuations. We found no evidence to suggest that the objectivity of the valuers in their performance of the valuations was compromised. We tested a sample of the data inputs used in the directors' valuation as well as the valuations prepared by the Valuers underpinning the investment property valuations including rental income and capital expenditure, by agreeing them to the property records held by the Group. The property records were assessed for reliability by inspecting signed and approved lease contracts and other supporting documentation, without material exception. We utilised our valuation expertise to develop independent expectations and compared these to the valuations for a selection of properties. In doing this we used comparable market transactions and focused in particular on properties where the growth in capital values was higher or lower than our expectations based upon market indices. We compared the investment yields used by the directors or Valuers with an estimated range of expected yields, determined via reference to published benchmarks. Based on the procedures performed we obtained evidence that the assumptions used in the valuations were supportable in light of available and comparable market evidence.

Independent auditor's report (continued)

To the shareholders of Tradehold Limited

Separate financial statement

We have determined that there are no key audit matters in respect of the separate financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Financial Statements Tradehold Limited and its subsidiaries for the year ended 28 February 2018, which includes the secretarial certification, Audit committee report and Directors' report as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the Integrated Report 2018, which is expected to be made available to us after that date. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Tradehold Limited for 20 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Anton Wentzel
Registered Auditor

Cape Town
22 May 2018

Statement of financial position

Tradehold Limited and its subsidiaries at 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000		Notes	GROUP 2018 £'000	GROUP 2017* £'000
		ASSETS			
3 922 308	4 723 372	**Non-current assets**		913 741	868 571
		Property, plant and equipment	1	11 150	9 396
		Investment properties – fair value for accounting purposes	2	822 459	805 139
		Investment properties – straight-line lease income adjustment	2	19 188	1 521
		Intangible assets	3	9 374	12 556
105 142	105 142	Interest in subsidiaries	4	—	—
3 817 166	4 618 230	Loans to subsidiaries	4	—	—
		Loans to operations held for distribution	10.3	8 419	—
		Investment in joint venture	5	865	658
		Loans to joint venture		26 218	19 973
		Investments in associates	6	674	6 132
		Loans receivable	7	2 379	1 683
		Deferred taxation	8	11 678	10 961
		Trade and other receivables	11	1 337	552
631 812	**1 443**	**Current assets**		**161 252**	**128 988**
		Financial assets	9	5 886	5 924
		Curent assets held for sale	10	1 271	14 389
		Current assets held for distribution	10.3	76 091	—
		Loans receivable	7	754	531
		Derivative financial instruments	17	5 847	2 656
631 411	—	Loans to subsidiaries	4	—	—
		Loans to operations held for distribution	10.3	13 421	—
		Loans to associates	6	8 484	8 707
		Trade and other receivables	11	32 748	65 833
		Taxation	26	353	17
401	1 443	Cash and cash equivalents	12	16 397	30 931
4 554 120	**4 724 815**	**Total assets**		**1 074 993**	**997 559**
		EQUITY AND LIABILITIES			
3 636 266	3 566 545	**Ordinary shareholders' equity**		324 744	297 896
3 759 384	3 736 210	Share capital and share premium	13	260 102	261 634
(123 118)	(169 665)	Reserves	14	64 642	36 262
		Non-controlling interest		13 858	13 210
3 636 266	**3 566 545**	**Total equity**		**338 602**	**311 106**
780	1 127 902	**Non-current liabilities**		604 911	527 898
780	1 127 902	Preference share liability	15	69 321	48
		Long-term borrowings	16	472 384	474 167
		Derivative financial instruments	17	224	532
		Deferred revenue	18	10 669	7 581
		Deferred taxation	8	52 313	45 570
917 074	30 368	**Current liabilities**		131 480	158 555
630 801	20 000	Preference share liability	15	1 229	38 951
8 313	10 368	Trade and other payables	20	24 375	28 474
277 960	—	Short-term borrowings	21	46 349	89 164
		Contingent consideration	19	—	105
		Current liabilities held for distribution	10.3	58 688	—
		Taxation	26	325	1 303
		Bank overdrafts	12	514	558
917 854	**1 158 270**	**Total liabilities**		**736 391**	**686 453**
4 554 120	**4 724 815**	**Total equity and liabilities**		**1 074 993**	**997 559**

* The comparatives have been restated for the finalisation of the Collins Purchase Price Allocation (refer to note 28.7.1).

Statement of comprehensive income

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY				GROUP	
2017 R'000	2018 R'000		Notes	2018 £'000	2017* £'000
		Continuing operations			
		Revenue	22	101 471	42 535
		Other operating income	23	1 427	1 964
		Profit on disposal of investment property	24	1 157	1 571
		Net gain from fair value adjustment on investment property	2	11 760	26 956
		Gain/(loss) on disposal and scrapping of PPE (excluding buildings)	24	—	(54)
(2 695)	(242)	Employee benefit expenses	24	(5 915)	(5 221)
(140)	(355)	Lease expenses	24	(6 361)	(4 735)
		Depreciation, impairment and amortisation	1 & 3	(2 656)	(2 018)
(11 120)	(21 662)	Other operating costs	24	(19 383)	(18 523)
(13 955)	(22 259)	**Trading profit/(loss)**		81 500	42 475
		Gain on business combination	28.7.1	—	21 586
		Gain/(loss) on acquisition / disposal of investments		340	147
		Fair value loss on financial assets at fair value through profit or loss	9	(37)	(419)
(13 955)	(22 259)	**Operating profit/(loss)**	24	81 803	63 789
49 467	57 233	Finance income	25	6 152	5 273
(78 484)	(81 521)	Finance cost	25	(51 877)	(16 591)
		Earnings from joint venture	5	662	—
		Earnings from associated companies	6	539	59
(42 972)	(46 547)	**Profit before taxation**		37 279	52 530
		Taxation	26	(7 000)	(3 351)
(42 972)	(46 547)	**Profit for the year from continuing operations before non-controlling interest**		30 279	49 179
		Profit from operations held for distribution before non-controlling interest	10	4 060	3 624
		Profit for the year before non-controlling interest		34 339	52 803
		Other comprehensive income			
		Items that may be subsequently reclassified to profit or loss			
		Net fair value loss on hedging instruments entered into for cash flow hedges		308	226
		Income tax relating to these items		(62)	(45)
		Exchange differences on translation of foreign operations		(2 814)	14 587
(42 972)	(46 547)	**Total comprehensive income for the year**		31 771	67 571
		Profit attributable to:			
		Owners of the parent		30 826	47 486
		Non-controlling interest		3 513	5 317
				34 339	52 803
		Total comprehensive income attributable to:			
		Owners of the parent		28 228	62 422
		Non-controlling interest		3 543	5 149
		Total comprehensive income for the year		31 771	67 571
		Total comprehensive income attributable to owners of the parent arises from:			
		Continuing operations		26 082	59 630
		Discontinued operations		2 146	2 792
		Total comprehensive income for the year		28 228	62 422
		Earnings per share for profit attributable to the ordinary equity holders of the company	27		
		Basic earnings per share		12.5	23.8
		Diluted earnings per share		12.5	23.7
		Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company			
		Basic earnings per share		11.2	22.4
		Diluted earnings per share		11.2	22.3

* The comparatives have been restated for the finalisation of the Collins Purchase Price Allocation (refer to note 28.7.1) and for the financing business which is disclosed as discontinued operations (refer to note 10.3).

Statement of cash flows

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000		Notes	GROUP 2018 £'000	GROUP 2017* £'000
		Cash flows from operating activities			
(13 955)	(22 259)	Operating profit / (loss)		81 803	63 789
		Non-cash items	28.1	(10 525)	(47 234)
4 788	2 056	Changes in working capital	28.2	(11 936)	7 034
(9 167)	(20 203)	Cash (used in)/from operations		59 342	23 589
49 467	51 143	Interest received		4 888	2 343
(76 658)	(72 853)	Interest paid		(51 442)	(16 625)
(12 313)	(24 709)	Dividends paid to ordinary shareholders		(1 501)	(572)
		Dividends paid to non-controlling interests		(1 092)	(548)
		Taxation paid	28.3	(1 220)	(1 158)
		Operating activities of operations held for distribution	10.3	4 198	3 419
(48 671)	(66 622)	**Net cash flows from operating activities**		13 173	10 448
		Cash flows from/ utilised in investing activities			
		Acquisition of investment properties	2.1	(25 422)	(54 187)
		Acquisition of property, plant and equipment	1	(4 097)	(2 867)
		Business combinations	28.7	—	758
		Proceeds on disposal of investment properties		10 853	5 896
		Proceeds on disposal of property, plant and equipment		13	4 911
		Loans advanced to joint venture		(4 532)	(6 877)
(59 005)	(162 028)	Loans advanced to group companies		—	—
		Loans repaid by operations held for distribution	10.3	17 646	—
		Loans repaid by/(advanced to) associate undertaking		44	(4 785)
		Loans and advances – issued	11.4.1	(2 468)	(302)
		Loans and advances – repaid	11.4.1	100	189
		Investing activities of operations held for distribution	10.3	(32 384)	(11 829)
(59 005)	(162 028)	**Net cash flows from/ utilised in investing activities**		(40 247)	(69 093)
		Cash flows from financing activities			
		Proceeds from borrowings		154 144	100 197
(20 497)	—	Repayment of borrowings		(195 719)	(42 023)
206	229 692	Proceeds from preference share issue		62 983	22
		Redemption of preference shares		(35 601)	—
(10 475)	—	Transaction costs from ordinary share issue	28.4	—	—
		Acquisition of treasury shares		(124)	—
		Acquisition of non-controlling interest		(2 600)	—
		Financing activities of operations held for distribution	10.3	29 559	9 530
(30 766)	229 692	**Net cash from financing activities**		12 642	67 726
(138 442)	1 042	**Net increase in cash and cash equivalents**		(14 432)	9 081
		Effect of changes in exchange rate		(58)	(661)
138 843	401	Cash and cash equivalents at beginning of the year		30 373	21 953
401	1 443	Cash and cash equivalents at end of the year		15 883	30 373
		Cash and cash equivalents consists of:			
401	1 443	Cash and cash equivalents	12	16 397	30 931
		Bank overdrafts		(514)	(558)
401	1 443			15 883	30 373

* The comparatives have been restated for the finalisation of the Collins Purchase Price Allocation (refer to note 28.7.1) and for the financing business which is disclosed as discontinued operations (refer to note 10.3).

Statement of changes in equity

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

£'000	Share capital and premium	Foreign currency translation reserve	Other non-distributable reserves	Cash flow hedging reserve	Accumulated loss/ Retained earnings	Attributable to equity holders of the parent	Non-controlling interest	Total
GROUP								
Balance at 29 February 2016	186 298	1 734	20	(535)	(27 351)	160 166	47	160 213
Profit for the year					47 486	47 486	5 317	52 803
Issue of ordinary shares by the company	76 478					76 478		76 478
Dividends distributed to shareholders	(572)					(572)		(572)
Transaction costs on issue of shares	(552)					(552)		(552)
Disposal of subsidiary	(18)	133	(21)		(152)	(58)		(58)
Transactions with minorities					(25)	(25)	8 562	8 537
Capital reserve (ESOP)			38			38		38
Distribution to minorities							(548)	(548)
Other comprehensive income for the year		14 800		135		14 935	(168)	14 767
Balance at 28 February 2017	261 634	16 667	37	(400)	19 958	297 896	13 210	311 106
Profit for the year					30 826	30 826	3 513	34 339
Issue of ordinary shares by the company	93					93		93
Dividends distributed to shareholders	(1 501)					(1 501)		(1 501)
Acquisition of treasury shares	(124)					(124)		(124)
Transactions with minorities					(78)	(78)	(1 803)	(1 881)
Capital reserve (ESOP)			40			40		40
Distribution to minorities							(1 092)	(1 092)
Other comprehensive income for the year		(2 816)		216	192	(2 408)	30	(2 378)
Balance at 28 February 2018	260 102	13 851	77	(184)	50 898	324 744	13 858	338 602
COMPANY								
Balance at 29 February 2016	2 452 520		236		(80 382)	2 372 374		2 372 374
Profit for the year					(42 972)	(42 972)		(42 972)
Issue of ordinary shares by the company	1 498 982					1 498 982		1 498 982
Buy-back of ordinary shares by the company	(169 330)					(169 330)		(169 330)
Dividends distributed to shareholders	(12 313)					(12 313)		(12 313)
Transaction costs on issue of shares	(10 475)					(10 475)		(10 475)
Disposal of subsidiary/liquidation of employees share trust			(236)		236			
Balance at 28 February 2017	3 759 384				(123 118)	3 636 266		3 636 266
Profit for the year					(46 547)	(46 547)		(46 547)
Issue of ordinary shares by the company	1 535					1 535		1 535
Dividends distributed to shareholders	(24 709)					(24 709)		(24 709)
Balance at 28 February 2018	3 736 210				(169 665)	3 566 545		3 566 545

Accounting policies

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

The principal accounting policies applied in the preparation of these consolidated and the company's separate annual financial statements are set out below. These policies have been consistently applied to all years presented in relation to the group's consolidated and the company's separate annual financial statements, unless otherwise stated.

1. Basis of preparation

Statement of compliance

The group's consolidated and the company's separate annual financial statements of the Tradehold group have been prepared in accordance with International Financial Reporting Standards ("IFRS"), IFRIC Interpretations, the SAICA Financial Reporting Guidelines and in the manner required by the Companies Act of South Africa.

Preparation of the consolidated annual financial statements

The consolidated annual financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and financial instruments at fair value through profit and loss.

The preparation of consolidated annual financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated annual financial statements are disclosed in accounting policies note 30.

Use of adjusted measures

The measure listed below is presented as management believes it to be relevant to the understanding of the group's financial performance. This measure is used for internal performance analysis and provides additional useful information on underlying trends to equity holders. This measure is not a defined term under IFRS and may therefore not be comparable with similarly titled measures reported by other entities. It is not intended to be a substitute for, or superior to, measures as required by IFRS.

Trading profit on the face of the statement of comprehensive income, being the group's operating result excluding fair value gains or losses on financial assets at fair value through profit or loss and impairment losses on goodwill.

2. Changes in accounting policy and disclosure.

(a) Standards, interpretations and amendments effective at 28 February 2018

The following new standards, and interpretations and amendments to existing standards, that are effective as at 28 February 2018 had no significant effect on the Group's operations:

Number	Title
Amendments to IAS 7: Cash flow statements	Statement of cash flows on disclosure initiative
Amendments to IAS 12 : Income taxes	Recognition of deferred tax assets for unrealised losses
Annual improvements 2014 – 2016 (part)	IFRS 12,'Disclosure of interests in other entities'

(b) Standards, interpretations and amendments that are not yet effective at 28 February 2018

The Group has considered the following new standards, and interpretations and amendments to existing standards, which are not yet effective as 28 February 2018.

Number	Title	Effective for year ending
IFRS 17	Insurance contracts	2022
Amendments to IFRS 2 – 'Share-based payments'	Clarifying how to account for certain types of share-based payment transactions	2019
IFRS 4 – 'Insurance contracts'	Regarding the implementation of IFRS 9 'Financial Instruments'	2019
Amendments to IFRS 10 'Consolidated financial statements' and IAS 28 'Investments in associates and joint ventures'	Sale or contribution of assets	Effective date postponed (initially 1 January 2016)
IAS 40 – 'Investment property'	Transfers of investment property	2019
Annual improvements 2014-2016	These amendments impact 3 standards: IFRS 1,' First-time adoption of IFRS', IFRS 12,'Disclosure of interests in other entities' IAS 28,'Investments in associates and joint ventures'	2019
IFRC 22	Foreign currency transactions and advance consideration (effective date 1 January 2018)	2019
IFRIC 23	Uncertainty over income tax treatments'	2020

The Group has not early adopted any of the above. The application thereof in future financial periods is not expected to have a significant impact on the Group's reported results, financial position and cash flows, except for the standards set out on the following pages.

Title of Standard	IFRS 9 Financial instruments
Nature of change	IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.
Impact	The Group has yet to undertake a detailed assessment of the classification and measurement of financial assets. Financial assets held by the Group include debt instruments currently classified as held-to-maturity, loans and receivables measured at amortised cost and derivatives ready for sale which appear to meet the conditions for classification at amortised cost under IFRS 9. Accordingly, the Group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets. There will be no significant impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and, other than forward foreign exchange rate contracts designated at fair value through profit or loss which are insignificant, the Group does not have any such liabilities. The derecognition rules have been transferred from IAS 39 Financial Instruments: Recognition and Measurement and have not been changed. The new hedge accounting rules will align the accounting for hedging instruments more closely with the Group's risk management practices. As a general rule, more hedge relationships might be eligible for hedge accounting, as the standard introduces a more principles-based approach. While the Group is yet to undertake a detailed assessment, it would appear that the Group's current hedge relationships would qualify as continuing hedges upon the adoption of IFRS 9. Accordingly, the Group does not expect a significant impact on the accounting for its hedging relationships. The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under IAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through other comprehensive Income (FVOCI), contract assets under IFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses. The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the disclosures about its financial instruments particularly in the year of the adoption of the new standard.
Mandatory application date/ Date of adoption by Group	IFRS 9 must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety. The Group does not intend to adopt IFRS 9 before its mandatory date.

Title of Standard	IFRS 15 Revenue from Contracts with Customers
Nature of change	The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption
Impact	Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected : Agent vs principal accounting: certain transactions which are currently recorded on a gross basis in terms of principal accounting will be recorded on a net basis in terms of agent accounting under the new guidance provided by IFRS 15. At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed assessments of the impact over the next twelve months.
Mandatory application date/ Date of adoption by Group	IFRS 15 must be applied for financial years commencing on or after 1 January 2018. The Group does not intend to adopt IFRS 15 before its mandatory date.

Title of Standard	IFRS 16 Leases
Nature of change	IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low-value leases. The accounting for lessors will not significantly change.
Impact	The standard will affect primarily the accounting for the Group's operating leases whereby the Group is the lessee in the transaction. For the current reporting period, the Group incurred operating lease expenses of £6.3 million (refer to note 24), mainly relating to its United Kingdom serviced office business. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under IFRS 16.
Mandatory application date/ Date of adoption by Group	IFRS 16 must be applied for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

Accounting policies (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

3. Consolidation

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for in equity.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

b) Transaction with non-controlling interests

The group treats transactions with non-controlling interests that do not result in loss of control as equity transactions – that is as transactions with the owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

c) Disposal of subsidiaries

When the group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

d) Associates

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not controlled or joint controlled over those policies.

An investment in an associate is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the group's share of net assets of the associate, less any impairment losses.

Losses in an associate in excess of the group's interest in that associate are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein.

When the group reduces its level of significant influence or loses significant influence, the group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

e) Joint arrangements

Joint arrangements are those entities over whose activities the Group has joint control, established by contractual agreement.

Interests in joint arrangements are accounted for as either a joint venture or a joint operation as permitted by IFRS 11 'Joint Arrangements'. A joint arrangement is accounted for as a joint venture when the Group, along with the other parties that have joint control of the arrangement, have rights to the net assets of the arrangement. Joint ventures are equity accounted in accordance with IAS 28 (revised). The equity method requires the Group's share of the joint venture's post-tax profit or loss for the year to be presented separately in the income statement and the Group's share of the joint venture's net assets to be presented separately in the balance sheet. Joint ventures with net liabilities are carried at zero value in the balance sheet where there is no commitment to fund the deficit and any distributions are included in the consolidated income statement for the year.

A joint arrangement is accounted for as a joint operation when the Group, along with the parties that have joint control of the arrangement, have rights to the assets and obligations for the liabilities relating to the arrangement. Joint operations are accounted for by including the Group's share of the assets, liabilities, income and expenses on a line-by-line basis.

Intra-group balances and any unrealised gains and losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with joint ventures are eliminated to the extent of the Group's interest in the joint venture concerned. Unrealised losses are eliminated in the same way, but only to the extent that there is no evidence of impairment.

4. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The group has determined that its chief operating decision maker is the executive Board of directors of the group.

5. Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated annual financial statements of each of the group's entities are measured using the currency of the primary economic environment in which each of the entities operate (the 'functional currency'). The consolidated annual financial statements are presented in Pound Sterling. The company's presentation and functional currency is South African Rand.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss for the year.

Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amounts are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(c) Group companies

The results and financial position of all the group entities, including branches (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting exchange differences are recognised as a separate component of equity in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, such exchange differences are recognised in profit and loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

6. Investment property

Property that is held for long-term rental yields or for capital appreciation, and that is not occupied by the companies in the consolidated group, is classified as investment property. As from 1 March 2009, investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the group uses alternative valuation methods, such as external valuers, or internal valuations based on rental income from current leases and assumptions about rental

Accounting policies (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

income from future leases in light of current market conditions (recent prices on less active markets or discounted cash flow projections). Professional valuations are performed on a rolling basis every 3 years by registered valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated annual financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measurable.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property; others, including contingent rent payments, are not recognised in the consolidated annual financial statements.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

If a valuation obtained for a property held under a lease is net of all payments expected to be made, any related lease liability recognised separately in the statement of financial position is added back to arrive at the carrying value of the investment property for accounting purposes.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the group disposes of a property at fair value in an arm's length transaction, the difference between the carrying value immediately prior to the sale and the transaction price is recorded in profit or loss as a gain or loss on disposal of investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation under property, plant and equipment. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increases directly to revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to profit or loss.

7. Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of an item of property, plant and equipment includes its purchase price and any directly attributable costs. Cost includes the cost of replacing part of an existing property, plant and equipment at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an item of property, plant and equipment.

Borrowing costs incurred for the purpose of acquiring, constructing or producing a qualifying property, plant and equipment are capitalised as part of its cost. A qualifying property, plant and equipment is an asset that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs are capitalised while acquisition, construction or production is actively underway and ceases once the asset is substantially complete or suspended if the development of the asset is suspended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation, based on a component approach, is calculated using the straight-line method to allocate the cost over the assets' estimated useful lives, as follows:

- Land: Not depreciated
- Buildings: 50 years
- Machinery: 4 – 7 years
- Equipment: 7 – 10 years
- Vehicles: 4 – 5 years
- Improvements to leasehold property over the shorter of the useful life of the asset and the lease term

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the profit or loss.

8. Leases

(a) A group company is the lessee in an operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease. Properties leased out under operating leases are included in investment properties. See note 6 for the accounting policy relating to land held on an operating lease and used as investment property.

(b) A group company is the lessor in an operating lease

Properties leased out under operating leases are included in investment property in the statement of financial position (note 2). See accounting policy note 26(a) for the recognition of rental income.

(c) A group company is the lessor – fees paid in connection with arranging leases and lease incentives

The group makes payments to agents for services in connection with negotiating lease contracts with the group's lessees. The letting fees are capitalised within the carrying amount of the related investment property and amortised over the lease term. Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term.

9. Intangible assets other than goodwill

Future lease benefits are initially capitalised at cost, which includes the purchase price and other directly attributable costs of preparing the asset for its intended use. Future lease benefits are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of three to five years. The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise. Intangible assets other than goodwill are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses on intangible assets other than goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of intangible assets other than goodwill relating to the entity sold.

10. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment in the respective subsidiary's functional currency and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

11. Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

12. Financial instruments

(a) Classification

The group classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables and measured at amortised cost. The classification depends on the purpose for which the financial instrument were acquired. Management determines the classification of its financial instruments at initial recognition. Classification is re-assessed on an annual basis, except for derivatives, which shall not be classified out of the fair value through profit or loss category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprises, loans receivable, trade and other receivables and cash and cash equivalents in the statement of financial position.

Financial liabilities at fair value through profit or loss

Financial liabilities through profit or loss include financial liabilities designated upon initial recognition as fair value through profit or loss.

The category also includes derivative financial instruments entered by the group that are not designated as hedging instruments in hedge relationships as defined by IAS 39.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS39 are satisfied. The group has designated one of its swaps as fair value through profit or loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are

Accounting policies (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as interest expense in the statement of comprehensive income.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as interest expense.

This category applies to long- and short-term borrowings, preference shares, loans to subsidiaries, bank overdrafts, deferred revenue, deferred consideration and trade and other payables on the face of the statement of financial position.

(b) Recognition and measurement

Regular purchases and sales/purchases of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets/liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Financial assets/liabilities at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of the 'financial assets/liabilities at fair value through profit or loss' category are presented in the profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss as part of other income when the group's right to receive payments is established.

Financial liabilities measured at amortised cost are initially measured at fair value.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Offsetting is currently enforceable and contingent on a future event.

(d) Impairment of financial assets

Assets carried at amortised cost

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

13. Loans receivable

Loans receivable include loans to subsidiaries and shareholders and are recognised initially at fair value plus direct transaction costs and are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

14. Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Included in trade and other receivables are loans and advances. Loans and advances are non-derivative financial assets with fixed or determinable payments. Loans and advances are measured at amortised cost using the effective interest rate method, less any impairment losses. Initiation fees received that are integral to the effective rate are capitalised to the value of the loans and advances and amortised through interest income as part of the effective interest rate.

15. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

16. Share capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

17. Trade and other payables

Trade payables and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

18. Derivative financial instruments and hedging activities

The group uses derivative financial instruments to hedge its exposure to foreign exchange, interest rate and commodity risks arising from operating, financing and investing activities. The group does not hold or issue derivative financial instruments for trading purposes; however, if derivatives do not qualify for hedge accounting they are accounted for as such.

Where derivatives do not qualify for hedge accounting, any gains or losses on re-measurement are immediately recognised in the group statement of comprehensive income. Where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the hedge relationship and the item being hedged. In order to qualify for hedge accounting, the group is required to document from inception the relationship between the item being hedged and the hedging instrument. The group is also required to document and demonstrate an assessment of the relationship between the hedged item and the hedging instrument, which shows that the hedge will be highly effective on an ongoing basis. This effectiveness testing is performed at each period end to ensure that the hedge remains highly effective.

The group designates a certain derivative as a hedge of a particular risk associated with a recognised liability. This is considered to be a cash flow hedge.

The fair values of various derivative instruments used for hedging purposes are disclosed in note 18.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is used is amortised to profit or loss over the period to maturity.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised to other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within finance costs.

Amounts accumulated in equity are reclassified to other comprehensive income to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

However, when the forecast transaction that is hedged results in the recognition of a non-financial item (for example, inventory or fixed assets) the gains and losses previously deferred in equity are transferred from equity in other comprehensive income and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised in profit or loss as a reclassification adjustment through to other comprehensive income when the forecast transaction is ultimately recognised in profit or loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recognised in profit or loss as a reclassification adjustment through to other comprehensive income.

19. Deferred revenue

Deferred revenue is initially measured at fair value, and is subsequently measured at amortised cost, using the effective interest rate method.

20. Deferred consideration

Deferred consideration is initially measured at fair value, and is subsequently measured at amortised cost, using the effective interest rate method.

Accounting policies (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

21. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as interest expense.

22. Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all the attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating investment property under construction are deducted from the asset's carrying amount over the period of the works.

23. Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated annual financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Withholding tax on dividends

STC was abolished with effect from 1 April 2012 and replaced by a dividends tax, which is not levied on the company but on the beneficial owner of the share and accordingly does not require recognition in profit or loss. Dividends tax withheld by the company on dividends paid to its shareholders (who do not qualify for an exemption from dividends tax) and payable at the reporting date to the South African Revenue Service (where applicable) is included in trade and other payables in the statement of financial position.

24. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

25. Employee benefits

(a) Pensions

The group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) **Short-term employee benefits and compensation absences**
Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits (such as health services and childcare services) are recognised as employee benefit expense and accrued when the associated services are rendered by the employees of the group.

(c) **Profit-sharing and bonus payments**
The group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) **Termination benefits**
Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (i) when the group can no longer withdraw the offer of those benefits; and (ii) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

26. Provisions

Provisions for legal claims are recognised when: the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating leases.

Where the group, as lessee, is contractually required to restore a leased property to an agreed condition prior to release by a lessor, provision is made for such costs as they are identified.

A provision for onerous contracts is recognised when the expected benefits to be derived by the group from a contract is lower than the unavoidable costs of meeting its obligations under the contract (onerous contracts).

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

27. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the group's activities as described below.

Revenue includes rental income, initiation fees, interest income, other fee income and service charges.

(a) **Rental income**
Rental income from operating leases is recognised on a straight-line basis over the lease term. When the group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Service and management charges are recognised in the accounting period in which the services are rendered. When the group is acting as an agent, the commission rather than gross income is recorded as revenue.

Surrender premiums are recognised as income in the period they become receivable from the tenant.

(b) **Initiation fees**
Initiation fees are deferred and recognised over the term of the contract.

(c) **Interest income**
Interest income is in respect of the secured and unsecured lending operations and is recognised using the effective interest rate method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

(d) **Dividend income**
Dividend income is recognised when the right to receive payment is established.

(e) **Fee and commission revenue**
Fee and commission revenue, including maintenance fees, administration fees and other related fees are recognised as the related services are performed.

28. Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's consolidated annual financial statements in the period in which the dividends are declared.

29. Interest in subsidiaries

All interest free loans having no fixed repayment period which are provided to subsidiaries with intention to provide a long-term source of additional capital are measured at cost. The entity assesses at the end of each year if the investment is impaired. Any impairment charge is recognised in the statement of comprehensive income.

Accounting policies (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

30. Critical accounting estimates, assumptions and judgements

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Principal assumptions underlying management's estimation of fair value of investment properties

The best evidence of fair value is current prices in an active market for similar leases and other contracts. In the absence of such information, the group determines the amount within a range of reasonable fair value estimates. In making its judgement the group considers information from a variety of sources including:

- Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing leases and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

If information on current or recent prices is not available, the fair values of investment properties are determined using discounted cash flow valuation techniques. The group used assumptions that are mainly based on market conditions existing at each balance sheet date.

The principal assumptions underlying management's estimation of fair value are those related to the receipt of contracted rentals, expected future market rentals, expected vacancy rates, expected lease renewals, maintenance requirements and appropriate discount and capitalisation rates. These valuations are regularly compared to actual market yield data, actual transactions by the group and those reported by the market.

The expected future market rentals are determined with reference to current market rentals for similar properties in the same location and condition.

Refer to note 32.9 where a sensitivity analysis has been performed.

(b) Income taxes

The group is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of any matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions.

(c) Estimated impairment of goodwill

The group tested annually whether goodwill suffered any impairment, in accordance with accounting policy 10. Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

Details of the impairment loss calculation are set out in note 3.

(d) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The group has used discounted cash flow analysis for various interest rate swaps that are not traded in active markets.

Details of the fair value calculation of derivatives are set out in note 17.

(e) Distinguishing asset acquisitions from business combinations

Where the group obtains control of entities that own investment properties, or when the group acquires properties or a group of properties collectively, an evaluation is performed as to whether such acquisitions should be accounted for as business combinations or acquisitions in terms of IAS 40 Investment Properties. An acquisition is not considered to be a business combination if at the date of the acquisition of the entity the integrated activities deemed necessary to generate a business are not present.

(f) Other areas of significant judgement

The following other areas of significant judgement have been detailed in the notes to these annual financial statements:

- Impairment of property, plant and equipment (refer to note 1)
- Impairment of trade receivables (refer to note 11)

Notes to the annual financial statements

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		Owned land and buildings	Machinery, equipment and vehicles	Improve-ments to leasehold property	Total
1	**Property, plant and equipment**				
1.1	£'000				
1.1.1	**Cost**				
	At 28 February 2017		12 491	36	12 527
	Additions		4 097		4 097
	Acquired through change in control of associate to subsidiary		33		33
	Foreign currency translation differences		(41)		(41)
	Disposals and scrappings		(13)		(13)
	Transfer to assets held for distribution		(216)	(19)	(235)
	At 28 February 2018		16 351	17	16 368
1.1.2	**Accumulated depreciation**				
	At 28 February 2017		3 110	21	3 131
	Charge for the year		2 224		2 224
	Foreign currency translation differences		19		19
	Disposals and scrappings		(10)		(10)
	Transfer to assets held for distribution		(142)	(4)	(146)
	At 28 February 2018		5 201	17	5 218
1.1.3	Book value at 28 February 2018		11 150	(1)	11 150
1.2	£'000				
1.2.1	**Cost**				
	At 29 February 2016	5 360	4 770	20	10 150
	Additions		2 926	18	2 944
	Acquired through business combinations		4 552		4 552
	Foreign currency translation differences		1 142	(2)	1 140
	Disposals and scrappings	(5 360)	(899)		(6 259)
	At 28 February 2017		12 491	36	12 527
1.2.2	**Accumulated depreciation**				
	At 29 February 2016	660	1 612	18	2 290
	Charge for the year	98	1 194	2	1 294
	Foreign currency translation differences		840	1	841
	Disposals and scrappings	(758)	(536)		(1 294)
	At 28 February 2017		3 110	21	3 131
1.2.3	Book value at 28 February 2017		9 381	15	9 396

1.3 The group leases certain property, plant and equipment under operating leases, refer to note 29.3.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP	
		2018 £'000	**2017 £'000**
2	**Investment properties**		
2.1	At beginning of year	806 660	196 879
	Additions	25 422	54 468
	Acquired through business combination	—	496 981
	Acquired through change in control of associate to subsidiary	4 840	—
	Capitalisation of borrowing costs – refer note 2.8	641	1 165
	Foreign currency translation differences	(10 797)	48 536
	Disposals	(9 696)	(4 325)
	Transfer to assets held for sale	(1 271)	(14 000)
	Straight line lease adjustment	14 088	—
	Net gain from fair value adjustments on investment property	11 760	26 956
	At end of year	841 647	806 660
	Comprising:		
	Investment properties at fair value for accounting purposes	822 459	805 139
	Straight-line lease adjustment disclosed separately	19 188	1 521
		841 647	806 660

Investment properties are valued by adopting the "investment method" of valuation. This approach involves applying capitalisation yields to current and future rental streams net of income voids arising from vacancies or rent free period and associated running costs. These capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuers professional judgement and market observation. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

The key unobservable input relates to the rental yield and a sensitivity has been presented within note 32.9

2.2 UK investment properties

2.2.1 A register containing details is available for inspection at the registered offices of Moorgarth Holdings Ltd.

2.2.2 External valuers Strutt & Parker LLP who hold recognised and relevant professional qualifications, valued property located in England & Wales representing £41.4 million (2017: £68.2 million) of the portfolio.

External valuers Savills LLP who hold recognised and relevant professional qualifications, valued property located in England & Wales representing £60.2 million (2017: £nil) of the portfolio

External valuers BNP Paribas Real Estate who hold recognised and relevant professional qualifications, valued property located in England & Wales representing £72.6 million (2017: £nil) of the portfolio.

New acquisitions and developments purchased in 2018 represent £14.2 million of the portfolio (2017: £44 million of the portfolio).

The remainder were valued by the directors following discussions with appropriate qualified employees of the group's bankers and information received from agents and auctioneers.

The valuations were performed in accordance with a market value analysis based on rental yields of between 4% and 8% (2017: yields between 1% and 15%) and vacancy rates of between 0% and 100%.

2.3 **Namibia investment properties**

2.3.1 A register containing details is available for inspection at the registered offices of Nguni Property Fund Ltd.

2.3.2 External valuers Jones Lang LaSalle IP Inc, who hold recognised and relevant professional qualifications, valued property located in Namibia representing 100% (2017: 98%) of the portfolio as at 30 September 2017. The directors valued the property based on the external valuers value and an increase of 4.9 % from 30 September 2017 to 28 February 2018.

The remainder were valued by the directors following discussions with appropriate qualified employees of the group's bankers and information received from agents and auctioneers.

The valuations were performed in accordance with a market value analysis based on rental yields of between 8.25% and 9.5% (2017: yields between 9.06% and 9.84%), and vacancy rates of between 0.2% and 10.18%.

2.4 **Africa excluding Namibia and South Africa investment properties**

2.4.1 A register containing details is available for inspection at the registered offices of Tradehold Africa Limited.

2.4.2 New acquisitions and developments purchased in 2018 represent £nil of the portfolio (2017: £26.5 million).

The remainder were valued by the directors following discussions with appropriate qualified employees of the group's bankers and information received from agents and auctioneers.

The valuations were performed in accordance with a market value analysis based on rental yields of between 9.10% and 10.00% (2017: yields between 8.5% and 11%) and vacancy rates of between 0% and 3%.

2.5 **South Africa investment properties**

2.5.1 A register containing details is available for inspection at the registered offices of Collins Property Projects (Pty) Limited.

2.5.2 External valuers, Quadrant Properties (Pty) Ltd, who hold recognised and relevant professional qualifications valued property located throughout South Africa representing GBP 114.5 million (ZAR 1.863 million) (2017: GBP nil) of the portfolio.

New acquisitions and developments purchased in 2018 represent GBP 12.1 million (ZAR 197.2 million) of the portfolio (2017: GBP 480 million).

The valuations were performed in accordance with a market value analysis based on rental yields of between 8% and 11.5% (2017: between 8.5% and 12%) and vacancy rates of between 0% and 1.93%.

		GROUP	
		2018 £'000	**2017 £'000**
2.6	Investment properties with a carrying amount that were vacant at year-end.	7 466	3 242
2.7	**Income and expenditure relating to investment properties**		
	Rental income	67 860	50 500
	Direct operating expenditure	9 532	5 005
	Direct operating expenses recognised in profit or loss relating to investment property that was unlet.	4 504	2 178
2.8	**The borrowing costs were capitalised at the following rates –**		
	Africa	7.1%	6.0%
	South Africa	9.75% and 10.00%	—
2.9	As significant judgement is exercised by management in determining the fair value using inputs that are based on unobservable market data, the investment is classified as a Level 3 asset – refer note 32.9		

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
3	**Intangible assets**		
	Goodwill – refer note 3.1	9 052	11 802
	Other intangible assets – refer note 3.2	322	754
		9 374	12 556
3.1	**Goodwill**		
	Cost	9 052	13 243
	Accumulated impairment losses	—	(1 441)
		9 052	11 802
3.1.1	**Cost**		
	Balance at beginning of year	13 243	11 288
	Acquired through business combinations	10	788
	Transfer to assets held for sale – refer note 10	(4 013)	—
	Warranty settlement	(212)	—
	Foreign currency translation movements	24	1 167
	Balance at end of year	9 052	13 243
3.1.2	**Accumulated impairment losses**		
	Balance at beginning of year	(1 441)	(1 048)
	Transfer to assets held for sale – refer note 10	1 434	—
	Foreign currency translation movements	7	(393)
		—	(1 441)

3.1.3 Allocation of goodwill to cash-generating units

Management reviews the business performance based on geography and type of business. It has identified the United Kingdom and South Africa as the main geographies. There are property segments in the UK, and short-term lending in South Africa. Goodwill is monitored by management at the operating segment level. The following is a summary of the goodwill allocation for each applicable operating segment:

2018	Opening	Additions	Impairment	Foreign currency translation movements	Transfer to assets held for distribution	Warranty settlement	Closing
SA short-term lending	2 592	—	—	(12)	(2 580)	—	—
UK property	8 000	10	—	—	—	—	8 010
Namibia property	447	—	—	122	—	(212)	357
Africa property	763	—	—	(78)	—	—	685
Total	11 802	10	—	32	(2 580)	(212)	9 052
2017							
SA short-term lending	1 885	—	—	707	—	—	2 592
UK property	7 975	25	—	—	—	—	8 000
Namibia property	380	—	—	67	—	—	447
Africa property	—	763	—		—	—	763
Total	10 240	788	—	774	—	—	11 802

3.1.3.1 The goodwill allocated to the UK property segment has been determined to be the serviced office business owned by subsidiaries held by the Group.

No impairment charge arose as a result of the impairment test (2017: nil). The recoverable amount has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated sustainable growth rates stated below.

	GROUP	
	2018 %	**2017** %
The key assumptions, long term growth rate and discount rate used in the value-in-use calculations are as follows:		
WACC	8.00%	8.00%
Growth rate	2.50%	2.50%
Sustainable growth rate	0.50%	0.50%
The principal assumptions where impairment occurs are as follows:		
WACC	29.13%	18.10%
Growth rate	(20.00%)	(11.30%)
Sustainable growth rate	(1.50%)	(1.50%)
3.2 Other intangible assets		
Cost	1 518	1 518
Accumulated amortisation	(1 196)	(764)
	322	754
3.2.1 Cost		
Balance at beginning of year	1 518	1 518
Acquired	—	—
Balance at end of year	1 518	1 518
3.2.2 Accumulated amortisation		
Balance at beginning of year	(764)	—
Amortisation for the year	(432)	(764)
Balance at end of year	(1 196)	(764)

Intangible assets comprise lease benefits acquired as part of the Ventia acquisition in the 2016 financial year, and represent the net present value of the favourable lease terms. The asset is amortised over the life of the beneficial leases.

The intangible assets were identified following on the finalisation of the Ventia purchase price allocation in the 2017 financial year.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		4	**Investment in subsidiaries**		
		4.1	**Shares in subsidiaries consisting of:**		
7 838	7 838		Shares in Tradegro Holdings (Pty) Ltd at cost (100% held)		
97 304	97 304		Shares in Mettle Investments (Pty) Ltd at cost (100% held)		
105 142	105 142				
		4.2	**Loans to subsidiaries consisting of:**		
3 450 119	3 391 091		**Amount owing by Tradegro Holdings (Pty) Ltd (100% held)** As part of a subordination agreement the company has deferred its right to claim payment of the amount owed by Tradegro Holdings (Pty) Ltd until the fair value of the assets exceeds its liabilities. The loan is unsecured and interest free with no fixed date of repayment, and has been classified as non-current.		
68 563	42 000		**Amount owing by Mettle Investments (Pty) Ltd (100% held)** The loan to Mettle Investments (Pty) Ltd is interest free, unsecured with no fixed date of repayment, and has been classified as non-current.		
929 895	1 185 139		**Loan (from)/to subsidiary company – Tradegro S.àr.l (100% held)** R1.153 million of the loan to Tradegro S.àr.l bears interest at a rate of 72% of 3 month ZAR JIBAR plus 3%, payable quarterly, and is repayable on 20 December 2021. The balance of R32 million is interest free, unsecured and a direct foreign investment, with no fixed date of repayment, and has been classified as non-current.		
4 448 577	4 618 230				
		5	**Investments in joint venture**		
		5.1	**Consisting of:**		
			Shares at cost plus attributable retained income	865	658
			Loans	26 218	19 973
				27 083	20 631
		5.2	**Shares at cost plus attributable retained income**		
			At beginning of the year	658	203
			Acquisition of joint venture through business combination	—	455
			Share of profit	662	—
			Transfer to assets held for distribution – refer note 10	(455)	—
			Carrying value	865	658

	GROUP 2018 £'000	GROUP 2017 £'000
5.3 Loans due from joint ventures		
Inception (Reading) S.àr.l	14 858	14 000
Moorgarth Group Ltd has provided an unsecured £14 000 000 loan to Inception (Reading) Sàrl. Interest accrues daily at an annual rate of 7% +3 month UK LIBOR, payable quarterly. The full capital amount is due for repayment on 28 May 2020.		
Moolmoor Holdings Limited	8 990	3 552
Tradegro S.ar.l has provided an unsecured £8 990 000 loan to Moolmoor Holdings Ltd. Interest accrues daily at an annual rate of 7% +3 month UK LIBOR, payable quarterly. The full capital amount is due for repayment on 28 May 2020.		
Mega Centre JV	2 370	2 421
The loan is unsecured, bears interest at Namibian prime when funded equally by both partners. When funded disproportionately the loan bears interest at Namibian prime plus 2% on this unequal portion. The loan is repayable on demand.		
	26 218	19 973
5.4 Movements in loans due from joint ventures		
Opening balance	19 973	—
Loan advanced to joint ventures	5 100	19 973
Interest and other fees	1 713	—
Loans repaid by joint ventures	(568)	—
Closing balance	26 218	19 973

5.5 Details of joint ventures

The joint ventures listed below have share capital consisting solely of ordinary shares, which are held directly by the group, and are accounted for using the equity method:

Name of company	Place of business/ country of incorporation	% ownership interest 2018	% ownership interest 2017	Carrying amount £'000 2018	Carrying amount £'000 2017
Inception (Reading) S.àr.l	UK/Luxembourg	50	50	(1 585)	157
Moolmoor Holdings Ltd	UK	50	50	38	4
Molmoor Investments Ltd	UK	50	50	176	43
Molmoor Waverley Ltd	UK	50	—	2 238	—
Reading Site Services Ltd	UK	50	—	(2)	—
Incatorque (Pty) Ltd	South Africa	—	50.4	—	454

The joint venture is a private company and there is no quoted market price available for its shares.

5.6 Commitments and contingent liabilities in respect of joint venture

There are no known capital commitments, or contingent liabilities for which the company is jointly or severally liable, in respect of any joint ventures

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

5 Investments in joint venture (continued)

5.7 Summarised financial information per joint venture entity

Set out below is the summarised financial information for the group's interest in joint ventures, which are accounted for using the equity method.

GROUP £'000	Inception (Reading) S.àr.l	Moolmoor Holdings Ltd	Moolmoor Investments Ltd	Moolmoor Waverley Ltd	Reading Site Services Ltd	Total
Summarised financial information for the year ended 28 February 2018						
Current						
Cash and cash equivalents	766		1 032		54	3 699
Other current assets (excluding cash)	2 895				1	2 896
Total current assets	3 661	—	1 032	1 847	55	6 595
Financial liabilities (excluding trade payables)	(335)					(335)
Other current liabilities (including trade payables)	(1 672)				(58)	(1 730)
Total current liabilities	(2 007)	—	—	—	(58)	(2 065)
Non-current						
Assets	67 907					67 907
Total non-current assets	67 907	—	—	—	—	67 907
Financial liabilities	(72 877)					(72 877)
Other liabilities	(285)					(285)
Total non-current liabilities	(73 162)	—	—	—	—	(73 162)
Net assets	(3 601)	—	1 032	1 847	(3)	(725)
Summarised statement of comprehensive income						
Revenue	4 889		1 239	2 482	180	8 790
Depreciation and amortisation	(21)			—		(21)
Interest income		960				960
Income expense	(8 095)	(886)	(859)	2 821	(184)	(7 203)
Pre-tax profit from continuing operations	(3 227)	74	380	5 303	(4)	2 526
Income tax expense	(260)	(5)	(112)	(827)	1	(1 203)
Post-tax profit from continuing operations	(3 487)	69	268	4 477	(3)	1 323
Other comprehensive income	376		139	82		597
Total comprehensive income	(3 112)	69	407	4 558	(3)	1 920
Reconciliation to carrying value						
Opening net assets	(491)	8	(4)			(487)
Profit for the period	(3 487)	69	268	4 477	(3)	1 323
Other comprehensive income	376		139	82		597
Closing net assets	(3 602)	77	403	—	(3)	1 433
Interest in Joint venture @ 50%	(1 801)	38	201	2 279	(2)	717
Add back: other comprehensive income	215		(25)	(41)		149
Carrying value	(1 586)	38	176	—	(2)	865

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the group and the joint venture.

GROUP £'000	**Inception (Reading) S.àr.l**	**Moolmoor Holdings Ltd**	**Moolmoor Investments Ltd**	**Reading Site Services Ltd**	**Total**
Summarised financial information for the year ended 28 February 2017					
Current					
Cash and cash equivalents	632	—	674	149	1 455
Other current assets (excluding cash)	1 258	7 111	467	16	8 852
Total current assets	1 890	7 111	1 141	165	10 307
Financial liabilities (excluding trade payables)	(591)	—	(99)	(1)	(691)
Other current liabilities (including trade payables)	(851)	(2)	(643)		(1 496)
Total current liabilities	(1 442)	(2)	(742)	(1)	(2 187)
Non-current					
Assets	70 523	—	17 046	60	87 629
Total non-current assets	70 523		17 046	60	87 629
Financial liabilities	(70 656)	(7 101)	(17 338)	(45)	(95 140)
Other liabilities	(805)	—	(112)	(1)	(918)
Total non-current liabilities	(71 461)	(7 101)	(17 450)	(46)	(96 058)
Net assets	(490)	8	(5)	178	(309)
Summarised statement of comprehensive income					
Revenue	5 104	—	345	28	5 477
Depreciation and amortisation	—	—	—	(3)	(3)
Interest income		111	—		111
Income expense	(5 108)	(103)	(238)	(26)	(5 475)
Pre-tax profit from continuing operations	(4)	8	107	(1)	110
Income tax expense	(89)		(22)		(111)
Post-tax profit from continuing operations	(93)	8	85	(1)	(1)
Post-tax profit from discontinued operations	—	—	—		
Other comprehensive income	103	—	—		103
Total comprehensive income	10	8	85	(1)	102
Reconciliation to carrying value					
Opening net assets	(500)	—	—	—	(500)
Acquisition of joint venture				205	205
Acquisition of joint venture – present value estimate of contingent consideration				249	249
Profit for the period	(93)	8	85		
Other comprehensive income	103	—	—		103
Closing net assets	(490)	8	85	454	57
Interest in Joint venture @ 50%	(245)	4	43	454	256
Add back: other comprehensive income	402	—	—	—	402
Carrying value	157	4	43	454	658

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the group and the joint venture.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

5 Investments in joint venture (continued)

5.8 Details of joint operation

Name of joint operation	Place of business/ country of incorporation	% ownership interest 2018	% ownership interest 2017	Value of net assets £'000 2018	Value of net assets £'000 2017
Mega Centre JV	Namibia	50	50	5 643	6 173

	GROUP 2018 £'000	GROUP 2017 £'000
5.8.1 Summarised financial information for the joint operation		
Summarised balance sheet as at 28 February		
Current		
Cash and cash equivalents	308	48
Other current assets (excluding cash)	168	1 011
Total current assets	476	1 059
Financial liabilities (excluding trade payables)	(9 478)	(9 851)
Other current liabilities (including trade payables)	(366)	(174)
Total current liabilities	(9 844)	(10 025)
Non-current		
Assets	15 011	15 139
	15 011	15 139
Financial liabilities	—	—
Other liabilities	—	—
Total non-current liabilities	—	
Net assets	5 643	6 173
Summarised statement of comprehensive income for the year ended 28 February		
Revenue	1 895	1 672
Interest income	4	47
Income expense	(1 547)	1 857
Pre-tax profit from continuing operations	352	3 576
Income tax expense	—	—
Post-tax profit from continuing operations	352	3 576
Other comprehensive income	—	—
Total comprehensive income	352	3 576

		GROUP	
		2018 £'000	2017 £'000
6	**Investments in associates**		
6.1	**Consisting of:**		
	Shares at cost plus attributable retained income	674	2 790
	Loans due from associates	8 484	12 049
		9 158	14 839
6.2	**Shares at cost plus attributable retained income**		
	At beginning of the year	2 790	2 018
	Share of profit	539	165
	Equity accounted losses	—	257
	Transfer to assets held for distribution / sale – refer note 10	(2 684)	(292)
	Dividends received	—	(186)
	Foreign currency translation differences	29	828
		674	2 790
6.3	**Loans due from/(to) associates**		
	Mettle Solar (Pty) Ltd	—	2 970
	The loan was transferred to assets held for distribution – refer note 10		
	Lendcor (Pty) Ltd	—	373
	The loan was transferred to assets held for distribution – refer note 10		
	Westport Property Investments (Pty) Ltd	—	833
	Steps Towers Property Investments (formerly Sand City Investments 34 (Pty) Ltd)	4 389	4 214
	Tradecol Investment Holdings (Pty) Ltd (formerly Oasis Mall Holdings (Pty) Ltd)	2 030	1
	Afrisaf Investment Holdings (Pty) Ltd	1 599	2 240
	Oasis Mall Developments (Pty) Ltd	3	(1)
	The above loans are unsecured, bear interest at Namibian Prime and are repayable on demand.		
	Nguni Property Services (Pty) Ltd	221	96
	The unsecured loan is interest free and is repayable on demand		
	Seculotte Trading 7 (Pty) Ltd	—	1 124
	The entity was reclassified as subsidiary during the year due to a change in control		
	Ifana Investments (Pty) Ltd	242	199
	The unsecured loan accrues interest at the South African prime rate and is repayable on demand		
		8 484	12 049
6.4	**Movements in loans due from/(to) associates**		
	Opening balance	12 049	—
	Reclassified as subsidiary due to change in control	(1 125)	—
	Loan advanced to associates	2 184	12 049
	Interest and other fees	934	—
	Loans repaid by associates	(2 228)	—
	Transfer to assets held for distribution – refer note 10	(3 342)	—
	Foreign currency translation differences and forex losses	12	—
	Closing balance	8 484	12 049

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

6 Investments in associates (continued)

6.5 Details of associates

The group's associates listed below have share capital consisting solely of ordinary shares, which is held directly by the group, and are all measured in accordance with the equity method:

Name of company	Place of business/ country of incorporation	% ownership interest 2018	% ownership interest 2017	Carrying amount 2018	Carrying amount 2017
Gondotrix (Pty) Ltd	South Africa	50.0	50.0	—	64
Lendcor (Pty) Ltd	South Africa	49.9	49.9	—	1 802
Lendcor Holdings (Pty) Ltd (previously Gondospot (Pty) Ltd)	South Africa	49.9	49.9	—	818
Mettle Solar (Pty) Ltd and its subsidiaries	South Africa	55.0	55.0	—	—
Steps Towers Property Investments (Pty) Ltd (formerly Sand City Investment Thirty Four)	Namibia	50.0	50.0	553	37
Dunes Lifestyle Property (Pty) Ltd	Namibia	25.0	25.0	—	—
Westport Property Investments (Pty) Ltd	Namibia	—	25.0	—	—
Tradecol Investment Holdings (Pty) Ltd (formerly Oasis Mall Holdings)	Namibia	44.0	44.0	—	—
Afrisaf Investment Holdings (Pty) Ltd	Namibia	50.0	50.0	68	68
Oasis Mall Developments (Pty) Ltd	Namibia	33.0	33.0	—	—
Probo JV (Pty) Ltd	Namibia	43.75	—	—	—
Greenstone Resorts (Pty) Ltd	Namibia	20.0	—	—	—
Nguni Property Services (Pty) Ltd	Namibia	50.0	50.0	53	—
Seculotte Trading 7 (Pty) Ltd	South Africa	—	50.0	—	—
Ifana Investments (Pty) Ltd	South Africa	50.0	50.0	—	—
				674	2 790

The carrying value of the associates are shown net of impairment losses.

The associates are private companies and there is no quoted market price available for their shares.

The investments in Gondotrix (Pty) Ltd, Lendcor (Pty) Ltd, Lendcor Holdings (Pty) Limited and Mettle Solar (Pty) Ltd were transferred to assets held for distribution – refer note 10

Steps Towers Property Investments (Pty) Ltd (formerly Sand City Investment Thirty Four)
Currently there is no contractual arrangement that outlines control of the above entity. The investments has been equity accounted as control is deemed to be with the other shareholder.

Afrisaf Investment Holdings (Pty) Ltd
Currently there is no contractual arrangement that outlines control of the above entity. The investments has been equity accounted as control is deemed to be with the other shareholder.

Nguni Property Services (Pty) Ltd
Currently there is no contractual arrangement that outlines control of Nguni Property Services (Pty) Ltd. The investments has been equity accounted as control is deemed to be with the other shareholder.

Seculotte Trading 7 (Pty) Ltd
The investment in Seculotte Trading 7 (Pty) Ltd was reclassified as subsidiary due to a change in control during the year.

Ifana Investments (Pty) Ltd
Currently there is no contractual arrangement that outlines control of Ifana Investments (Pty) Ltd. The investments has been equity accounted as control is deemed to be with the other shareholder.

6.6 Contingent liabilities in respect of associates

There are no known contingent liabilities in respect of any associates for which the company is jointly or severally liable.

6.7 **Summarised financial information for associates**

The table below provides summarised financial information for associates that are material to the group.

Summarised financial information for the year ended 28 February 2018

	Steps Towers Property Investments (Pty) Ltd (formerly Sand City Investment Thirty Four)
Summarised balance sheet	
Current	
Cash and cash equivalents	41
Other current assets (excluding cash)	6 075
Total current assets	6 116
Financial liabilities (excluding trade payables)	(13 887)
Other current liabilities (including trade payables)	(30)
Total current liabilities	(13 917)
Non-current	
Assets	15 538
Deferred tax	
Total non-current assets	15 538
Financial liabilities	(7 079)
Deferred tax	(44)
Total non-current liabilities	(7 123)
Net assets / (liabilities)	614
Summarised statement of comprehensive income	
Revenue	570
Interest income	229
Operating expenses	(1 066)
Income expense	1 242
Pre-tax profit from continuing operations	975
Income tax expense	2
Post-tax profit from continuing operations	977
Other comprehensive income	
Total comprehensive income	977
Reconciliation to carrying value	
Opening net assets	74
Profit for the period	977
Foreign exchange differences	53
Closing net assets	1 104
Interest in associates	552
Carrying value	552

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

6 Investments in associates (continued)

6.7 Summarised financial information for associates (continued)

Summarised financial information for the year ended 28 February 2017

	Lendcor (Pty) Ltd	Steps Towers Property Investments (Pty) Ltd (formerly Sand City Investment Thirty Four)	Total
Summarised balance sheet			
Current			
Cash and cash equivalents	386	35	421
Other current assets (excluding cash)	4 025	8 099	12 124
Total current assets	4 411	8 134	12 545
Financial liabilities (excluding trade payables)	(577)	(11 298)	(11 875)
Other current liabilities (including trade payables)	(589)	(44)	(633)
Total current liabilities	(1 165)	(11 342)	(12 508)
Non-current			
Assets	5 436	10 642	17 267
Deferred tax	—		
	5 436	10 642	17 267
Financial liabilities	(6 071)	(7 806)	(13 877)
Deferred tax	—	(46)	(46)
Total non-current liabilities	(6 071)	(7 853)	(13 924)
Net assets / (liabilities)	2 610	(419)	3 380
Summarised statement of comprehensive income			
Revenue	2 436	406	2 905
Depreciation and amortisation	(62)		(62)
Interest income	1 468	42	1 510
Operating expenses	(399)	(830)	(1 166)
Income expense	(2 697)		(2 698)
Pre-tax profit from continuing operations	746	(382)	489
Income tax expense	(195)	(39)	(171)
Post-tax profit from continuing operations	551	(421)	318
Post-tax profit from discontinued operations			
Other comprehensive income			
Total comprehensive income	551	(421)	318
Dividends received from associate	105		137
Reconciliation to carrying value			
Opening	1 594	74	1 861
Profit for the period	340		340
Acquisition of associate			
Foreign exchange differences	87		(7)
Closing net assets	2 022	74	2 194
Interest in associates	1 009	37	1 095
Goodwill	793		1 562
Carrying value	1 802	37	2 657

		GROUP	
		2018 £'000	**2017 £'000**
6.8	**Individually immaterial associates** In addition to the interests in associates disclosed above, the group also has interests in a number of individually immaterial associates that are accounted for using the equity method.		
	Aggregate carrying amount of individually immaterial associates	121	170
	Aggregate amounts of the group's share of loss from continuing operations and total comprehensive income	(4 239)	(239)
7	**Loans receivable**		
7.1	**Consisting of:**		
	Loans and receivables with key persons – refer note 7.4	2 379	1 683
	Loans and receivables – other 7.5	754	531
		3 133	2 214
	Non-current	2 379	1 683
	Current	754	531
		3 133	2 214
7.2	Opening balance	2 214	4 468
	Acquired through business combination	—	376
	Loans granted	2 468	68
	Interest	219	135
	Repayments	(100)	(4 367)
	Transfer to assets held for distribution	(1 657)	—
	Foreign currency translation differences	(11)	1 534
	Closing balance	3 133	2 214
7.3	**Subscribers and loan balance due**		
	AS Trust (FH Esterhuyse) – 1 664 490 shares	1 572	1 494
	KL Nordier – 48 219 shares	—	35
	FM ver Loren van Themaat – 166 667 shares	—	154
	Eastwick Road Ltd (D Wheble) – 10% of The Boutique Workplace Company Ltd	807	—
		2 379	1 683

7.4 On 15 April 2014 loans were granted to key persons to buy shares of the company. The share issue price was R12 (£0.68) per share at the date of the transaction.

Interest on the remaining unpaid loan is charged at the Standard Bank Prime rate less 3% and is to be repaid from distributions.

The loan is secured by cession and pledge of personal assets and are considered full recourse loans. The loan is repayable on the fifth anniversary of the grant date.

On 16 November 2017 a loan of £800 000 was granted to D Wheble for the purchase of 10% of the equity of The Boutique Workplace Company Ltd.

Interest is charged at 2.5% above GBP LIBOR and is payable quarterly.

The loan is secured by cession and pledge of personal assets and are considered full recourse loans. The loan is repayable on the tenth anniversary of the grant date.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
7	**Loans receivable (continued)**		
7.5	**Loan balance due**		
	Loans from Collins South Africa sellers – refer note 28.7.1	182	402
	Africol Namibia	411	—
	Other	161	129
		754	531

The other loans mainly comprise advances to property development partners in Africa and Namibia. The loans are unsecured, bear no interest and are repayable on demand.

		GROUP 2018 £'000	GROUP 2017 £'000
8	**Deferred taxation**		
	Deferred taxation assets	11 678	10 961
	Deferred taxation liabilities	(52 313)	(45 570)
	Net deferred taxation	(40 635)	(34 609)
8.1	**Deferred taxation assets**		
	Comprising temporary differences attributable to:		
	Tax losses carried forward	10 887	10 676
	Property, plant and equipment	—	186
	Deferred revenue	32	—
	Doubtful debts	51	—
	Other provisions and liabilities	708	99
		11 678	10 961

Significant estimates

The deferred tax assets include an amount of £8 million which relates to the carried forward tax losses of Imbali Props 21 (Pty) Ltd, Saddle Path Props 69 (Pty) Ltd, Collins Property Projects (Pty) Ltd and their subsidiaries. The subsidiaries have incurred losses relating to letting of immovable property and property management services.

The deferred tax assets include an amount of £1.8 million which relates to the carried forward tax losses of various UK investment property owning subsidiaries.

The subsidiaries have incurred losses relating to a combination of tax deductible capital allowances and tenant voids during property refurbishments.

The group has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved budgets for the subsidiaries. The subsidiaries are expected to generate taxable income from 2018 onwards. The losses can be carried forward indefintely and have no expiry date.

GROUP

		2018 £'000	2017 £'000
8.2	**Movement in deferred taxation assets**		
	Balance at beginning of the year	10 961	510
	Acquired through business combinations	—	10 124
	Income tax charge – refer note 26.2	1 050	—
	Increase in tax losses available for set-off against future taxable income	19	327
	On acquisition/(disposal) of subsidiaries	(142)	—
	Transfer to assets held for distribution	(134)	—
	Other	(62)	—
	Functional currency translation differences – recognised through other comprehensive income	(14)	—
	Balance at end of the year	11 678	10 961
8.3	**Deferred taxation liabilities**		
	Comprising temporary differences attributable to -		
	Provisions and accruals	—	(10)
	Investment property	(50 732)	(39 778)
	Lease straight-lining	(279)	(288)
	Property, plant and equipment	(1 409)	(5 494)
	Prepayments	(11)	—
	Assets held for sale	(258)	—
	Disposal of subsidiary	376	—
		(52 313)	(45 570)
8.4	**Movement in deferred taxation liabilities**		
	Balance at beginning of the year	(45 570)	(526)
	Acquired through business combinations	—	(40 243)
	Income tax charge – refer note 26.2	(7 560)	(2 504)
	On acquisition/(disposal) of subsidiaries	376	—
	Functional currency translation differences – recognised through other comprehensive income	414	(2 297)
	Other	27	—
	Balance at end of the year	(52 313)	(45 570)
8.5	Portion of deferred tax asset to be realised within twelve months	306	—
8.6	Unutilised assessed losses at the beginning of the year	18 352	487
	Losses incurred during the year	4 267	58
	Acquired through business combinations	—	28 189
	Utilised during the year	(951)	(406)
	Foreign currency translation movements	(838)	700
	Unutilised assessed losses at the end of the year	20 830	29 028
	Assessed losses applied in the provision for deferred tax	(10 887)	(10 676)
	Assessed losses to be applied in reduction of future taxable income	9 943	18 352

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
9	**Financial assets**		
9.1	**Consisting of**		
	Financial assets at fair value through profit or loss	5 886	5 924
	The asset was valued using an income based approach to determine the fair value.		
9.1.1	24 987 502 (2017: 24 987 502) A Shares in DV4 Ltd designated at fair value through profit or loss; and 87 231 (2017: nil) ordinary shares in Tradehold Limited designated at fair value through profit or loss		
	At beginning of year	5 924	6 344
	Acquisition	123	—
	Fair value loss	(37)	(419)
	Transferred to equity – refer note 14.1	(124)	—
	Distribution received	—	(1)
	At end of year	5 886	5 924
9.2	As significant judgement was exercised by management in determining the fair value using inputs that are based on unobservable market data, the investment was classified as a Level 3 financial asset for the year ended 28 February 2018 – refer note 32.9		
9.3	Analysis of total financial assets:		
	Non-current	—	—
	Current	5 886	5 924
		5 886	5 924
10	**Net assets held for sale or distribution and discontinued operations**		
10.1	Consisting of:		
	Investment property held for sale – refer note 10.2	1 271	14 000
	Investment in associate held for sale	—	389
	Current assets held for distribution – refer note 10.3	76 091	—
	Current liabilities held for distribution – refer note 10.3	(58 688)	—
		18 674	14 389

10.2 Two properties located in South Africa, known as Longmarket Street and Cradock, were subject to an unconditional sale but not disposed of at February 2018, and revalued to their fair value less costs to sell of £1.271 million at the reporting date.

10.3 During the current financial year the group took a decision to restructure its business aimed at strengthening the focus on its core property markets in the UK and South Africa. Its financial services businesses will be unbundled and listed separately, in order to create two focused businesses each with its own, clear identity. Tradehold shareholders will receive shares in the new company equal to the number of shares held in Tradehold. Although the financial services businesses are at this stage still relatively small, they are considered an effective platform for growth both organically and through acquisitions.

The unbundling transaction is expected to complete on 28 May 2018.

The unbundling transaction resulted in Tradehold classifying its investments in Reward group, Mettle group and Tradehold Solar as disposal groups held for distribution in line with the requirements of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. The assets and liabilities attributable to the Reward, Mettle and Tradehold Solar groups, classified as held for distribution, have been separately disclosed in the statement of financial position. In addition, the Reward, Mettle and Tradehold Solar groups qualify as discontinued operations as they are components of Tradehold that have been classified as held for distribution, and represent a separate major line of business. In line with the requirements of IFRS 5, the income and expenses relating to Reward, Mettle and Tradehold Solar were presented in the income statement and statement of other comprehensive income as a single amount as after tax profit and other comprehensive income relating to discontinued operations.

	GROUP 2018 £'000	GROUP 2017 £'000
Income and expenses comprising profit from operations held for distribution		
Revenue	10 774	9 020
Other operating income	61	83
Gain on disposal and scrapping of PPE (excluding buildings)		2
Employee benefit expenses	(2 209)	(2 052)
Lease expenses	(72)	(59)
Depreciation, impairment and amortisation	(37)	(40)
Other operating costs	(1 651)	(974)
Trading profit/(loss)	6 866	5 980
Gain on disposal of investments	53	140
Gain on revaluation of investment		
Fair value loss on financial assets at fair value through profit or loss	72	
Operating profit/(loss)	6 991	6 120
Finance income	631	450
Finance cost	(1 507)	(276)
Interest paid to group	(1 243)	(1 794)
Earnings from joint venture	(14)	
Earnings from associated companies	259	106
Profit before taxation	5 118	4 606
Taxation	(1 058)	(981)
Profit for the year before non-controlling interest	4 060	3 625
Non-controlling interest	(949)	(833)
Total comprehensive income attributable to owners of the parent	3 110	2 792
Cash flow information		
Cash flow from operating activities	4 198	3 419
Cash flow from investing activities	(32 384)	(11 829)
Cash flow from financing activities	29 559	9 530
Total cash flows	1 373	1 120
Assets and liabilities comprising current assets and current liabilities held for distribution		
Assets		
Property, plant and equipment	89	
Financial assets	1 920	
Intangible assets	2 580	
Investment in joint venture	435	
Investments in associates	3 265	
Loans to associates	2 494	
Loans receivable	4 681	
Deferred taxation	74	
Assets held for resale		
Trade and other receivables	55 516	
Cash and cash equivalents	5 037	
Total assets	76 091	
Liabilities		
Long-term borrowings	31 979	
Deferred taxation	23	
Contingent consideration		
Trade and other payables	1 416	
Short-term borrowings	2 938	
Loans from group	21 840	
Taxation	409	
Bank overdrafts	83	
Total liabilities	58 688	
Net assets of disposal group held for sale	17 403	
Non-controlling interest of the operations held for distribution	1 162	

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
11	**Trade and other receivables**		
11.1	**Consisting of:**		
	Trade receivables	5 150	47 721
	Gross receivables	5 310	48 778
	Trade receivables		2 293
	Outstanding rent	5 310	4 272
	Loans and advances Reward – refer note 11.4		40 995
	Loans and advances Mettle – refer note 11.4		1 168
	Loans and advances – other – refer note 11.4	—	50
	Provision for impairment	(160)	(1 057)
	Loans and advances		(981)
	Other	(160)	(76)
	Proceeds due on sale of property (Barloworld / Botswana properties)	7 642	3 871
	Lease incentives	3 844	3 810
	Rent-free prepayments	2 312	2 446
	Deferred consideration receivable – sale of Lendcor – refer note	—	316
	Prepayments	2 336	1 295
	Indirect taxes receivable	3 868	2 258
	Rental deposits	3 716	2 806
	Loan arrangement fees and deferred finance charges	3 676	888
	Other receivables	1 541	974
		34 085	66 385

The carrying value less impairment provision of trade and other receivables are approximately their fair values.

		2018 £'000	2017 £'000
11.2	**Analysis of total trade and other receivables**		
	Non-current assets	1 337	552
	Current assets	32 748	65 833
		34 085	66 385

11.3 There is no significant concentration of credit risk with respect to outstanding rent trade receivables, as the group has a large number of tenants. As of 28 February 2018 and 28 February 2017, all outstanding trade receivables were fully performing.

11.4 The loans and advances relating to Reward and Mettle were transferred to assets held for distribution at the year end. Refer note 10.

		2018 £'000	2017 £'000
11.4.1	The exposure to risk and movement in the loans and advances balance is as follows:		
	Loans and advances at start of year	42 213	33 203
	Gross loans advanced to customers	—	79 234
	Interest and other fees	—	7 721
	Gross loans paid by customers	(49)	(78 390)
	Transfer to assets held for sale	(42 164)	—
	Foreign currency translation differences and forex losses	—	445
	Gross loans and advances at year end	—	42 213
11.4.2	The loan loss rate is as follows:		
	Loans and advances at year end	—	42 213
	Provision for impairment of loans and advances	—	(981)
	Net balance	—	41 232
	Impairment charge in profit and loss	—	245
	Loan loss rate for the period	—	0.31%

		GROUP	
		2018 £'000	**2017 £'000**
11.5	The ageing of trade receivables are as follows:		
	Neither past due nor impaired	255	—
	30 days	4 921	39 000
	60 days	35	261
	Past due but not impaired	—	133
	30 days past due	—	136
	60 days past due	—	16
	90 days past due	21	16
	More than 90 days past due	78	9 216
	Impaired	(160)	(1 057)
	Total gross balance	5 150	47 721
11.6	Movement in the provision for impairment of loans and advances were as follows:		
	Balance at beginning of the year	1 057	882
	Acquisition of subsidiary – Collins South Africa	—	11
	Additional provision charged during the year	160	222
	Utilised during the year	(68)	(85)
	Released during the year	—	1
	Transfer to assets held for sale – refer note	(988)	—
	Foreign currency translation differences and forex losses	(1)	26
	Balance at end of the year	160	1 057
11.7	Credit quality of trade receivables (net of provisions)		
	Trade receivables without external credit rating:		
	Group 1	—	31 466
	Group 2	5 110	14 193
	Group 3	40	2 062
		5 150	47 721

Group 1 – new customers (less than 6 months)
Group 2 – existing customers (more than 6 months) with no defaults in the past
Group 3 – existing customers (more than 6 months) with some defaults in the past, which were fully recovered

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		11	**Trade and other receivables (continued)**		
		11.8	**Deferred consideration**		
			Mettle Investments (Pty) Ltd sold a subsidiary during the prior year and the purchase price is outstanding at year-end. The purchase price accrues interest at prime less 2%.		
		11.9	The carrying amount of trade and other receivables are denominated in the following currencies:		
			Pound Sterling	17 627	55 170
			Rand	6 243	8 187
			USD	9 994	2 458
			Namibian Dollar	209	542
			Other – Swiss franc/Euro	12	29
				34 085	66 386
		12	**Cash and cash equivalents**		
		12.1	**Consisting of:**		
401	1 443		Cash at bank and on hand	14 663	30 506
			Short-term bank deposits	1 734	425
401	1 443			16 397	30 931
			Cash and cash equivalents include the following for the purposes of the statement of cash flows:		
401	1 443		Cash and cash equivalents	16 397	30 931
—	—		Bank overdrafts	(514)	(558)
401	1 443			15 883	30 373
		12.2	Carrying amount of cash and cash equivalents are denominated in the following currencies:		
3	2		Pound Sterling	6 178	21 806
365	1 160		Rand	2 346	3 090
—	—		USD	5 123	4 478
—			Namibian Dollar	456	382
			Zambian Kwacha	666	
			Mozambique New Metical	1 046	
33	281		Other	68	617
401	1 443			15 883	30 373

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		13	**Ordinary share capital**		
		13.1	**Authorised:**		
	—		310 000 000 (2017: 310 000 000) ordinary shares of no par value	—	
		13.2	**Issued:**		
3 759 384	3 736 210		247 174 375 (2017: 247 092 926) ordinary shares of no par value	260 102	261 634
			Share premium		
3 759 384	3 736 210			260 102	261 634
		13.3	**Reconciliation of number of shares issued:**		
188 239 902	247 092 926		Balance at beginning of the year	247 092 926	188 239 902
	81 449		Issue of shares to Cape Messum Trust in settlement of deferred consideration for acquisition of Pointbreak – ordinary shares	81 449	—
1 189 730			Issue of shares to Mettle sellers – ordinary shares		1 189 730
57 681 879			Issue of shares to Collins SA portfolio sellers – ordinary shares – refer note 28.7.1		57 681 879
7 414 761			Issue of shares to Imbali Props 21 (Pty) Ltd shareholders – ordinary shares		7 414 761
(7 433 346)			Buy back of shares from Imbali Props 21 (Pty) Ltd – ordinary shares		(7 433 346)
247 092 926	247 174 375		Balance at end of the year	247 174 375	247 092 926
		13.4	The unissued share capital is under the control of the directors who may issue it on such terms and conditions as they in their discretion deem fit. This authority will be tabled for extension at the forthcoming annual general meeting.		
		14	**Other equity and reserves**		
		14.1	**Treasury shares**		
			Opening balance	—	—
			Repurchased during the year	123	—
			Fair value profit / (loss)	1	—
			Closing balance	124	—
			The company acquired 87 231 (2017: nil) of its own shares through purchases on the JSE by its wholly owned subsidiary, Imbali Props 21 (Pty) Limited during the year. The total amount paid to acquire the shares was £122 921 (R2 000 000) and has been deducted from shareholders's equity.		
		14.2	**Non-distributable reserves**	13 744	16 304
			Foreign currency translation reserve	13 851	16 667
			Cash flow hedging reserve – refer note 14.4	(184)	(400)
			Capital redemption reserve fund	77	37
		14.3	**Distributable reserve**		
(123 118)	(169 665)		(Accumulated loss)/retained earnings	50 898	19 958
(123 118)	(169 665)			64 642	36 262
			During the year a dividend of £1 500 789 (2017: £572 244) was declared and paid out of share premium as approved by the board of directors. The Rand equivalent of this declaration was R24 709 293 (2017: R12 312 926).		

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		14	**Other equity and reserves (continued)**		
		14.4	**Cash flow hedging reserve**		
			Balance at beginning of the year	(400)	(535)
			Other comprehensive income for the year	246	(33)
			Attributable to minority share	(30)	168
				(184)	(400)
		15	**Preference share liability**		
		15.1	**Authorised:**		
	—		131 750 000 (2017: 131 750 000) non-convertible, non-participating, non-transferable redeemable preference shares of no par value	—	
—	—		65 000 000 (2017: 65 000 000) cumulative, redeemable "A" preference shares of no par value	—	—
—	—		40 000 000 (2017: 40 000 000) "B" unspecified preference shares of no par value	—	—
				—	
		15.2	**Issued:**		
780	1 017		101 697 437 (2017: 77 964 625) non-convertible, non-participating, non-transferable redeemable preference shares of no par value – Titan Share Dealers refer note 15.3	62	48
			Nil (2017: 61 927 500) cumulative redeemable "A" preference shares of R10 each – RMB. Refer note 15.4	—	38 951
630 801	1 146 885		1 134 790 (2017: nil) cumulative redeemable "B" preference shares of R1 000 each – RMB. Refer note 15.4 and 32.9	70 488	
631 581	1 147 902			70 550	38 999

15.3 The non-participating preference shares are not convertible into shares of any other class, are not entitled to participate in any profits of the company and no dividends may be declared or paid in respect of them. The holder of these shares is entitled to be present at any meeting of the company and is entitled on a poll to one vote in respect of every share held.

The non-participating preference shares are redeemable in relation to the extent which the shareholder disposes of his interest in ordinary shares in the company. All issued preference shares are fully redeemable should the shareholder's interest in ordinary shares become less than 10%. These shares are not listed on any stock exchange.

Subject to certain limitations, the unissued share capital is under the control of the directors who may issue it on predetermined terms under certain circumstances. Full particulars are available for inspection at the registered office of the company.

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		15.4	The 61 927 500 cumulative redeemable "A" preference shares were redeemed in full on 18 December 2018. Dividends were calculated quarterly at a rate of 72% of 3 month ZAR JIBAR plus 2.65% and payable quarterly.		
629 336	630 801		Balance at beginning of the year	38 951	28 262
—	—		Foreign exchange movement	(218)	10 612
665	610		Deferred finance charges	36	35
48 770	38 919		Interest accrued	2 267	2 572
(47 970)	(51 055)		Interest paid	(2 974)	(2 530)
—	(619 275)		Repaid during the year	(38 062)	
630 801	—		Balance at end of the year	—	38 951
		15.5	The 1 134 790 cumulative redeemable "B" preference shares were issued and listed on the JSE on 18 December 2018. Dividends are calculated quarterly at a rate of 72% of 3 month ZAR JIBAR plus 3% and payable quarterly. Capital redemptions of approximately 1% of the subscription amount are payable semi-annually, with the remaining balance to be redeemed on 20 December 2021.		
—	—		Balance at beginning of the year	—	—
—	1 134 790		Drawn during the year	62 968	—
—	—		Foreign exchange movement	6 815	—
—	(6 131)		Deferred finance charges	(357)	—
—	18 226		Interest accrued	1 062	—
—	—		Interest paid	—	—
—	1 146 885		Balance at end of the year	70 488	—
			Short term portion (repayable on 15 June and 18 December 2018)	1 229	—

The group hedges the payables under this financial liability for currency and interest rate risk via a cross-currency swap which exchanges ZAR for GBP and ZAR JIBAR linked interest for GBP LIBOR linked interest. The derivative financial instrument is adjusted for fair value movements in the hedged risk – refer note 17.

15.6 Other than the non-participating preference shares there are no unlisted securities in the issued share capital of the company.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP	
		2018 £'000	2017 £'000
16	**Long-term borrowings**		
16.1	**Consisting of:**		
	Financial liabilities at amortised cost	472 384	474 167

The fair value of current borrowings approximate their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rates as set out below.

		2018 £'000	2017 £'000
16.2	**Financial liabilities at amortised cost**		
16.2.1	**HSBC loan (Inception Holdings) – secured**		
	Balance at beginning of the year	27 584	23 995
	Drawn during the year	—	3 575
	Repaid during the year	(28 474)	(1 100)
	Interest	890	1 114
	Balance at end of the year	—	27 584

On 24 December 2013 Inception Holdings S.àr.l. (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l.) entered into a 5 year term loan of up to £21 544 000 to purchase and then re-furbish the Market Place Shopping Centre in Bolton. The loan facility was repaid in full on 18 December 2017.

Interest was calculated daily at an annual rate of 2.75% + 3 month LIBOR and payable quarterly.

		2018 £'000	2017 £'000
16.2.2	**HSBC loan (Inception Living S.ar.l) – secured**		
	Balance at beginning of the year	8 120	8 123
	Repaid during the year	(8 244)	(205)
	Interest	124	203
	Balance at end of the year	—	8 120

On 4 April 2015 Inception Living S.àr.l. (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l.) entered into a 3 year term loan of £8 100 000 to finance the acquistion of Tagwright House, an office and residential building in Shoreditch, London.

Interest is calculated daily at an annual rate of 2.0% + 3 month LIBOR and payable quarterly. The loan was repaid in full on 26 October 2017

		2018 £'000	2017 £'000
16.2.3	**HSBC loan (The Boutique Workplace Company Limited) – secured**		
	Balance at beginning of the year	4 821	6 108
	Drawn during the year	2 240	—
	Repaid during the year	(1 169)	(1 506)
	Interest	215	219
	Balance at end of the year	6 107	4 821

On 1 December 2015 The Boutique Workplace Company Limited (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l.) entered into a 5 year term loan facility of £6 400 000 to finance the acquisition of Ventia Group Limited and subsidiaries, a Serviced Office operator in London.

Interest is calculated daily at an annual rate of 3.5% + 3 month LIBOR and payable quarterly, with the loan amortising evenly over the 5 year term.

The loan is wholly secured by a debenture over The Boutique Workplace Company Limited including a fixed charge over all property and assets owned by The Boutique Workplace Company and its subsidiaries.

		GROUP 2018 £'000	GROUP 2017 £'000
16.2.4	**Europrop Holdings Limited – unsecured**		
	Balance at beginning of the year	5 102	3 943
	Drawn during the year	—	850
	Repaid during the year	(5 269)	—
	Interest	167	309
	Balance at end of the year	—	5 102

The first £2 500 000 of the loan attracts interest at an annual rate of 10% + 3 month LIBOR, with interest charged on the balance at the rate of 2.75% + 3 month LIBOR. The loan was repaid in full during the year .

		GROUP 2018 £'000	GROUP 2017 £'000
16.2.5	**Canada Life**		
	Balance at beginning of the year	—	—
	Drawn during the year	32 736	—
	Repaid during the year	(424)	—
	Interest	418	—
	Balance at end of the year	32 730	—

On 19th October 2017 Moorgarth Property (Luxembourg) Sarl, Wandle Point Management Ltd, Inception Living Sarl and Moorgarth Maple Limited entered into a loan facility of £35 712 000 with Canada Life. £32 736 000 of the 10 year facility was drawn down on 26th October and enabled the repayment of both Inception Living Sarl's and Wandle Point Management's existing loans with HSBC.

Interest on the loan facility is fixed at 3.41% over the term of the loan.

Interest is paid on a quarterly basis in line with a schedule to the facility agreement.

Capital repayments are also made on a quarterly basis in line with a schedule to the facility agreement.

During the term of the facility £5 712 000 of capital is repaid and the remaining capital balance of £30 000 000 is repaid on maturity.

The loan is wholly secured by a fixed charge over all property and assets owned by the borrowers.

		GROUP 2018 £'000	GROUP 2017 £'000
16.2.6	**Shandon Investments Ltd – Unsecured.**		
	Balance at beginning of the year	152	76
	Drawn during the year	—	75
	Repaid during the year	(8)	(3)
	Interest	5	4
	Balance at end of the year	149	152

On 1 July 2015 Wandle Point Management Ltd (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l.) entered into a 6 year loan facility of £150 000 with Shandon Investments Limited, to fund the acquisition of 9 residential units at the Avonview development in Clapham, London.

Interest is calculated daily at an annual rate of 3% + 3 month LIBOR and accrues over the term of the loan with all accrued interest and capital repayable on 30 June 2021.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP	
		2018 £'000	2017 £'000
16	**Long-term borrowings (continued)**		
16.2	**Financial liabilities at amortised cost (continued)**		
16.2.7	**HSBC loan (Wandle Point Management Ltd) – secured**		
	Balance at beginning of the year	2 959	—
	Drawn during the year	—	2 952
	Repaid during the year	(2 999)	(34)
	Interest	40	41
	Balance at end of the year	—	2 959

On 19 July 2016 Wandle Point Management Ltd (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l.) entered into a 3 year loan facility of £2 951 940 with HSBC, to fund the acquisition of 9 residential units at the Avonview development in Clapham, London.

Interest is calculated daily at an annual rate of 1.8% + 3 month LIBOR and payable quarterly.

The loan was repaid in full on 26 October 2017

		2018 £'000	2017 £'000
16.2.8	**HSBC (Moorgarth Living Ltd) – secured**		
	Balance at beginning of the year	6 965	—
	Drawn during the year	—	6 960
	Repaid during the year	(142)	—
	Interest	154	5
	Balance at end of the year	6 977	6 965

On 16 February 2017 Moorgarth Living Ltd (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l.) entered into a 3 year loan facility of £6 960 000 with HSBC, to fund the acquisition of a commercial property, 71-73 Carter Lane, London.

Interest is calculated daily at an annual rate of 1.85% + 3 month LIBOR and payable quarterly, with the full outstanding capital amount to be settled at the end of a 3 year period.

The loan is wholly secured by a debenture over Moorgarth Living Ltd including a fixed charge over all property and assets owned by the company.

		2018 £'000	2017 £'000
16.2.9	HSBC (Moorgarth Retail Ltd) – secured		
	Balance at beginning of the year	6 316	—
	Drawn during the year	—	6 300
	Repaid during the year	(6 322)	(43)
	Interest	6	59
	Balance at end of the year	—	6 316

On 16 February 2017 Moorgarth Living Ltd (a subsidiary of Moorgarth Holdings (Luxembourg) S.àr.l) entered into a 3 year loan facility of £6 960 000 with HSBC, to fund the acquisition of a commercial property, 71-73 Carter Lane, London.

Interest is calculated daily at an annual rate of 1.85% + 3 month LIBOR and payable quarterly.

The loan was repaid in full on 26 October 2017

		GROUP	
		2018 £'000	**2017 £'000**
16.2.10	**Standard Bank – secured**		
	Balance at beginning of the year	24 834	17 728
	Drawn during the year	4 851	4 800
	Repaid during the year	(2 901)	(1 611)
	Interest	1 779	1 738
	Foreign currency translation differences	(2 625)	2 178
	Balance at end of the year	25 938	24 834

On 6 May 2015 Cognis 1, Limitada entered into a 5 development loan of up to USD 32 million to fund the development of a residential housing estate in Maputo.

During the availability period, interest is calculated daily at an annual rate of 5% + Libor on the first USD 10 million and 7% + Libor on the remaining USD 22 million and capitalised.

At the end of the availability period, interest is calculated daily at an annual rate of 5% + Libor on the first USD 10 million and 6% + Libor on the remaining USD 22 million and payable quarterly, with the full outstanding capital amount to be settled 5 years after the end of the availability period.

On 11 September 2017 Pemba Investment Company Limitada drew down on an USD 11 000 000 facility with Standard Bank. Interest is calculated at an annual rate of Libor + 5.5% and is repayable quarterly, with the full outstanding capital due to be settled in March 2023.

The loan is secured by a corporate guarantee of USD 8.8 million.

		2018 £'000	2017 £'000
16.2.11	**Mauritius Commercial Bank – secured**		
	Balance at beginning of the year	132	219
	Repaid during the year	(77)	(77)
	Interest	36	35
	Foreign currency translation differences	3	(44)
	Balance at end of the year	94	132

In August 2016 Attebury Matola Limitada entered into a 5 year term loan of up to USD 6 000 000 to purchase a property in Maputo.

Interest is calculated daily at an annual fixed rate of 7.756847% LIB01 NACM on the USD 5.5 million and an annual fixed rate of 8.226% LIB01 NACM on the USD 460 648 and payable monthly, with an outstanding capital amount of USD 3.57 million to be settled at the end of the 5 year term.

		2018 £'000	2017 £'000
16.2.12	**First National Bank South Africa – secured**		
	Balance at beginning of the year	4 635	—
	Drawn during the year	—	4 728
	Repaid during the year	(319)	—
	Interest	397	—
	Foreign currency translation differences	(494)	(94)
	Balance at end of the year	4 219	4 635

In August 2016 Attebury Matola Limitada entered into a 5 year term loan of up to USD 6 000 000 to purchase a property in Maputo.

Interest is calculated daily at an annual fixed rate of 7.756847% LIB01 NACM on the USD 5.5 million and an annual fixed rate of 8.226% LIB01 NACM on the USD 460 648 and payable monthly, with an outstanding capital amount of USD 3.57 million to be settled at the end of the 5 year term.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
16	**Long-term borrowings (continued)**		
16.2	**Financial liabilities at amortised cost (continued)**		
16.2.13	**Nedbank South Africa – secured**		
	Balance at beginning of the year	23 312	18 883
	Drawn during the year	—	23 901
	Repaid during the year	(3 300)	(29 353)
	Interest	2 178	2 391
	Foreign currency translation differences	10	7 490
	Balance at end of the year	22 200	23 312

Interest is calculated daily at an annual rate of South African Prime less 0.25% (9.75%) and payable monthly.

Capital of N$22 197 048 is payable within 12 months and the remaining balance in more than 12 months.

The loan is wholly secured by the investment properties Mutual Platz and Mega Centre in Windhoek, Namibia, and the Rundu Shopping Mall in Rundu, Namibia.

		2018 £'000	2017 £'000
16.2.14	**Africol Property Investments (Pty) Ltd – unsecured**		
	Balance at beginning of the year	3 141	1 829
	Acquired through business combinations	—	—
	Drawn during the year	82	6 522
	Repaid during the year	(3 209)	(5 968)
	Interest	—	62
	Foreign currency translation differences	(14)	696
	Balance at end of the year	—	3 141

The loan is unsecured, bears no interest and was repaid in full on 28 February 2018.

		2018 £'000	2017 £'000
16.2.15	**Small Enterprise Finance Agency SOC Limited ("SEFA") – secured**		
	Balance at beginning of the year	1 394	654
	Drawn during the year	—	556
	Repaid during the year	—	(206)
	Interest	—	124
	Transfer to liabilities held for distribution – refer note 10s	(1 394)	—
	Foreign currency translation differences	—	266
	Balance at end of the year	—	1 394

The loan accrues interest at South African prime plus 1%. Interest is payable monthly with capital repayable in semi-annual instalments over the remaining term of the five year facility. The loan is secured by Mettle Administrative Services (Pty) Ltd's cash balances and loan and trade receivables.

		GROUP	
		2018 £'000	2017 £'000
16.2.16	**Nedbank South Africa**		
	Balance at beginning of the year	268 138	—
	Acquired through business combination	3 818	251 695
	Drawn during the year	8 669	568
	Repaid during the year	(43 628)	(5 328)
	Interest	28 173	3 601
	Foreign currency translation differences	296	17 602
	Balance at end of the year	265 466	268 138

Interest is calculated monthly across multiple facilities at rates from the South African prime rate less 1.5% to the South African prime rate plus 0.5%. In addition certain facilities are at a fixed rates ranging from 10.32% to 13.30%. All interest is payable monthly.

Capital of R78.8 million is payable within 12 months and the remaining balance in more than 12 months.

The loan is wholly secured by:
- the investment properties within South Africa and an additional 25% is pledged to cover Nedbank's costs, expenses and disbursements over investment property secured, and
- execution of limited joint and several suretyships and guarantees from the Collins shareholders, in favour of Nedbank, which will and have been replaced within the past financial period by Tradegro Holdings (Pty) Ltd guarantees.

		2018 £'000	2017 £'000
16.2.17	**Nedbank South Africa preference shares**		
	Balance at beginning of the year	10 083	—
	Acquired through business combination	—	9 446
	Repaid during the year	(994)	(128)
	Interest	942	109
	Foreign currency translation differences	5	656
	Balance at end of the year	10 036	10 083

Comprises 9286 "A" and 7049 "B" cumulative, redeemable preference shares of no par value issued by Imbali Props 21 (Pty) Ltd to Nedbank Limited, both having a scheduled redemption date of 31st of August 2020.

The dividend rate is equal to 104% and 85% of the South African Prime rate for during the applicable period for preference share "A" and "B" respectively Dividends are paid monthly on the 5th calendar day of the month.

The liability is wholly secured by:
- a loan facility with Nedbank equal to the maximum principal amount of preference share A,
- certain investment properties within South Africa,
- execution of limited joint and several suretyships and guarantees from Tradegro Holdings (Pty) Ltd limited to ZAR 39 million, and
- execution of limited joint and several suretyships and guarantees from the Collins shareholders, in favour of Nedbank, over preference shares "B", limited to ZAR 5.4 million, which will and have been replaced within the past financial period by Tradegro Holdings (Pty) Ltd guarantees.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
16	**Long-term borrowings (continued)**		
16.2	**Financial liabilities at amortised cost (continued)**		
16.2.18	**Investec Bank Limited South Africa**		
	Balance at beginning of the year	58 178	—
	Acquired through business combination	—	57 923
	Drawn during the year	95 067	—
	Repaid during the year	(93 703)	(4 764)
	Interest	6 102	951
	Foreign currency translation differences	64	4 068
	Balance at end of the year	65 708	58 178

Interest is calculated monthly across multiple facilities at rates from the South African prime rate less 0.50% to the South African prime rate, and at a fixed rates ranging from 9.70% to 13.24%. All interest is payable monthly.

Capital of R36 974 is payable within 12 months and the remaining balance in more than 12 months.

The loans are wholly secured by:
- investment properties within South Africa,
- plant and equipment within South Africa,
- execution of limited joint and several suretyships and guarantees from the Collins shareholders, in favour of Investec, which will and have been replaced within the past financial period by Tradegro Holdings (Pty) Ltd guarantees.

		2018 £'000	2017 £'000
16.2.19	**Sanlam South Africa**		
	Balance at beginning of the year	3 966	—
	Acquired through business combination	—	3 774
	Repaid during the year	(585)	(95)
	Interest	345	27
	Foreign currency translation differences	—	260
	Balance at end of the year	3 726	3 966

Interest is calculated monthly at a fixed rate of 9.41% and payable monthly.

Capital of R4.5 million is payable within 12 months and the remaining balance in more than 12 months.

The loan is wholly secured by:
- the investment property within South Africa, and
- a cession of all contractual rental income and insurance policies and VAT refunds in respect of investment property secured.

		2018 £'000	2017 £'000
16.2.20	**Absa Bank South Africa**		
	Balance at beginning of the year	55	—
	Acquired through business combination	—	52
	Drawn during the year	53	—
	Repaid during the year	(63)	(2)
	Interest	5	1
	Foreign currency translation differences	—	4
	Balance at end of the year	50	55

Interest is calculated monthly at the South African prime rate less 1% and payable monthly.

Capital of R131 733 is payable within 12 months and the remaining balance in more than 12 months.

The loan is wholly secured by the investment property within South Africa.

		GROUP	
		2018 £'000	2017 £'000
16.2.21	**Rand Merchant Bank South Africa**		
	Balance at beginning of the year	29 173	—
	Acquired through business combination	—	27 144
	Repaid during the year	(2 159)	(353)
	Interest	2 966	471
	Foreign currency translation differences	27	1 911
	Balance at end of the year	30 007	29 173

Interest is calculated at a monthly rate of South African prime rate less 1.5% and at a fixed rate of 11.027%, and all interest is payable monthly.

No capital is payable within 12 months and the remaining balance in more than 12 months.

The loan is wholly secured by:

- the investment property within South Africa,
- execution of limited joint and several suretyships and guarantees from the Collins shareholders, in favour of Rand Merchant Bank, which will and have been replaced within the past financial period by Tradegro Holdings (Pty) Ltd guarantees, and
- cession of all benefits, right, title and interest in and to the insurance policy, any rental agreement and sale agreement concluded in respect of the mortgage property.

		2018 £'000	2017 £'000
16.3	The group has access to the following undrawn borrowing facilities at the end of the reporting period:		
	Expiring beyond one year:		
	HSBC loan	—	686
	Europrop Holdings Limited	—	3 475
	SEFA	—	1 575
	Investec Bank Limited South Africa	998	—
	Canada Life	2 976	—
		3 974	5 736
16.4	**Analysis of long-term borrowings:**		
	Non-current	472 384	474 167
	Current – refer note 21.1	9 597	14 893
	Refer note 32.9	481 981	489 060

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
17	**Derivative financial instruments**		
17.1	**Consisting of:**		
	Fair value through profit and loss – designated as a cash flow hedge – refer note 17.2	224	532
	Fair value through profit and loss – held for trading – refer note 17.3	(5 847)	(2 656)
		(5 623)	(2 124)
17.2	**RMB – secured**		
	Market to market value of interest rate swap	224	532

On 4 April 2014 Inception Holdings S.àr.l entered into an interest rate swap, whereby the interest rate on 70% of the notional drawn balance (£15 143 100) was fixed at 2.155%. During the year the HSBC loan upon which the SWAP was based was repaid in full. This loan was refinanced with a group loan and the SWAP was novated from HSBC to Rand Merchant Bank (RMB), and retains the same terms. RMB performed a mark to market valuation at year end, which shows a potential loss of £278 178 (2017: £531 780) if the group broke the swap.

The notional principle amount of the outstanding interest rate swap contract at 28 February 2018 was £15 143 100 (2017: £15 143 100).

At 28 February 2018, the fixed interest rate was 2.155% (2017: 2.155%), and the floating rate was 3 Month LIBOR + 2.75% (2017: 3 Month LIBOR +2.75%). Refer note 16.2.1

There was no ineffectiveness to be recorded from cash flow hedges.

		2018 £'000	2017 £'000
17.3	**Rand Merchant Bank GBP ZAR cross currency interest rate swap**		
	Fair value at end of the year – refer note 32.9	(5 847)	(2 656)

The cross currency interest rate swop in place at the end of the previous financial year was unwound on 18 December 2017, upon the early redemption of the A preference shares to Rand Merchant Bank.

A new cross currency interest rate swop was entered into with Rand Merchant Bank on 18 December 2017, whereby the Rand listed B preference share liability was exchanged for a £ liability at the rate of exchange on the issue date, and the dividend rate of (72% of three month JIBAR) + 3% payable in Rand on the Rand amount of the listed preference shares was exchanged for an interest rate of three month GBP LIBOR + 1.66%, payable in GBP on the notional GBP liability, resulting in the capital value of the liability being £62 968 000, and the total cost of funds GBP LIBOR + 1.66% .

Rand Merchant Bank performed a mark to market valuation at year end, which shows a potential gain of £5 846 730 if the group broke the swap.

The swap is unsecured.

		2018 £'000	2017 £'000
17.4	**Analysis of derivative financial instruments:**		
	Non-current	(5 623)	532
	Current	—	(2 656)
		(5 623)	(2 124)

The full fair value of a hedging derivative is classified as a non-current liability if the remaining maturity of the hedged item is more than 12 months.

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		18	**Deferred revenue**		
		18.1	**Consisting of:**		
			Rent received in advance	10 669	7 581
		18.2	**Movements in deferred revenue**		
			Opening balance	7 581	9 406
			Additions	4 097	1 709
			Reallocated from trade and other payables	4 703	—
			Transferred to profit and loss	(4 954)	(3 605)
			Foreign currency translation differences and forex losses	(758)	71
			Closing balance	10 669	7 581
		19	**Contingent consideration**		
		19.1	**Consisting of:**		
			Financial liability carried at amortised cost	—	105
				—	105
		19.2	**Movements in contingent consideration**		
			Balance at beginning of the year	105	1 796
			Settled through the issue of ordinary shares	(93)	(2 004)
			Unwinding of interest	—	19
			Foreign currency translation	(12)	294
			Balance at end of the year	—	105
		20	**Trade and other payables**		
			Trade payables	2 237	2 710
8 313	10 369		Other payables and accrued expenses	17 572	15 877
			Leave accrual	—	19
			Deposits held	2 769	3 365
			Lease guarantee liability	216	240
			Deferred income	474	5 268
			Deferred contingent consideration – acquisition of Incatorque (Pty) Ltd	—	250
			Social security and other taxes	1 107	745
8 313	10 369			24 375	28 474
			The carrying value amount is the amortised cost which approximates fair value.		
			The lease guarantee liability stems from an indemnity given to Instore Ltd as part of a sale and purchase agreement.		
		20.1	The carrying amount of trade and other payables are denominated in the following currencies:		
			Pound Sterling	12 961	20 791
6 585	9 456		Rand	6 142	4 733
			USD	4 809	2 405
			Namibian dollar	319	269
1 728	913		Other – Swiss franc/Euro/Zambian Kwacha/Botswana Pula	144	276
8 313	10 369			24 375	28 474

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		21	**Short-term borrowings**		
		21.1	**Consisting of:**		
			Short term portion of long-term loans – refer note 16.4	9 597	14 893
277 960	—		RMB ZAR bridge loan – refer note 21.2	—	17 164
			RMB £ bridge loan – refer note 21.3	30 147	40 208
			Ms CH Wiese and Sandrock loans – unsecured 21.4	—	2 712
			Loan from Atterbury Mauritius Ltd – refer note 21.5	—	2 950
			Loans from AIH International Ltd and Genesis Property One (Pty) Ltd – refer note 21.6	—	5 333
			Loan from Investec Ltd – refer note 21.7	2 374	2 367
			Demashuwa Property Developers (Pty) Limited – refer note 21.8	2 370	2 505
			Loan from Adamo Valy Mahomed (15% shareholder in Cognis 1, Limitada)	698	—
—	—		Other – secured and unsecured	1 163	1 032
277 960	—			46 349	89 164
		21.2	**RMB ZAR loan – secured**		
298 457	277 960		Balance at beginning of the year	17 164	13 403
	—		Drawn during the year	—	—
28 687	21 798		Interest	1 270	1 513
(49 184)	(299 758)		Repaid during the year	(18 423)	(3 037)
—	—		Foreign currency translation differences	(11)	5 285
277 960	—		Balance at end of the year	—	17 164

Carried interest at FirstRand Bank 3 month Jibar + 0.85% ; repaid in full on 18 December 2017.

		GROUP 2018 £'000	GROUP 2017 £'000
21.3	**RMB £ bridge loan**		
	Balance at beginning of the year	40 208	—
	Drawn during the year	—	40 000
	Interest	1 296	668
	Repaid during the year	(11 357)	(460)
	Balance at end of the year	30 147	40 208

During the year, £25m carried interest at 3 month Libor + 3%, and the balance carried interest at 1 month Libor + 3%. On 1 April 2018 the loan repayment date was extended to 31 March 2019, and the interest rate on the outstanding capital of £40 million was amended to 1 month Libor +4.75%. The loan is secured by a guarantee from various entities in the Titan group of companies.

		GROUP 2018 £'000	GROUP 2017 £'000
21.4	**Ms CH Wiese and Sandrock loans – unsecured**		
	Balance at beginning of the year	2 712	2 000
	Drawn during the year	—	1 800
	Interest	—	134
	Repaid during the year	—	(1 222)
	Transfer to liabilities held for distribution – refer note 10	(2 712)	—
	Balance at end of the year	—	2 712

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		21.5	**Atterbury Mauritius Ltd loan – unsecured**		
			Balance at beginning of the year	2 950	—
			Acquired through business combination	—	2 929
			Interest	—	21
			Repaid during the year	(2 950)	—
			Balance at end of the year	—	2 950
		21.6	**AIH International Ltd and Genesis Property One (Pty) Ltd loans – unsecured**		
			Balance at beginning of the year	5 333	—
			Acquired through business combination	—	5 299
			Interest	—	32
			Repaid during the year	(5 333)	—
			Foreign currency translation differences	—	2
			Balance at end of the year	—	5 333
		21.7	**Investec Ltd – secured**		
			Balance at beginning of the year	2 367	—
			Acquired through business combination	—	2 007
			Drawn during the year	1	—
			Interest	221	191
			Repaid during the year	(216)	—
			Foreign currency translation differences	1	169
			Balance at end of the year	2 374	2 367

Carries interest at the South African prime rate less 0.5 % and is repayable on 30 June 2018.

The loan is secured by investment property of a third party but the title deeds have not been transferred yet. Once the title deeds transfer to the third party the proceeds will be used to settle the loan owing.

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		21.8	**Demashuwa Property Developers (Pty) Limited (50% partner in Steps JV)**		
			Balance at beginning of the year	2 505	(2 733)
			Acquired through business combination	—	—
			Drawn during the year	—	5 238
			Interest	253	—
			Repaid during the year	(391)	—
			Foreign currency translation differences	3	—
			Balance at end of the year	2 370	2 505

Demashuwa Property Developers (Pty) Ltd is the 50% joint venture partner in Steps JV.

The loan with Demashuwa Property Developers (Pty) Ltd bears interest at the Namibian prime rate (2018: 10.5%, 2017: 10.75%), is unsecured and has no terms of repayment.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		22	**Revenue**		
			Rental income	82 358	23 723
			Business Centre revenues	18 213	15 436
			Property management	900	523
			Revenue from hotel operations	—	2 853
				101 471	42 535
			The group has entered into various operating lease agreements as the lessor of property. The period of leases whereby the group leases out its investment property under operating leases varies from 1 year to 68 years (2017: 1 year to 69 years).		
			Future minimum lease payments receivable under non-cancellable operating leases are as follows:		
			Not later than one year	63 954	67 938
			Later than 1 year not later than 5 years	216 850	177 151
			Later than 5 years	364 551	354 953
				645 355	600 042
		23	**Other operating income**		
			Foreign exchange profits – refer note 24.1	—	711
			Management fees received from associates	507	358
			Distribution received on financial assets (DV4)	—	230
			Sundry income	920	665
				1 427	1 964

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		24	**Operating profit/(loss)**		
		24.1	**Determined after taking into account the following:**		
2 695	242		Employee benefits expenses	5 915	5 221
2 695	242		Salaries, wages and service benefits	5 890	5 172
			Retirement benefit contributions	25	49
			Net foreign exchange profits	291	459
34	70		Foreign exchange rate losses – realised	171	1 170
			Foreign exchange rate losses – unrealised	120	—
(12 633)			Foreign exchange rate profits – unrealised		(711)
			Foreign exchange rate profits – realised		
1 250	1 216		Auditors' remuneration	361	352
1 250	1 216		Audit fees – for this year	361	352
			– over provided in the previous year	—	—
5 893	10 408		Fees paid for outside services	1 270	1 181
5 766	10 375		Administrative	449	954
	7		Accounting fees	116	
127	27		Secretarial	2	7
			Management and director	703	220
140	355		Operating leases – buildings	6 361	4 735
			Profit on disposal of investment properties	(1 157)	(1 571)
			Loss/(profit) on disposal and scrapping of property, plant and equipment	—	54
2 181	1 016		Travel and office costs	638	690
			Advertising cost	367	253
			Repairs and maintenance	1 142	406
			Business centre operating costs	5 542	5 880
			Unrecovered rates	1 862	374
			Bad debts	524	416
10 621	8 602		Professional and letting fees	2 086	1 545
716	66		Legal and professional fees	1 627	1 813
			Unrecovered property costs	1 520	925
			Unrecovered service charge	1 121	880
			Hotel operating costs	(4)	1 176
		24.2	**Directors' remuneration**		
		24.2.1	Non-executive directors	369	405
			Executive directors	1 232	959
				1 601	1 364

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

24 Operating profit/(loss) (continued)

24.2 Directors' remuneration (continued)

	£'000	Management company fees	Fees	2018 Total	2017 Total
24.2.2	**Non-executive directors**				
	KR Collins	73	—	73	77
	MJ Roberts	—	6	6	6
	HRW Troskie	—	23	23	14
	CH Wiese	175	44	219	201
	JM Wragge	48	—	48	107
		296	73	369	405

	£'000	Basic remuneration	Variable remuneration	2018 Total	2017 Total
24.2.3	**Executive directors**				
	FH Esterhuyse	146	96	242	182
	DA Harrop	150	87	237	179
	KL Nordier	208	78	286	238
	TA Vaughan	295	172	467	360
		799	433	1 232	959

24.2.4 Executive directors Basic remuneration for 2018 comprises the following:

£'000	Salary	Pension scheme contributions	Other	Total
FH Esterhuyse	124	11	11	146
DA Harrop	137	7	6	150
KL Nordier	199	5	4	208
TA Vaughan	272	13	10	295
	732	36	31	799

24.2.5 Executive directors Variable remuneration for 2018 comprises the following:

£'000	Bonuses and performance related payments	Total
FH Esterhuyse	96	96
DA Harrop	87	87
KL Nordier	78	78
TA Vaughan	172	172
	433	433

24.2.6 **Share options granted to directors**

There were no share options granted to directors during the year (2017: 263 681 to DA Harrop). Refer note 34.1

24.2.7 Management company fees are paid to Chaircorp (Pty) Ltd and Gritprop Investments (Pty) Ltd – refer note 33

COMPANY				GROUP	
2017 R'000	2018 R'000			2018 £'000	2017 £'000
		25	**Finance income and cost**		
29 353	24 376		Finance cost on short-term borrowings	5 382	2 497
			Finance cost on long-term borrowings	44 788	10 548
			Interest paid to related parties	396	490
48 770	57 145		Preference dividends	3 329	2 572
			Finance income on derivative hedge for Preference dividends	(2 562)	—
			Deferred finance charge	296	—
361	—		Other finance cost	248	484
78 484	81 521		Total finance cost	51 877	16 591
			Interest income on short-term bank deposits	(181)	(121)
(697)	(88)				
(48 770)	(57 145)		Interest received from related parties	(99)	—
—	—		Interest received from joint ventures	(1 713)	(982)
	—		Interest received from associates	(1 229)	(1 378)
			Interest received from operations held for distribution	(1 287)	(1 794)
			Finance charge received on derivative	(878)	—
			Other finance income	(765)	(998)
(49 467)	(57 233)		Total finance income	(6 152)	(5 273)
29 017	24 288		Finance cost – net	45 725	11 318

The balance is shown net of capitalised long term borrowings costs of £641 000 (2017:£1.165 million) which have been capitalised to investment property.

26	**Taxation**		
26.1	**Classification**		
	South African normal taxation	4 914	129
	Foreign taxation	2 086	3 222
		7 000	3 351
26.2	**Consisting of**		
	Current taxation on profits for the year	464	866
	Under/(over) provision in prior periods	26	(19)
	Total current tax expense	490	847
	Deferred income tax – refer note 8.4	6 510	2 504
	(Increase)/decrease in deferred tax assets	(1 050)	—
	Increase / (decrease) in deferred tax liabilities	7 560	2 504
		7 000	3 351

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 %	COMPANY 2018 %			GROUP 2018 %	GROUP 2018 £'000	GROUP 2017 %	GROUP 2017 £'000
		26	**Taxation (continued)**				
		26.3	**Reconciliation of tax payable at normal rate to income tax expense**				
28	28		South African normal tax rate / tax expense	28.0%	10 438	28.0%	14 708
(28)	(28)		Tax effect of amounts which are not deductible / (taxable) in calculating taxable income	-9.2%	(3 438)	(21.6%)	(11 357)
			Gain on business combination	0.0%		(11.5%)	(6 044)
			Fair value adjustment on investment property tax rate differential	-3.7%	(1 364)	(7.8%)	(4 110)
			Utilisation of tax losses not previously recognised to reduce deferred tax expense	-0.4%	(146)		
(28)	(28)		Utilisation of tax losses not previously recognised to reduce current tax expense	-1.6%	(585)		
			Non-deductible expenses – goodwill impairment	0.0%			
			Non-deductible expenses – amortisation of intangibles	0.2%	83	0.3%	145
			Other non-deductible expenses	0.9%	344		
			Exempt income – earnings from joint ventures / associates	-0.8%	(297)		
			Other exempt income	-0.3%	(103)		
			Other	-0.2%	(62)		
			Foreign tax rate differential	-4.1%	(1 526)	(2.5%)	(1 294)
			Adjustments for current tax of prior periods	0.6%	218	(0.1%)	(54)
—	—		Effective tax rate / Income tax expense	18.8%	7 000	6.4%	3 351
		26.4	**Tax losses**				
			Unused tax losses for which no deferred tax asset has been recognised		176		284
			Potential tax benefit at 28.0%		49		80

		GROUP 2018 £'000	GROUP 2017 £'000
27	**Earnings per share**		
	Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.		
27.1	Profit attributable to ordinary equity holders	30 826	47 486
	Calculation of profit from continuing operations attributable to ordinary equity holders		
	Profit attributable to ordinary equity holders	30 279	49 179
	Non-controlling interest attributable to continuing operations	(2 556)	(4 476)
	Profit from continuing operations attributable to ordinary equity holders	27 723	44 703
27.1.1	Weighted average number of ordinary shares in issue ('000)	247 174	199 921
	The weighted average number of ordinary shares in issue in the current year has been adjusted to take into account the 81 449 shares issued on 12 June 2017 in respect of the settlement of the deferred consideration for the Pointbreak acquisition by Mettle in the 2016 financial year. The weighted average effect of the shares issued during the year is 15.		
	Basic earnings per share (pence) attributable to ordinary equity holders	12.5	23.8
	Basic earnings per share (pence) from continuing operations attributable to ordinary equity holders	11.2	22.4
27.1.2	Diluted number of ordinary shares ('000)	247 519	200 185
	The diluted number of ordinary shares in the current year has been adjusted to take into account the following:		
	Weighted average number of ordinary shares in issue ('000)	247 174	199 921
	Share options granted to D Harrop in prior year under employee share option scheme allocation	264	264
	Share options granted to W Marais and T Kretzmann in current year under employee share option scheme allocation – refer note 34.1	81	
		247 519	200 185
	Diluted earnings per share (pence) attributable to ordinary equity holders	12.5	23.7
	Diluted earnings per share (pence) from continuing operations attributable to ordinary equity holders	11.2	22.3
27.2	**Headline earnings:**		
	Basic headline earnings per share (pence)	9.2	2.3
	Diluted headline earnings par share (pence)	9.1	2.3

	Gross 2018	Net 2018	Gross 2017	Net 2017
Based on headline profit of		22 638		4 578
Profit attributable to equity holders of the company		30 826		47 486
Less: net gain from fair value adjustment on investment property	(11 760)	(6 804)	(26 956)	(19 516)
Less: gains on disposal of investment properties	(1 157)	(1 044)		(1 571)
Less: gains on business combination		—		(21 586)
Less: gains on disposal of investments		(340)		(287)
Add: Impairment of goodwill				—
Plus: loss on disposal of property, plant and equipment				52
and the weighted average number of ordinary shares in issue of ('000)		247 174		199 921
and the diluted number of ordinary shares ('000)		247 519		200 185

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

COMPANY 2017 R'000	COMPANY 2018 R'000			GROUP 2018 £'000	GROUP 2017 £'000
		28	**Cash flow information**		
		28.1	**Non-cash items**		
			Depreciation	2 224	1 254
			Amortisation	432	764
			Profit on disposal of investment properties	(1 157)	(1 571)
			Loss/(profit) on disposal of property, plant and equipment	—	53
			Net gain on fair value adjustment on investment properties	(11 760)	(26 956)
			Fair value loss on financial assets at fair value through profit or loss	37	419
			Gain on business combination	—	(21 586)
			Impairment of loans	—	259
			Provision for employee share option liability	40	38
			Profit on disposal of investments / financial assets	(341)	92
	—			(10 525)	(47 234)
		28.2	**Changes in working capital**		
—	—		Trade and other receivables	(10 688)	(2 197)
4 788	2 056		Trade and other payables	(1 248)	9 231
4 788	2 056			(11 936)	7 034
		28.3	**Taxation paid**		
			Taxation per profit or loss	(7 000)	(3 351)
			Transfer to operations held for distribution – refer note 10.3	584	—
			Foreign currency translation movements	—	(57)
			Taxation payable at beginning of year	(1 286)	(1 540)
			Taxation (receivable) / payable at end of year	(28)	1 286
			Change in deferred taxation	6 510	2 504
				(1 220)	(1 158)
		28.4	Proceeds from ordinary share issues		
1 329 651	1 535		Ordinary share issues during the year	94	82 104
	(1 535)		Shares issued as deferred consideration for acquisition of Pointbreak by Mettle	(94)	
(38 000)			Shares issued in settlement of deferred consideration for acquisition of Mettle	—	(2 346)
(1 291 651)			Shares issued in consideration for acquisition of Collins Group SA property portfolio	—	(79 758)
—	—			—	—
		28.5	**Non-cash investing and financing activities**		
			Acquisition of entities by means of equity issue	—	74 741

28.6 Reconciliation of liabilities arising from financing activities

		Cash flows			Non-cash changes			
	Opening	Drawn during the year	Capital repaid during the year	Interest repaid during the year	Acquired through change in control	Interest charged	Foreign currency translation differences / deferred finance charges/ other non-cash changes	Closing
Long-term borrowings	489 060	152 250	(159 023)	(45 015)	3 818	45 015	(4 122)	481 983
Short-term borrowings	74 272	1 895	(36 695)	(3 080)		3 080	(2 720)	36 752
Preference share liability	38 999	62 983	(38 061)	(2 974)	—	3 329	6 274	70 550
Derivative financial instruments held to hedge liabilities	(2 460)		2 460	1 734		(2 562)	(5 018)	(5 846)
	599 871	217 128	(231 319)	(49 335)	3 818	48 862	(5 586)	583 439
Finance charges paid (loan arrangement fees)				(2 106)				
Total interest paid				(51 441)				

	GROUP 2018 £'000	GROUP 2017 £'000
28.7 Business combinations		
Net cash inflow on acquisition of Atterbury Mauritius	—	2 276
Net cash outflow on acquisition of Collins group South African property portfolio	—	(1 518)
		758

28.7.1 Collins group South African property portfolio

On 22 December 2016 the group acquired 100% of the equity and voting interest in Imbali Props 21 (Pty) Ltd and Saddle Path Props 69 (Pty) Ltd, holding a portfolio of commercial property assets located in Kwa-Zulu Natal, Eastern Cape, Western Cape and Gauteng in South Africa, as well as 100% of the equity and voting interest in the property management company, Collins Property Projects (Pty) Ltd. The purchase consideration was discharged by the issue of 57.7 million new ordinary shares in the company at an issue price of ZAR28.73 (£1.50) each, and £3.5 million in cash.

As a result of the acquisition, the group has expanded its property interest in to South Africa, and has gained access to the resources and property expertise of the Collins group in South Africa, to assist with the growth and development of the group's Southern African property portfolio.

The fair value exercise is now complete, and has resulted in a favourable revision of the provisional fair value purchase price allocation which was reported for the year ending 28 February 2017.

The significant changes are the gain on business combination, which has increased by £5.1 million, from £16.481 million to £ 21.586 million, and loans payable to sellers which have reduced by £7.817 million, from payables of £6.344 million to receivables of £1.473 million. The comparatives have been restated in order to account for this.

	2018 £'000	2017 £'000
Total consideration		78 209
Issuance of ordinary shares		74 741
Cash paid		3 468

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

		GROUP 2018 £'000	GROUP 2017 £'000
28	**Cash flow information (continued)**		
28.7	**Business combinations (continued)**		
28.7.1	**Collins group South African property portfolio (continued)**		
	Recognised amounts of identifiable assets acquired and liabilities assumed at fair value:		
	Total assets		494 665
	Investment property		480 683
	Property plant and equipment		4 552
	Loans receivable from group companies		3
	Investment in associates		893
	Loans receivable from sellers		1 473
	Stock		12
	Cash and cash equivalents		2 503
	Trade and other receivables		4 519
	Deferred tax		11
	Tax receivables		16
	Total liabilities		(394 870)
	Non-controlling interest		(8 849)
	Preference shares issued		(9 446)
	Borrowings		(341 750)
	Loans payable to group companies		(87)
	Deferred tax		(29 554)
	Tax creditor		(1 281)
	Trade and other payables		(3 903)
	Total identifiable net assets		99 795
	Gain on business combination		(21 586)
	Total consideration paid		78 209
	Consideration paid in cash		(3 468)
	Acquisition costs charged to equity		(552)
	Cash acquired		2 503
	Net cash flow on acquisition		(1 518)
29	**Commitments**		
29.1	**Capital commitments**		
	Significant capital expenditure contracted for at the year end but not recongnised as liabilities is as follows:		
	South Africa		
	Phase 1 of the Mezuri development by Imbali Props 21 (Pty) Ltd to be funded by Investec Ltd	1 309	7 252
	Purchase of land and infrastructure by Ifana Investments (Pty) Ltd to be funded by Investec Ltd	535	461
	Nkandhla development by Colkru Investments (Pty) Ltd to be funded by Investec Ltd	166	—
	Washington Street development by Langa Property Investments (Pty) Ltd to be funded by Investec Ltd	1 770	—
	Paarl development by Paarl Property Development (Pty) Ltd to be funded by Investec Ltd	6 994	—
	Namibia		
	Probo development to be bank funded by Investec Ltd	5 040	—
29.2	**Repairs and maintenance investment property**		
	Contractual obligation for future repairs and maintenance – not recognised as a liability		
	Namibia		
	Budgeted spend on the Mutual Platz shopping centre during the 2019 financial year	246	—

		GROUP	
		2018 £'000	**2017 £'000**
29.3	**Non-cancellable operating leases**		
	The group leases retail outlets and offices under non-cancellable operating leases expiring within two to eight years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.		
	Commitments for minimum lease payments under non-cancellable operating leases are payable as follows:		
	Expenditure to be incurred within 1 year	7 062	8 181
	Later than one year and not later than 5 years	27 441	29 315
	To be incurred after 5 years	38 382	43 488
		72 885	80 984
	Sub-lease payments		
	Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases	115 691	118 661

30 Contingent liabilities

South Africa – Nedbank refinancing

Nedbank served notice on Dimopoint (Pty) Ltd during March 2018, to invoke their right to re-price their facility, as the tenant's credit rating has worsened. This is a contingent amount of GBP79 899 (ZAR 1.3 million) per month, retrospective to 1 January 2018, which, if realised, will be recovered from the tenant, in terms of rights under the lease agreement.

Africa – Tradehold Mozambique Limitada

Land owners are of the view that the entity is obliged to build a retail shopping centre and sports facility. The entity is opposing the claim. The estimated amount of the claim is £1.2 million ($1.6 million).

31 Borrowing powers

In terms of the memorandum of incorporation of the company, the borrowing powers of Tradehold Limited are unlimited.

32 Financial risk management

32.1 Financial risk factors

The risk management function within the group is carried out in respect of financial risks. Financial risks are risks arising from financial instruments to which the group is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objective of the financial risk management function is to establish risk limits and then ensure that exposure to risks stay within these limits.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group.

Risk management policies are approved by the boards of operating subsidiaries.

32.2 Market risk – Foreign currency exchange risk

The group operates internationally in the United Kingdom, Mozambique, Namibia, Botswana, Zambia and South Africa, whilst certain functions are carried out in Switzerland, Luxembourg, Malta and Mauritius. The group is therefore exposed to various forms of foreign exchange risk, primarily with respect to the Swiss Franc, Euro, United States Dollar, South African Rand, Namibian Dollar, Zambian Kwacha and the Botswana Pula .

Foreign exchange risk arises in respect of those recognised monetary financial assets and liabilities that are not in the functional currency of the respective group entity.

The exposure to foreign exchange is managed and monitored by group treasury. The group's policy is to enter into currency hedging transactions in instances where funding is raised in a different currency to which the funding will be deployed.

Sensitivities to market risks included below are based on a change in one factor while holding all other factors constant. In practice this is unlikely to occur, and changes in some of the factors may be correlated – for example, changes in interest rates and changes in foreign currency rates.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

	GROUP 2018 £'000	GROUP 2017 £'000
32 Financial risk management (continued)		
32.2 Market risk – Foreign currency exchange risk (continued)		
32.2.1 Sensitivity analysis		
The sensitivity analysis below details the group's sensitivity to a change in exchange rate between Pound Sterling and ZAR, Pound Sterling and Namibian Dollar, Pound Sterling and US Dollar, US Dollar and Zambian Kwacha, and between the US Dollar and the Botswana Pula. These percentages represent management's assessment of the possible changes in the foreign exchange rates at the respective year-ends. No other currency would have a meaningful effect.		
If ZAR depreciated 5% against £, profit for the year would increase/(decrease) by	(602)	(1 108)
If N$ depreciated 5% against £, profit for the year would increase/(decrease) by	(113)	(222)
If US$ depreciated 5% against £, profit for the year would increase/(decrease) by	(170)	(90)
If ZMW depreciated 5% against US$, profit for the year would increase/(decrease) by	(19)	(44)
If BWP depreciated 5% against USD$, profit for the year would increase/(decrease) by	71	(11)

32.2.2 Exchange rates

The exchange rates used by the group to translate foreign entities' statement of comprehensive income and statement of financial position are as follows:

	2018 Average rate	2018 Closing rate	2017 Average rate	2017 Closing rate
SA Rand	ZAR 17.1650	ZAR 16.2706	ZAR 18.9615	ZAR 16.1946
Swiss Franc	Fr. 1.2795	Fr. 1.3042	Fr. 1.3045	Fr. 1.2509
United States Dollar	$1.3123	$1.3842	$1.323955	$1.2430
Euro	€ 1.1359	€ 1.1332	€ 1.201425	€ 1.1733
Namibian Dollar	N$ 17.1650	N$ 16.2706	N$18.96145	N$16.1946
Botswana Pula	BWP 13.3875	BWP 13.1874	BWP14.259165	BWP12.9004
Zambian Kwacha	ZMW 12.5175	ZMW 13.5812	ZMW13.39454	ZMW11.7875
Mozambique New Metical	MZN 82.4514	MZN 85.1525	MZN87.292325	MZN88.1806

32.2.3 Uncovered foreign assets and liabilities

The group had the following uncovered foreign assets and liabilities:

	2018 Foreign currency '000	2018 Pound equivalent £'000	2017 Foreign currency '000	2017 Pound equivalent £'000
Assets				
SA Rand	9 345 662	574 390	8 915 343	550 528
Namibian Dollar	877 514	53 932	855 710	52 839
United States Dollar	129 521	93 571	103 942	83 622
Botswana Pula	44 464	3 372	68 875	5 484
Zambian Kwacha	133 006	9 793	99 251	8 425
Euro	38	33	6	5
Swiss Franc	46	35	8	6
Liabilities				
SA Rand	7 042 776	432 853	7 059 589	435 922
Namibian Dollar	437 470	26 887	501 469	30 965
United States Dollar	67 182	48 535	64 642	52 005
Botswana Pula	4 867	369	5 336	425
Zambian Kwacha	25 218	1 857	263	22

		GROUP	
		2018 £'000	**2017 £'000**
32.3	**Market risk – Interest rate risk**		
	The group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. During 2018 and 2017, the group's borrowings at variable rate were denominated in Rand (2018 and 2017), United States Dollar (2018 and 2017), UK pound (2018 and 2017) and Namibian Dollar (2018 and 2017).		
	The group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the group calculates the impact on the statement of comprehensive income and loss of a defined interest rate shift.		
	The group continues to review its interest rate risk and the policies in place to manage the risk.		
	Trade receivables and payables are interest-free and have settlement dates within one year.		
	For the current year a 100 basis point increase in interest rates across the year would have resulted in a decrease in the net profit of the group of	(5 062)	(5)
	whilst a 100 basis point reduction in interest rates would have resulted in an increase in the net profit of the group of	5 062	5
32.4	**Market risk – Price risk**		
	The group is exposed to equity securities price risk because of investments held by the group and classified as at fair value through profit or loss. No financial instruments or derivatives have been employed to hedge this risk. The group is not exposed to commodity price risk.		
	A 5% increase in the value of investments would increase the group's net profit by	300	300
	whilst a 5% decrease in the value of investments would reduce the net profit by	(300)	(300)

32.5 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk arises from cash and cash equivalents held at banks and trade receivables, including rental receivables from lessees and short-term lending.

The short-term secured lending operations are concentrated mainly in Northern England in the United Kingdom, however the risk is offset by securities held. Since 2015, the group also has short-term lending operations in South Africa. The group has no significant concentrations of credit risk.

The letting operations are concentrated mainly throughout the United Kingdom, with the relevant properties held in Pound Sterling, as well as since 2017 throughout South Africa with the relevant properties held in South African Rand. The group also has letting operations in Mozambique, Zambia, Botswana and Namibia, which it has held since 2016.

Credit policy is managed through credit limits defined at all stages of the customer life cycle, including new account sanctioning, customer management and collections and recovery activity as well as reviewing the security held. Customer lending decisions are managed principally through an affordability assessment which determines a customer's ability to repay an outstanding credit amount. In the event of default the security pledged is called upon.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

32 Financial risk management (continued)

32.5 Credit risk (continued)

32.5.1 Trade and other receivables

The group has policies in place to ensure that rental contracts are entered into only with lessees with an appropriate credit history.

Tenant rent payments are monitored regularly and appropriate action is taken to recover monies owed or, if necessary, to terminate the lease.

Deposits refundable to tenants may be withheld by the group in part or in whole if receivables due from the tenant are not settled or in case of other breaches of contract.

Short-term asset based funding provided to cash-strapped UK and SA corporates are actively managed by the directors.

Reward is an asset based lender where the value of the underlying security is paramount in any lending decision. In addition to the underlying asset security, personal guarantees are also taken in support of facilities.

Pre-lending due diligence of all new facilities includes; assessment of the borrowers financial standing, full credit reference searches, know -your-customer anti–money laundering checks, review of management and their previous directorships, together with an assessment of the security value backed up by professional valuations when required. Invoice Finance clients are subject to a further review of their financial systems, liquidity and book debts. New facilities are underwritten in accordance with delegated authorities which require a minimum of two experienced lenders to sanction them. Legal documentation is outsourced to external solicitors who provide written confirmation that security is in order prior to drawn down of facilities.

All clients are subject to continual monitoring via a credit reference agency, client facilities are subject to an internal monthly review and reporting regime to ensure they are performing within agreed parameters. Invoice finance clients are subject to periodic audits. Invoice finance debtor credit limits are set in accordance with credit reference agency ratings and supported by credit insurance where required, such limits are subject to on going monitoring.

Early stage client defaults are overseen at director level, working with the client to rectifying the position. Thereafter suitable professional advisors; accountants, solicitors, insolvency professionals will be utilised to recover amounts due.

32.5.2 Cash and cash equivalents

Cash balances are held with major banking groups with high credit ratings. The group's treasury policy is designed to limit exposure to any one institution.

At year-end cash and cash equivalents, neither past due nor impaired has been invested as follows:

COMPANY			GROUP	
2017 R'm	2018 R'm		2018 £'000	2017 £'000
		Bank rating (as per Fitch Ratings)		
—	—	F1 +	7 134	21 869
—	—	F2	—	—
0.4	1.4	F3	9 263	9 062
0.4	1.4	Total	16 397	30 931
		The maximum amount of credit risk that the group is exposed to is and has been calculated as follows:	88 317	128 209
		Trade and other receivables	34 085	66 385
—	—	Loans receivable	3 133	2 214
4 449	4 618	Loans to subsidiaries	—	—
—	—	Loans to associates	8 484	8 707
—	—	Loans to joint ventures	26 218	19 972
0.4	1.4	Cash and cash equivalents	16 397	30 931

32.6 Liquidity risk

Liquidity risk is defined as the risk that the group could not be able to settle or meet its obligations on time or at a reasonable price. Group treasury is responsible for liquidity, funding as well as settlement management. In addition, liquidity and funding risks, related processes and policies are overseen by management. Tradehold manages its liquidity risk on a consolidated basis based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows. Such forecasting takes into consideration the group's debt financing plans and covenant compliance.

The table below analyses the company's and the group's financial liabilities into relevant maturity groupings based on the remaining period at year-end to the contracted maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and include both interest and capital.

COMPANY			GROUP			
Less than 1 year R'million	Between 1 and 5 years R'million	At 28 February 2018	Less than 1 month £'000	Between 1 and 3 months £'000	Between 3 and 12 months £'000	Between 1 and 5 years £'000
10.4	—	Trade and other payables	4 780		187	9 165
—	1 147	Interest-bearing liabilities	30 321	525	11 787	550 940
—	—	Bank overdrafts	514			

Less than 1 year R'million	Between 1 and 5 years R'million	At 28 February 2017	Less than 1 month £'000	Less than 3 months £'000	Between 3 to 12 months £'000	Between 1 and 5 years £'000
8.3	—	Trade and other payables	6 211	396 896		2 446
908.8	—	Interest-bearing liabilities	43 659	17 504	94 191	449 230
		Bank overdrafts	558			

32.7 Fair value of financial instruments

The carrying amounts, net gains and losses recognised through profit and loss, total interest income, total interest expense and impairment of each class of financial instrument are as follows:

28 February 2018 Assets (£'million)	Carrying value	Net (losses)/ gains	Total interest income	Total interest expense	Impairment
Financial asset at fair value through profit or loss	5.9	—	—	—	—
Derivatives	5.8	3.2	—	—	—
Loans to joint venture	26.2	—	2	—	—
Loans to associates	8.5	—	1	—	—
Loans and trade receivables	8.3	—	0.8	—	0.2
Other receivables	28.9	—	—	—	—
Cash and cash equivalents	16.4	—	—	—	—
Liabilities (£'million)					
Long-term borrowings	482.0	—	—	44.8	—
Derivatives	0.2	—	—	—	0.3
Preference shares	70.5	—	—	3.3	—
Deferred revenue	10.7	—	—	—	—
Contingent consideration		—	—	—	—
Short-term borrowings	36.8	—	—	5.4	—
Bank overdrafts	0.5	—	—	—	—
Trade and other payables	24.4	—	—	—	—

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

32 Financial risk management (continued)

32.7 Fair value of financial instruments (continued)

28 February 2017 Assets (£'million)	Carrying value	Net (losses)/ gains	Total interest income	Total interest expense	Impairment
Financial asset at fair value through profit or loss	5.9	(0.4)	—	—	0.4
Derivatives	2.7	10.5	—	—	—
Loans to joint venture	20.0	—	1	—	—
Loans to associates	12.0	—	1	—	—
Loans and trade receivables	49.9	—	1.4	—	1.1
Other receivables	18.7	—	—	—	—
Cash and cash equivalents	30.9	—	—	—	—
Liabilities (£'million)					
Long-term borrowings	489.1	—	—	10.8	—
Derivatives	0.5	—	—	—	0.2
Preference shares	39.0	—	—	2.6	—
Deferred revenue	7.6	—	—	—	—
Contingent consideration	0.1	—	—	—	—
Short-term borrowings	74.3	—	—	2.5	—
Bank overdrafts	0.6	—	—	—	—
Trade and other payables	24.6	—	—	—	—

The fair value of all amounts, except long-term borrowings with fixed interest rates, approximate their carrying amounts.

All financial instruments are classified as loans receivable/payable at amortised cost, except listed investments, which are classified as financial assets at fair value through profit or loss and the derivatives, which are partly carried at fair value through profit and loss held for trading and partly as fair value through profit and loss designated as a hedge – refer note 17.

32.8 Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Under the terms of the major borrowing facilities, the group is required to comply with the following financial covenants:
- the net asset value of the group must not be less than £300 000 000
- the loan to value ratio, excluding debt guaranteed by shareholder, must not be more than 65%
- the interest cover ratio may not be less than 1.3 times
- the vacancy ratio may not be more than 12.5%

The group has complied with these covenants throughout the reporting period.

A maximum of 65% loan to value ratio (LTV) is targeted, subject to the board's view of markets, the prospects of and risks within the portfolio and the recurring cash flows of the business.

This ratio is calculated as net debt divided by carrying amount of investment properties, owner-occupied properties and property financial asset at year-end. Net debt is calculated by the group as total borrowings less short-term borrowings secured by cash deposits.

	GROUP	
	2018 £'000	2017 £'000
The LTV ratios were as follows:		
Total bank borrowings (including preference shares)	579 515	577 718
Less: Short-term borrowings secured by guarantee from shareholder	(30 147)	(40 208)
Less: Short-term borrowings secured by cash deposits	—	(530)
Net debt	549 368	536 980
Investment property, owner-occupied properties and property financial asset	847 533	812 584
LTV ratio	64.8%	66.1%

32.9 Fair value estimation

Effective 1 March 2009, the group adopted the amendment to IFRS 7 for financial instruments that are measured in the statement of financial position at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the group's financial assets and liabilities that are measured at fair value at 28 February 2018:

Assets	Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss			
Securities	—	—	5 886
Trading derivatives			
Cross currency swap		5 847	
Non-financial assets at fair value through profit or loss			
Investment properties	—	—	841 647
Total assets	—	5 847	847 533
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives used for hedging			
Interest rate contracts	—	224	—
Financial liabilities at amortised cost			
Preference shares		70 488	—
Borrowings	—	—	518 733
Total liabilities	—	70 712	518 733

The following table presents the group's financial assets and liabilities that are measured at fair value at 28 February 2017:

Assets	Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss			
Securities	—	—	5 924
Trading derivatives			
Cross currency swap		2 656	
Non-financial assets at fair value through profit or loss			
Investment properties	—	—	806 660
Total assets	—	2 656	812 584
Liabilities			
Financial liabilities at fair value through profit and loss			
Contingent consideration	—	—	105
Trading derivatives			
Cross currency swap			—
Derivatives used for hedging			
Interest rate contracts	—	532	—
Financial liabilities at amortised cost			
Preference shares		38 951	—
Borrowings	—	—	563 331
Total liabilities	—	39 483	563 436

The fair value of financial instruments traded in active markets is based on quoted market prices at the period-end. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

32 Financial risk management (continued)

32.9 Fair value estimation (continued)

The carrying amounts reported in the statement of financial position approximate fair values. Discounted cash flow models are used for trade and loan receivables. The discount yields in these models use calculated rates that reflect the return a market participant would expect to receive on instruments with similar remaining maturities, cash flow patterns, credit risk, collateral and interest rates.

The fair value of investment properties is based on rental yield valuations and vacancy rates at the year-end.

Should UK property yields increase by 1%, the valuations would be lower by approximately £31.00 million.

Should UK property yields decrease by 1%, the valuations would be higher by approximately £43.00 million.

Should UK property vacancy rates increase by 1%, the valuations would be lower by approximately £1.83 million.

Should UK property vacancy rates decrease by 1%, the valuations would be higher by approximately £1.99 million.

Should Namibia property yields increase by 1%, the valuations would be lower by approximately £4.27 million.

Should Namibia property yields decrease by 1%, the valuations would be higher by approximately £5.37 million.

Should Namibia property vacancy rates increase by 1%, the valuations would be lower by approximately £0.50 million.

Should Namibia property vacancy rates decrease by 1%, the valuations would be higher by approximately £0.03 million.

Should Africa (excluding Namibia and South Africa) property yields increase by 1%, the valuations would be lower by approximately £28.44 million.

Should Africa (excluding Namibia and South Africa) property yields decrease by 1%, the valuations would be higher by approximately £18.36 million.

Should Africa (excluding Namibia and South Africa) property vacancy rates increase by 1%, the valuations would be lower by approximately £22.04 million.

Should Africa (excluding Namibia and South Africa) property vacancy rates decrease by 1%, the valuations would be higher by approximately £21.96 million.

Should South Africa property yields increase by 1%, the valuations would be lower by approximately £ 82.90 million

Should South Africa property yields decrease by 1%, the valuations would be higher by approximately £ 21.30 million

Should South Africa property vacancy rates increase by 1%, the valuations would be lower by approximately £ 33.01 million

Should South Africa property vacancy rates decrease by 1%, the valuations would be higher by approximately £ 21.99 million

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

There were no transfers between the levels 1 and 2 and 3 during the year.

	GROUP	
	2018 £'000	2017 £'000
Reconciliation of recurring level 3 fair value financial instruments:		
Investment Properties – refer note 2.1		
Securities – refer note 9.1.1		
Contimgent consideration:		
Balance at beginning of the year	105	1 797
Settled through the issue of ordinary shares	(93)	(2 004)
Unwinding of interest	—	18
Foreign currency translation	(12)	294
Balance at end of the year	—	105

33 Related parties

Related party relationships exist between the company, its subsidiaries and the directors of the company. See the inide back cover for details of major shareholders and directors' interest and page 100 for its subsidiaries.

Non-executive director, C H Wiese, is a director and indirect beneficial shareholder of Titan Share Dealers (Pty) Ltd, Granadino Investments (Pty) Ltd and Titan Global Investments (Pty) Ltd. He is also an employee of Chaircorp (Pty) Ltd, a management company that renders advisory services to Tradehold Limited in return for an annual fee. The amount accrued but not yet paid of £175 000 (2017: £158 000) to Chaircorp (Pty) Ltd for advisory services to Tradehold Ltd is disclosed in note 24.2.2

Non-executive director, K R Collins, is a director and indirect beneficial shareholder of Redbill Holdings (Pty) Limited. Redbill Holdings (Pty) Limited renders advisory services to Collins Property Projects (Pty) Ltd in return for an annual fee. The amount paid of £73 000 (2017: £67 000) for advisory services to Collins Property Projects (Pty) Ltd is disclosed in Note 24.2.2

Ms CH Wiese is a beneficiary of the CH Wiese Family Trust, which Trust holds the shares of the Titan group of companies, which is a major shareholder of Tradehold Limited. During 2016 Reward Finance Group Ltd entered into a finance agreement with Ms CH Wiese, in terms of which Reward borrowed an amount of £2,000,000. This loan has been transferred to liabilities held for distribution at year end.

	GROUP	
	2018 £'000	2017 £'000
Loans receivable and payable include the following related party loans receivable/(payable) to/(from) companies whose directors or shareholders also serve on the board of Nguni Property Fund Ltd:		
Loan to Safland International Property Services (Pty) Ltd	65	65
Loan to Safland Investment Holdings (Pty) Ltd	29	29
Loan to Frontier Property Trust	0.1	0.1
Loan to Africol Property Investments	411	(1 800)
Loan from Safland Property Services Namibia (Pty) Ltd	(37)	(37)
The loans are disclosed in Note 7.5		
Short term borrowings include the following related party loan payable to Demashuwa Property Developers (Pty) Ltd, the 50% partner in Steps JV owned by the associate company Steps Towers Property Investments (Pty) Ltd and 50% JV partner in MegaCentre JV	(2 370)	(2 505)
The loan payable is disclosed in Note 21.8		
The following management, advertising and letting fees were paid to Safland International Property Services (Pty) Ltd during the year	35	63
Loans receivable include the following related party loans advanced to key management for the acquisition of equity interests in the group		
AS Trust (FH Esterhuyse) – 1 664 490 shares	1 572	1 494
Eastwick Road Ltd (D Wheble) – 10% of The Boutique Workplace Company Ltd	807	—
The loans are disclosed in note 7.4		
All joint venture arrangements and joint operations and loans receivable from / payable to joint ventures are disclosed in Note 5		
All associates and loans receivable from / payable to associates are disclosed in Note 6		
All intergroup transactions have been eliminated in the annual financial statements and there are no other material transactions with related parties, except as set out in note 4 and 10		
Non-executive director, J M Wragge, is an employee and shareholder of Gritprop Investments (Pty) Ltd, a company that renders asset management services to the group. The amount paid of £48 000 (2017: £107 000) to Gritprop Investments (Pty) Ltd for asset management services to the group are disclosed in Note 24.2.2		
Details of the directors shareholding are disclosed elsewhere in the annual financial statements.		
Details of directors remuneration is disclosed in Note 24.2		
The executives of all operating companies are seen as key management personnel.		
The compensation of key management consist of:		
Salaries and short-term/termination benefits	1 232	959
Key management compensation was paid to:		
Executive directors	1 232	959

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

34 Share based payments

34.1 An employee share option scheme, the Tradehold Limited Employee Share Trust ("ESOP"), was adopted in the previous financial year. The maximum number of shares that can be awarded under the ESOP is 7 806 644. The options granted under the ESOP are exercisable at the market price of the shares on the date of Tradehold board approval of the award, in three equal tranches on the fourth, fifth and sixth anniversary of the board approval date, provided that the employee is still employed on such exercise date. The fair value at the date of acceptance of the award by the employee (the "Grant Date") is estimated using a binomial pricing model, taking into account the terms and conditions upon which the options were granted. There is no cash settlement of the options.

The following options were granted in terms of the ESOP during the year (2017: 263 681):

On 4 December 2017 (the Grant Date), an award of 53 819 share options of ZAR 17.91 per share were accepted by W D Marais, exercisable in three equal tranches on 4 December 2021, 4 December 2022 and 4 December 2023 respectively.

On 4 December 2017 (the Grant Date), an award of 27 207 share options of ZAR 17.91 per share were accepted by A T Kretzmann, exercisable in three equal tranches on 4 December 2021, 4 December 2022 and 4 December 2023 respectively.

	GROUP	
	2018 £'000	2017 £'000
The fair value of the options granted was estimated on the Grant Date using the following assumptions:		
Dividend yield (%)	—	—
Expected volatility (%)	9.88	19.30
Risk-free interest rate (%)	9.24	9.32
Expected life of share options (years)	—	—
Weighted average share price (ZAR)	19.25	29.25
The weighted average fair value of the options granted during the year was £	27 046	181 838
For the year ended 28 February 2018, Tradehold has recognised a share-based payment expense in the statement of changes in equity of £	40 076	37 551

At 28 February 2018, there are 7 461 937 (2017: 7 542 963) shares available for utilisation under the ESOP.

35 Events after the reporting period

35.1 The process of unbundling and separately listing the group's financial services businesses commenced prior to the date of approval of these financial statements – refer note 10.3

35.2 The Cognis corporate residential development in Maputo in Mozambique that is let on a long-term basis to the US Embassy and the oil-exploration company Anadarko, is in the process of being sold.

35.3 Disposal of certain investment properties in South Africa have been agreed to with independent third parties after reporting date. As such the properties are shown as part of investment property until such time as the conditions pass. The decisions to sell the assets were taken after reporting date and therefore the requirements of IFRS 5 were not met.

35.4 Assets held for sale as shown in Note 10 are highly probable to have all unconditional sale terms fulfilled after the reporting period.

35.5 The development on the investment property held by an associate, Ifana Investments (Pty) Ltd is expected to commence after reporting date.

36 Segment information

Segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The CODM is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The group has determined that its CODM is made up of the executive board of directors of the group.

The operating segments have been determined based on the reports reviewed by the executive board of directors in making strategic decisions.

The executive board of directors monitor the business based on the following operating segments:

Property – United Kingdom
Property – South Africa and Namibia
Property – rest of Africa
Serviced Office – United Kingdom
Short-term lending – United Kingdom and South Africa (disclosed as held for distribution)
Other

The operating segments have been amended since the previous annual report in line with the recent changes in the operating segments and geography of the group.

The operating segments derive their revenue primarily from rental income from lessees, revenue from serviced office and income from short-term lending. All of the group's business activities and operating segments are reported within the above segments.

The executive directors assesses the performance of the operating segments based on a measure of adjusted operating profit, i.e. trading profit. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses, lease repair liabilities and impairment of loans.

The amounts provided to the board of directors in respect of total assets and total liabilities are measured in a manner consistent with that of the annual financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset. As all assets and liabilities have been allocated to the reportable segments, reconciliations of reportable segments' assets to total assets, and of reportable segments' liabilities to total liabilities, are not presented.

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

36 Segment information (continued)

The segment information provided to the CODM for the reportable segments for the year ended 28 February 2018 is as follows (in £'000):

	Property				Serviced Office	Operations held for distribution		
	United Kingdom including Joint Ventures	IFRS adjustments for Joint Ventures	South Africa and Namibia	Rest of Africa	United Kingdom	United Kingdom and South Africa	Other	Group total
	Moorgarth							
Condensed statement of comprehensive income								
Total segment revenue (external customers)	14 031	(3 253)	66 216	6 204	18 273		—	101 471
Other income	1 972	(1 141)	413	160			23	1 427
Foreign exchange gains and losses				(89)			(202)	(291)
Provision for bad debts	(114)	23	(425)	(8)				(524)
Unrecovered property costs	(2 283)	378	(2 012)	(564)				(4 481)
Other operating costs	(4 586)	615	(3 301)	(762)	(16 497)		(1 832)	(26 363)
EBITDA	9 020	(3 378)	60 891	4 941	1 776		(2 011)	71 239
Depreciation, impairment and amortisation	(225)	11	(543)	(56)	(1 836)		(7)	(2 656)
Trading profit per entity	8 795	(3 367)	60 348	4 885	(60)		(2 018)	68 583
Profit on disposal of investment property	646		511	—		—	—	1 157
Fair value adjustment to investment property	4 437	(511)	2 011	5 823				11 760
Profit/(loss) on acquisition/disposal of investments		(1)		340	1			340
Fair value gain/(loss) on investments	(38)		1					(37)
Operating profit / (loss)	13 840	(3 879)	62 871	11 048	(59)		(2 018)	81 803
Finance income	524	517	2 144	295	—		2 672	6 152
Finance cost (notional interest allocation per segment based on debt utilisation)	(5 483)	2 098	(44 280)	(3 320)	(283)		(609)	(51 877)
Profit from joint venture		662						662
Profit from associated companies			539					539
Profit before taxation	8 881	(602)	21 274	8 023	(342)		45	37 279
Income tax expense	(510)	602	(5 036)	(1 938)	(116)		(2)	(7 000)
Profit from continuing operations	8 371		16 238	6 085	(458)		43	30 279
Profit from operations held for distribution				(21)		4 081		4 060
Profit before non-controlling interest	8 371		16 238	6 064	(458)	4 081	43	34 339
Non-controlling interest	375		(1 173)	(1 756)		(959)		(3 513)
Net profit for the year	8 746		15 065	4 308	(458)	3 122	43	30 826

	Property				Serviced Office	Operations held for distribution		
	United Kingdom including Joint Ventures	IFRS adjustments for Joint Ventures	South Africa and Namibia	Rest of Africa	United Kingdom	United Kingdom and South Africa	Other	Group total
	Moorgarth							
Condensed statement of financial position								
Investment properties	249 455	(57 899)	575 886	74 205				841 647
Property plant and equipment	791	(59)	4 316	260	5 832		10	11 150
Intangible assets	(57)	(1 664)	1 490	(449)	10 054			9 374
Financial assets	5 886							5 886
Investment in joint ventures	11 924	12 789	2 370					27 083
Investment in associates			9 158					9 158
Deferred taxation		1 780	9 378	520				11 678
Cash	6 363	(1 849)	3 117	6 381	1 587		798	16 397
Assets held for distribution				1 993		74 098		76 091
Loans due from operations held for distribution							21 840	21 840
Assets held for sale			1 271					1 271
Other receivables	11 477	871	8 807	11 046	4 322		6 895	43 419
Total assets	**285 839**	**(46 031)**	**615 793**	**93 956**	**21 795**	**74 098**	**29 543**	**1 074 993**
Borrowings (notional allocation per segment based on debt utilisation)	153 842	(38 352)	402 516	50 247	5 300		15 730	589 284
Deferred revenue		4 097		6 572				10 669
Deferred tax	(103)	1 244	46 726	4 304	142			52 312
Liabilities held for distribution				2 039		56 649		58 688
Other payables	10 701	(5 785)	6 366	4 927	8 126		1 103	25 438
Total liabilities	**164 440**	**(38 796)**	**455 608**	**68 089**	**13 568**	**56 649**	**16 833**	**736 391**
Non-controlling interest		878	9 553	2 997	(753)	1 183		13 858
Group borrowings	75 555	(6 530)	110 586	19 512	6 980		(206 103)	—
Shareholders equity	45 844	(1 583)	40 046	3 358	2 000	16 266	218 813	324 744
Total equity	**121 399**	**(7 235)**	**160 185**	**25 867**	**8 227**	**17 449**	**12 710**	**338 602**
Total assets include additions to the following non-current assets:								
Additions to property, plant and equipment	3 855		64	211				4 130
Additions to investment properties	15 843		11 663	2 757				30 263
Additions to goodwill	10							10
Additions to joint ventures	—		—	—				
Additions to associates	—		—	—				—

Notes (continued)

Tradehold Limited and its subsidiaries for the year ended 28 February 2018

36 Segment information (continued)

The segment information provided to the CODM for the reportable segments for the year ended 28 February 2017 is as follows (in £'000):

	Property				Serviced Office	Operations held for distribution		
	United Kingdom	IFRS adjustments for Joint Ventures	South Africa and Namibia	Rest of Africa	United Kingdom and South Africa	United Kingdom and South Africa	Other	Group total
Condensed statement of comprehensive income								
Total segment revenue (external customers)	16 629	(2 519)	10 393	3 301	14 731			42 535
Other income	974	(205)	359	134			702	1 964
Foreign exchange gains and losses								
Provision for bad debts	3	(3)	(99)	(5)				(104)
Unrecovered property costs	(404)	404	(419)	(97)				(516)
Other operating costs	(10 015)	253	(2 923)	(2 132)	(11 975)		(1 066)	(27 858)
EBITDA	7 187	(2 070)	7 310	1 201	2 756		(364)	16 021
Depreciation, impairment and amortisation	(398)	80	(206)	(20)	(1 466)		(7)	(2 018)
Trading profit per entity	6 789	(1 990)	7 104	1 181	1 290		(371)	14 003
Profit on disposal of investment properties	1 571		—	—		—	—	1 571
Fair value adjustment to investment property	15 357		4 671	6 928		—	—	26 956
Gain on business combination			21 586					21 586
Profit/(loss) on acquisition/disposal of investments/PPE					(54)		146	92
Fair value gain/(loss) on investments	(419)							(419)
Operating profit / (loss)	23 298	(1 990)	33 361	8 109	1 236		(225)	63 789
Finance income	985		1 067	28			3 193	5 273
Finance cost	(3 233)	1 701	(8 565)	(710)	(879)		(4 905)	(16 591)
Profit from associated companies			59					59
Profit before taxation	21 050	(289)	25 922	7 427	357		(1 937)	52 530
Income tax expense	(168)	56	(175)	(2 849)	(215)			(3 351)
Profit from continuing operations	20 882	(233)	25 747	4 578	142		(1 937)	49 179
Profit from operations held for distribution						3 624		3 624
Profit before non-controlling interest	20 882	(233)	25 747	4 578	142	3 624	(1 937)	52 803
Non-controlling interest	(2 672)		(85)	(1 719)		(841)		(5 317)
Net profit for the year	18 210	(233)	25 662	2 859	142	2 783	(1 937)	47 486

	Property				Serviced Office	Short-term lending		
	United Kingdom	IFRS adjustments for Joint Ventures	South Africa and Namibia	Rest of Africa	United Kingdom and South Africa	United Kingdom and South Africa	Other	Group total
Condensed statement of financial position								
Investment properties	218 001	(43 765)	556 061	76 363				806 660
Property plant and equipment	497	(19)	4 838	123	3 852	89	16	9 396
Intangible assets	(1 731)		1 709	(500)	10 486	2 592		12 556
Financial assets	5 924							5 924
Investment in joint ventures	7 000	7 204	2 421			455	3 552	20 632
Investment in associates			8 813			6 026		14 839
Deferred taxation	1 619		9 208			134		10 961
Cash	8 208	(653)	1 174	5 037	862	3 670	12 635	30 932
Assets held for sale	14 000					389		14 389
Other receivables	11 265	(814)	4 611	2 559	4 529	42 541	6 578	71 270
Total assets	**264 783**	**(38 047)**	**588 835**	**83 582**	**19 729**	**55 896**	**22 781**	**997 559**
Borrowings	92 946	(35 217)	401 228	38 606	4 821	4 106	95 840	602 330
Deferred revenue				7 582				7 582
Deferred tax	1 252	(108)	41 496	2 755	175			45 570
Other payables	10 938	(947)	6 487	3 062	8 165	1 744	1 522	30 971
Total liabilities	**105 136**	**(36 272)**	**449 211**	**52 005**	**13 161**	**5 850**	**97 362**	**686 453**
Non-controlling interest	2 231		8 910	1 241		828		13 210
Group borrowings	136 633	(1 775)	10 976	29 990	6 011	38 218	(220 053)	
Shareholders equity	20 783		119 738	346	557	11 000	145 472	297 896
Total equity	**159 647**	**(1 775)**	**139 624**	**31 577**	**6 568**	**50 046**	**(74 581)**	**311 106**
Total assets include additions to the following non-current assets:								
Additions to property, plant and equipment	2 557		4 772	104		60	1	7 494
Additions to investment properties	44 139		480 808	26 502		—	—	551 449
Additions to goodwill	25		—	763		—		788
Additions to joint ventures			—	—		455		455
Additions to associates				—	—	—	—	

Interest in subsidiaries

Name of entity	Place of business / country of incorporation	Issued Share Capital	Percentage shares held by group 2018 %	2017 %	Principal Activities
Tradegro Holdings (Pty) Ltd	Malta / South Africa	ZAR 7 877 752	100	100	Investment holding
Tradegro S.àr.l	Luxembourg / Switzerland	£108 217 462	100	100	Investment holding and treasury
Tradegro (UK) Ltd	United Kingdom	£2	100	100	Dormant
Moorgarth Holdings (Luxembourg) S.àr.l	Luxembourg	£21 500	100	95	Investment holding
Moorgarth Group Ltd	United Kingdom	£100	100	100	Investment holding and treasury
Tauri Holdings S.àr.l	Luxembourg	£12 500	100	75	Investment holding
Inception Holdings S.àr.l	Luxembourg	£12 500	100	100	Property investment
Moorgarth Properties (Luxembourg) S.à r.l	Luxembourg	£15 156 067	100	100	Property investment
Moorgarth LLP (formerly Clumber Park Hotel LLP)	United Kingdom	£1 160 199	100	100	Former hotel operator
St Catherines Perth (I) S.àr.l	Luxembourg	£12 499	100	100	Property investment
London Office S.àr.l	Luxembourg	£3 599 150	100	100	Property investment
Inception Living S.àr.l	Luxembourg	£47 174	100	100	Property investment
The Boutique Workplace Company Ltd	United Kingdom	£1	90	100	Serviced office provider
Ventia Ltd	United Kingdom	£1 050	90	100	Serviced office provider
Queen Street Business Centre Ltd	United Kingdom	£1	90	100	Serviced office provider
Golden Square Business Centre Ltd	United Kingdom	£1	90	100	Serviced office provider
St John Street Busines Centre Ltd	United Kingdom	£1	90	100	Serviced office provider
Thomas Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Soho Square Business Centres Ltd	United Kingdom	£100	90	100	Serviced office provider
Margaret Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
John Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Queen Street (City) Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Farringdon Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Neal Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Savoy Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Bedford Square Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Christopher Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Whitefriars Street Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Southampton Place Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Wimbledon Business Centre Ltd	United Kingdom	£100	90	100	Serviced office provider
Moorgarth Asset Management Ltd	United Kingdom	£1	100	100	Dormant
Wandle Point Ltd	United Kingdom	£100	100	100	Property investment
Apex Properties Ltd	United Kingdom	£1	100	100	Dormant
Moorgarth Maple Ltd (formerly Cairnduff Developments Rutherglen)	United Kingdom	£1	100	100	Property investment
St Catherines Perth (2) S.àr.l	Luxembourg	£1	100	100	Property investment
RSP Investments Ltd	United Kingdom	£1	100	100	Financial investment holding
Moorgarth Property Management Ltd	United Kingdom	£1	100	100	Property management
Moorgarth Site Services Ltd	United Kingdom	£1	100	100	Property management
Moorgarth Properties Ltd	United Kingdom	£1	100	100	Property investment
River Street Properties Ltd	United Kingdom	£3 822 662	100	100	Property investment
Moorgarth Leisure Ltd	United Kingdom	£1	100	100	Property investment
Moorgarth Property Investments Ltd	United Kingdom	£1	100	100	Property investment
Moorgarth Retail Ltd	United Kingdom	£1	100	100	Property investment
Moorgarth Living Ltd	United Kingdom	£1	100	100	Property investment

Name of entity	Place of business / country of incorporation	Issued Share Capital	Percentage shares held by group 2018 %	2017 %	Principal Activities
Inception Euston S.àr.l	Luxembourg	£12 500	100		Property investment
Moorgarth Maple (Luxembourg) S.àr.l	Luxembourg	£1 100 000	100		Investment holding
Tradehold Africa Ltd	Mauritius	USD 100	100	100	Investment holding
Cognis 1, Limitada	Mozambique	MZN 1.5 million	60	60	Property letting
TC Mozambique Properties Ltd	Mauritius	USD 100	75	100	Investment holding
TC Maputo Properties Ltd	Mauritius	USD 100	71	71	Investment holding
Tete Hollow Limitada	Mozambique	MZN 50 000	100	100	Property letting
Tradehold Mozambique Limitada	Mozambique	MZN 50 000	75	75	Property letting
Danbury Properties Ltd	Mauritius	USD 100	100	100	Investment holding
Falcata Ltd	Mauritius	USD 100	100	100	Investment holding
First Properties (Pty) Ltd	Zambia	ZMW 500 000	100	100	Property letting
Hospitality Properties (Pty) Ltd	Zambia	ZMW 2 000	100	100	Property letting
Collwana Properties (Pty) Ltd	Botswana	BWP 100	100	100	Property letting
Tete Hollow Mauritius Ltd	Mauritius	USD 100	100	100	Investment holding
TC Tete Properties Ltd	Mauritius	USD 100	75	75	Investment holding
Tradehold API Ltd	Mauritius	USD 200	75	75	Investment holding
Atterbury Matola Mauritius Ltd	Mauritius	USD 100	75	75	Investment holding
Atterbury Pemba Properties Ltd	Mauritius	USD 12	75	75	Investment holding
Atterbury Pemba Mauritius Ltd	Mauritius	USD 2	67	67	Investment holding
Pemba Investment Company Lda	Mozambique	MZN 110 000	68	68	Property letting
Atterbury Matola Lda	Mozambique	MZN 20 000	75	75	Property letting
Imbali Props 21 (Pty) Ltd	South Africa	ZAR 73 882 558	100	100	Property letting
Saddle Path Props 69 (Pty) Ltd	South Africa	ZAR 10 066 286	100	100	Property letting
Collins Property Projects (Pty) Ltd	South Africa	ZAR 200	100	100	Property management services
Dimopoint (Pty) Ltd	South Africa	ZAR 380 026 138	70	70	Property letting
Applemint 24 (Pty) Ltd	South Africa	ZAR 100	68.9	68.9	Property letting
Seculotte Trading 7 (Pty) Ltd	South Africa	ZAR 240	50.0		Property letting
Colkru Investments (Pty) Ltd	South Africa	ZAR 100	90.0		Property letting
Colkru Developments (Pty) Ltd	South Africa	ZAR 100	75.0		Property development
Colkru Mamelodi Investments (Pty) Ltd	South Africa	ZAR 100	80.0		Property letting
Langa Property Investment (Pty) Ltd	South Africa	ZAR 100	100.0		Property letting
Nguni Property Fund Ltd (formerly Safcoll Property Holdings (Pty) Ltd)	Namibia	NAM $ 100	100	100	Property letting
Nguni Property Developments (Pty) Ltd	Namibia	NAM $ 100	100	100	Property development
Subsidiaries held for distribution					
Reward Investments (No2) Ltd	United Kingdom	£100	100	100	Investment holding
Reward Finance Group Ltd (formerly Reward Investments Ltd)	United Kingdom	£10	70	70	Investment holding
Reward Capital Ltd	United Kingdom	£1	70	70	Asset based lending
Reward Invoice Finance Ltd	United Kingdom	£1	70	70	Invoice discounting
Reward Trade Finance Ltd	United Kingdom	£1	70	70	Asset based lending
Mettle Investments Pty Ltd	South Africa	ZAR 963	100	100	Investment holding
Mettle Specialised Finance (Pty) Ltd	South Africa	ZAR 4 101 000	100	100	Financial services
Mettle Administrative Services (Pty) Ltd	South Africa	ZAR 300	100	100	Financial services
Mettle Vehicle Finance (Pty) Ltd	South Africa	ZAR 100	100	100	Financial services
Mettle Corporate Finance (Pty) Ltd	South Africa	ZAR 120	100	100	Corporate services
Tradehold Solar Ltd	Mauritius	USD 100	55	55	Investment holding

Interest in subsidiaries (continued)

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. The parent company further does not have any shareholdings in the preference shares of subsidiary undertakings included in the group.

Non-controlling interest for the year ended 28 February

	2018 £	2017 £
Tauri Holdings S.àr.l	—	2 231 265
The Boutique Workplace Company Ltd	124 729	—
Reward Finance Group Ltd	1 183 254	828 090
Cognis 1, Limitada	3 684 585	1 949 161
Other Tradehold Africa group subsidiaries	(688 008)	(660 593)
Dimopoint (Pty) Ltd	8 881 100	8 536 448
Applemint 24 (Pty) Ltd	295 555	373 898
Seculotte Trading 7 (Pty) Ltd	401 285	—
Other Collins South Africa group subsidiaries	(24 055)	(47 714)
	13 858 445	13 210 555

Summarised information on subsidiaries with material non-controlling interests.

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the group.

	Tauri Holdings S.àr.l		Reward Finance Group Ltd		Cognis 1, Limitada		Dimopoint (Pty) Ltd		Applemint 24 (Pty) Ltd		Seculotte Trading 7 (Pty) Ltd		The Boutique Workplace Company Ltd	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Summarised balance sheet														
Current														
Assets		7 343	58 029	43 990	3 898	2 066	3 440	6 578	102	1 042	425		3 076	
Liabilities		(7 029)	(25 605)	(41 273)	(8 083)	(9 109)	(356)	(231)	(113)	(336)	(4 272)		(7 649)	
Total current net assets		314	32 424	2 717	(4 185)	(7 043)	3 084	6 347	(11)	706	(3 847)		(4 573)	
Non-current														
Assets		68 525	53	43	44 807	42 025	96 180	94 497	6 920	7 320	5 972		19 551	
Liabilities		(59 915)	(28 533)		(23 674)	(24 354)	(66 171)	(66 220)	(5 889)	(6 194)	(1 397)		(13 731)	
Total non-current net assets		8 610	(28 480)	43	21 133	17 671	30 009	28 277	1 031	1 126	4 575		5 820	
Net assets		8 924	3 944	2 760	16 948	10 628	33 092	34 624	1 020	1 832	728		1 247	
Summarised income statement														
Revenue		4 268	8 798	7 482	4 045	2 020	11 362	11 867	721	1 374	478		6 741	
Profit/(loss) before taxation		10 432	3 972	1 694	8 234	7 642	5 460	15 594	(314)	1 249	958		(269)	
Taxation		258	(776)	(719)	(2 287)	(2 778)	(1 318)	(3 756)	66	(353)	(205)		(83)	
Other comprehensive income/(loss)								—		—				
Total comprehensive income/(loss)		10 690	3 196	975	5 948	4 864	4 142	11 838	(248)	896	753		(352)	
Total comprehensive income/(loss) allocated to non-controlling interests		2 672	959	841	2 379	1 945	345	3 682	(77)	279	401		(106)	
Distributions paid to non-controlling partners		—	(604)	(548)			—	—	—	—	—		(25)	

	Tauri Holdings S.àr.l		Reward Finance Group Ltd		Cognis 1, Limitada		Dimopoint (Pty) Ltd		Applemint 24 (Pty) Ltd		Seculotte Trading 7 (Pty) Ltd		The Boutique Workplace Company Ltd	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Summarised cash flows														
Net cash (used in)/generated from operating activities		2 464	(7 820)	3 180	(119)	(641)	513	(81)	(122)	46	19		762	
Net cash used in investing activities		(15 043)	(38)	(9 073)	12	(6 034)	(660)	—	171	—	(40)			
Net cash generated from financing activities		12 428	9 105	6 298	569	6 506	765	—	(61)	—	399		239	
Net decrease in cash and cash equivalents		(151)	1 247	405	462	(169)	618	(81)	(12)	46	378		1 001	
Cash and cash equivalents at beginning of the year / date of business combination		842	2 926	2 521	395	148	625	708	76	30			586	
Effect of changes in exchange rate						438	—	—	—	—				
Cash and cash equivalents at end of the year		691	4 173	2 926	857	417	1 243	627	64	76	378		1 587	

The amounts shown above are before inter-company eliminations.

Transactions with non-controlling interests

On 1 November 2017, Moorgarth Holdings (Luxembourg) S.àr.l disposed of a 10% ownership interest in The Boutique Workplace Company Ltd to D Wheble, the CEO of the serviced office business for £760 000, which reduced Moorgarth Holdings (Luxembourg) S.àr.l 's ownership interest from 100% to 90%. On 1 November 2017, the carrying amount of the identifiable net assets in The Boutique Workplace Company Ltd was £1 850 000.

On 1 December 2017, Moorgarth Holdings (Luxembourg) S.àr.l acquired a 25% ownership interest in Tauri Holdings S.àr.l from Europrop Holdings Ltd for £2 599 761, which increased Moorgarth Holdings (Luxembourg) S.àr.l 's ownership interest from 75% to 100%. On 1 December 2017, the carrying amount of the identifiable net assets in Tauri Holdings S.àr.l was £1 946 482.

The effect on the equity attributable to owners during the year is summarised as follows:	
Carrying amount of non-controlling interests acquired	1 946
Consideration paid to non-controlling interests	2 600
Effect of acquisition on equity attributable to owners – increase / (decrease)	(653)
Consideration paid by non-controlling interests	760
Carrying amount of non-controlling interests disposed of	185
Effect of diposal on equity attributable to owners – increase / (decrease)	575

Property portfolio analysis

As at 28 February 2018

1. Property schedule

Location	Effective date of acquisition	Purchase price (£'000)	Value attributed (£'000)	Sector	Gross lettable area ("GLA") (sq m)	Gross lettable area (%)	Weigted average monthly rental per square meter (£)	Weighted average rental escalation (%)	Revenue (%)	Vacancy % of GLA (%)
				Industrial: total	1 475 446	81.76%	2.49	7.06%	64.00%	1.52%
Mozambique										
Angola Avenue Number 2289, Maputo, Mozambique	Jan-17	8 431	8 618	Industrial	12 006					
South Africa										
8th Avenue Industrial Estate, Western Cape	Dec-16	451	556	Industrial	1 410					
Alumina Allee – Richards Bay, Kwa-Zulu Natal	Dec-16	377	485	Industrial	2 062					
Baltex Road 3, Kwa-Zulu Natal	Dec-16	16 805	22 064	Industrial	35 193					
Benbow Avenue, Western Cape	Dec-16	1 360	1 253	Industrial	3 982					
Bougainvillia Road 19, Kwa-Zulu Natal	Dec-16	404	655	Industrial	8 221					
Bougainvillia Road 21, Kwa-Zulu Natal	Dec-16	1 424	929	Industrial	24 432					
Cherry Road 2, Kwa-Zulu Natal	Dec-16	2 611	3 265	Industrial	8 466					
Circuit Road 22-28, Kwa-Zulu Natal	Dec-16	1 537	1 684	Industrial	4 970					
Circuit Road 32, Kwa-Zulu Natal	Dec-16	1 005	1 067	Industrial	2 781					
Cnr Cresecent & Bamboesvlei Road – Ottery CT, Western Cape	Dec-16	809	1 052	Industrial	3 385					
Cnr Molecule & Uranium Road (Land) – Brakpan, Gauteng	Dec-16	38	56	Industrial	13 017					
Cnr Molecule & Uranium Roads – Brakpan, Gauteng	Dec-16	2 834	3 415	Industrial	18 551					
Cnr Nobel & Price Streets, Gauteng	Dec-16	2 363	3 017	Industrial	14 348					
Cnr Wimbledon & School Roads – Wimbledon CT, Western Cape	Dec-16	2 324	3 021	Industrial	12 430					
Crewe Road 5, Kwa-Zulu Natal	Dec-16	8 746	9 581	Industrial	25 724					
Culvert Road – De Aar, Northern Cape	Dec-16	304	381	Industrial	4 408					
Dal Josafat, Western Cape	Dec-16	7 203	7 887	Industrial	32 462					
Diesel Road 160, Gauteng	Dec-16	6 848	7 499	Industrial	23 279					
Dodds Street 1, Gauteng	Dec-16	9 564	10 178	Industrial	43 556					
Drakensberg Drive 5, Gauteng	Dec-16	1 197	1 383	Industrial	3 179					
du Plessis Road 5, Gauteng	Dec-16	17 059	18 188	Industrial	69 452					
Edison Place 05, Kwa-Zulu Natal	Dec-16	329	389	Industrial	1 631					
Edmund Morewood Road 12, Kwa-Zulu Natal	Dec-16	1 168	691	Industrial	6 984					
Effingham Road 747 – Redhill Durban North, Kwa-Zulu Natal	Dec-16	959	1 225	Industrial	3 606					
Elgin Road – Pomona, Gauteng	Dec-16	5 275	7 127	Industrial	11 094					
Elmfield Place 07, Kwa-Zulu Natal	Dec-16	1 258	1 537	Industrial	4 100					
Emmanuel Road, Gauteng	Dec-16	6 825	7 488	Industrial	20 192					
Fibres Road 300, Kwa-Zulu Natal	Dec-16	32 125	37 307	Industrial	69 866					
Geleirgang Road 14, Kwa-Zulu Natal	Dec-16	877	1 173	Industrial	17 110					
Gillitts Road 68 – Pinetown, Kwa-Zulu Natal	Dec-16	1 222	1 566	Industrial	7 841					
Goodenough Avenue, Western Cape	Dec-16	9 918	10 903	Industrial	38 035					
Goodenough Avenue 10 – Epping WC, Western Cape	Dec-16	1 234	1 499	Industrial	6 922					
Goodwood Road 62, Kwa-Zulu Natal	Dec-16	1 167	1 467	Industrial	2 275					
Gosforth Park – Massmart, Gauteng	Dec-16	39 909	50 882	Industrial	70 273					
Gosforth Park – Sasol, Gauteng	Dec-16	7 617	10 694	Industrial	18 907					
Greigcol, Kwa-Zulu Natal	Dec-16	248	245	Industrial	1 053					
Halifax Road 49, Kwa-Zulu Natal	Dec-16	5 609	5 636	Industrial	15 904					
Immelman Road – Wadeville, Gauteng	Dec-16	941	1 221	Industrial	5 376					
Joist Street – Isando, Gauteng	Dec-16	4 090	4 967	Industrial	6 046					
Joyner Road 23, Kwa-Zulu Natal	Dec-16	2 098	2 607	Industrial	7 407					
Joyner Road 31, Kwa-Zulu Natal	Dec-16	1 229	1 594	Industrial	2 799					
Joyner Road 6 – Isipingo, Kwa-Zulu Natal	Dec-16	2 632	3 355	Industrial	9 767					
Jurie Street 10 & 12 – Alrode Alberton, Gauteng	Dec-16	1 833	2 236	Industrial	13 012					
Kitshoff Road – Rosslyn Gauteng, Gauteng	Dec-16	1 029	1 297	Industrial	7 054					
Kubu Ave 52, Kwa-Zulu Natal	Dec-16	1 650	1 821	Industrial	4 203					
Laing Street 78 – George, Western Cape	Dec-16	221	302	Industrial	1 518					
Lily Van Niekerk Road – Boksburg East, Gauteng	Dec-16	1 187	1 398	Industrial	6 687					
Lincoln Road – Benoni South, Gauteng	Dec-16	2 042	2 480	Industrial	13 702					
Main Reef Road 138, Gauteng	Dec-16	782	370	Industrial	6 795					
Malone Road 19 – Pinetown, Kwa-Zulu Natal	Dec-16	1 942	2 500	Industrial	7 145					
Marthunisen Road (Erf 1530) – Roodekop, Gauteng	Dec-16	2 372	3 006	Industrial	15 526					
Marthunisen Road (Erf 3343) – Roodekop, Gauteng	Dec-16	4 116	5 184	Industrial	18 757					
Marthunisen Road (Erf3380) – Roodekop, Gauteng	Dec-16	10 754	14 326	Industrial	68 498					
Merlin Drive 2 – Parkhaven Boksburg, Gauteng	Dec-16	4 635	5 788	Industrial	5 992					

Location	Effective date of acquisition	Purchase price (£'000)	Value attributed (£'000)	Sector	Gross lettable area ("GLA") (sq m)	Gross lettable area (%)	Weigted average monthly rental per square meter (£)	Weighted average rental escalation (%)	Revenue (%)	Vacancy % of GLA (%)
Mill Street 15 – Bloemfontein, Other	Dec-16	186	255	Industrial	2 547					
Morewood Road 20-34, Kwa-Zulu Natal	Dec-16	10 030	12 292	Industrial	58 140					
Ndlovu Park (Unilever), Kwa-Zulu Natal	Dec-16	22 078	25 883	Industrial	59 071					
Nicholson Road 6, Kwa-Zulu Natal	Dec-16	1 419	1 301	Industrial	6 234					
Nobel Boulevard, Gauteng	Dec-16	10 356	11 102	Industrial	84 406					
Potgieter Street – Alrode Alberton, Gauteng	Dec-16	5 937	7 458	Industrial	33 787					
Power Street – Germiston, Gauteng	Dec-16	1 996	2 562	Industrial	12 598					
Prospecton Road 23, Kwa-Zulu Natal	Dec-16	3 102	3 618	Industrial	8 420					
Pullinger Road 14/15 – Westonaria, Gauteng	Dec-16	426	528	Industrial	2 296					
Riana Road 6 – Rocky Drift White River, Other	Dec-16	168	227	Industrial	1 614					
Richard Carte Road 25, Kwa-Zulu Natal	Dec-16	11 958	14 136	Industrial	33 845					
Roan Crescent, Gauteng	Dec-16	2 778	3 626	Industrial	8 596					
Samrand Avenue West – Rossway Midrand, Gauteng	Dec-16	3 232	4 043	Industrial	15 544					
Setchel Road 05, Gauteng	Dec-16	2 033	2 671	Industrial	38 426					
Setchell Road – Roodekop, Gauteng	Dec-16	8 716	11 082	Industrial	51 680					
Shepstone & Henwood Road, Kwa-Zulu Natal	Dec-16	2 962	3 720	Industrial	11 767					
Spanner Road 41, Gauteng	Dec-16	6 085	6 702	Industrial	25 085					
Spartan Cresent, Gauteng	Dec-16	1 114	1 398	Industrial	3 428					
Steele Street 18 – Steeledale Alberton, Gauteng	Dec-16	1 314	1 686	Industrial	7 877					
Tannery Road 1, Default Area Code	Dec-16	712	615	Industrial	7 160					
Timmerman Street – Kimberely, Other	Dec-16	85	113	Industrial	2 290					
Tom Muller Drive 2 – Meyerton, Gauteng	Dec-16	1 357	1 636	Industrial	9 138					
Uitenhage Road – Struandale PE, Eastern Cape	Dec-16	4 898	6 033	Industrial	30 193					
Van der Bijl Road 30 – Westonaria, Gauteng	Dec-16	1 209	1 513	Industrial	13 020					
Walter Hall Road 4 (GKN), Kwa-Zulu Natal	Dec-16	1 432	1 877	Industrial	12 713					
Walter Reid Road 09, Kwa-Zulu Natal	Dec-16	6 453	8 091	Industrial	56 396					
Walter Reid Road 13, Kwa-Zulu Natal	Dec-16	2 529	3 045	Industrial	10 159					
Wiganthorpe Road 17, Kwa-Zulu Natal	Dec-16	209	253	Industrial	1 100					
Wiganthorpe Road 27, Kwa-Zulu Natal	Dec-16	426	568	Industrial	1 548					
Woodlands Drive 12, Kwa-Zulu Natal	Dec-16	498	546	Industrial	2 977					
United Kingdom				Leisure: total	14 326	0.79%	7.37	0.39%	1.56%	8.52%
Cookridge Street, Leeds				Leisure	617					
Bolton – Ikon		247	259	Leisure						
Market Place, Bolton				Leisure	6 771					
25 Lime St, London				Leisure	133					
Zambia										
Plot 9, Cairo Road, Lusaka, Zambia	Mar-15	1 916	1 772	Leisure	6 805					
United Kingdom				Offices: total	67 928	3.76%	7.94	4.60%	7.27%	8.71%
Wilmingtone Grove, Leeds	May-06	3 470	1 150	Offices	5 853					
Cookridge Street, Leeds	Sep-06	2 752	2 640	Offices	585					
Grays Inn, London	Jun-14	6 628	10 100	Offices	643					
Tagwright House				Offices	619					
25 Lime St, London	Dec-14	6 424	8 740	Offices	841					
24 Lime St, London	Apr-14	5 758	8 260	Offices	619					
Rutherglen				Offices	152					
Park Place, Leeds	Apr-15	786	1 118	Offices	541					
Central House, Leeds	Dec-14	1 603	2 919	Offices	942					
Wigmore Street, London	Apr-14	5 360	7 000	Offices	418					
Westbourne Centre, Barrhead	Oct-05	4 050	1 400	Offices	1 901					
Carter Lane, London	Feb-17	11 661	11 666	Offices	1 301					
Connolly Works, London	Oct-17	13 350	14 216	Offices	1 586					

Property portfolio analysis (continued)

As at 28 February 2018

1. Property schedule (continued)

Location	Effective date of acquisition	Purchase price (£'000)	Value attributed (£'000)	Sector	Gross lettable area ("GLA") (sq m)	Gross lettable area (%)	Weigted average monthly rental per square meter (£)	Weighted average rental escalation (%)	Revenue (%)	Vacancy % of GLA (%)
South Africa										
Alice Street, Eastern Cape	Dec-16	532	558	Offices	863					
Berg Street 169, Kwa-Zulu Natal	Dec-16	1 155	1 169	Offices	1 878					
Burger Street 217, Kwa-Zulu Natal	Dec-16	893	1 149	Offices	1 399					
Bush Shrike VCC 6, Kwa-Zulu Natal	Dec-16	1 171	1 253	Offices	1 000					
Grahamstown – Rautenbach Rd, Eastern Cape	Dec-16	970	1 365	Offices	1 022					
Henwood Road 28, Kwa-Zulu Natal	Dec-16	2 438	1 951	Offices	6 072					
Jabu Ndlovu Street 166, Kwa-Zulu Natal	Dec-16	1 465	1 566	Offices	2 226					
Jeffares and Green Office Block, Kwa-Zulu Natal	Dec-16	3 316	4 032	Offices	2 587					
Kings Road 36, Kwa-Zulu Natal	Dec-16	1 708	1 470	Offices	3 960					
Mondi Park, Kwa-Zulu Natal	Dec-16	2 268	2 515	Offices	1 998					
Murchison Street 43 (Ladysmith), Kwa-Zulu Natal	Dec-16	423	415	Offices	732					
Pin Oak Park, Kwa-Zulu Natal	Dec-16	1 335	821	Offices	1 774					
Platinum Drive 1, Gauteng	Dec-16	3 021	3 799	Offices	6 888					
Prospect Street 2, Eastern Cape	Dec-16	539	445	Offices	533					
Ridgeside Office Park, Kwa-Zulu Natal	Dec-16	6 509	8 420	Offices	4 024					
Sarlin, Kwa-Zulu Natal	Dec-16	2 010	2 354	Offices	2 960					
Strand Rd 14, Western Cape	Dec-16	3 186	2 115	Offices	3 759					
The Quarry Office Park, Kwa-Zulu Natal	Dec-16	983	1 118	Offices	1 311					
Unit 5 Quarry Office Park, Kwa-Zulu Natal	Dec-16	257	335	Offices	332					
Vryheid – 15 Stretch Crescent, Kwa-Zulu Natal	Dec-16	711	831	Offices	1 372					
DeTijger Business Park Medical Suites	Jan-18	4 830	5 924	Offices	1 125					
DeTijger Business Park	Jan-18	11	11	Offices	4 115					
				Retail: total	214 946	11.91%	7.57	4.57%	23.09%	5.56%
United Kingdom										
Ogden Road Industrial Estate, Doncaster	Dec-06	3 465	3 000	Retail	6 187					
Westbourne Centre, Barrhead	Jan-00			Retail	2 001					
Bitterne, Southampton	Sep-04	1 756	2 075	Retail	1 563					
High Street, Bromsgrove	Sep-04	1 272	941	Retail	1 703					
High Street, Johnstone	Oct-03	335	435	Retail	626					
24 Lime St, London				Retail	244					
25 Lime St, London				Retail	17					
Dalrympal Street, Girvan	Oct-03	147	246	Retail	525					
Grays Inn, London				Retail	29					
St Catherine's Perth	Jun-11	12 132	11 000	Retail	6 039					
Market Place, Bolton	Nov-13	2 486	68 781	Retail	30 112					
Rutherglen	May-12	7 700	11 970	Retail	9 596					
Zambia										
Plot 729, Cairo Road, Lusaka, Zambia	Mar-15	2 454	2 658	Retail	3 009					
Plot 12, Cairo Road, Lusaka, Zambia	Mar-15	1 416	1 673	Retail	1 736					
Botswana										
Lot 1232, Maun, Botswana	Mar-15	587	607	Retail	816					
Mozambique										
Tradehold Mozambique Limitada property	Jun-15		1 331	Retail under construction						
Pemba Investment Company Limitada property	Jan-17		12 144	Retail under construction	8 422					
Namibia										
Rundu Shopping Mall, Rundu	Mar-15	11 271	13 513	Retail	13 595					
Mega Centre, Windhoek	Mar-15	7 934	9 998	Retail	17 684					
Mutual Platz, Windhoek	Mar-15	14 480	16 736	Retail	16 223					
M&Z Ondangwa	Mar-15	660	778	Retail	2 128					
South Africa										
Church Street 178, Kwa-Zulu Natal	Dec-16	222	293	Retail	398					
Church Street 180, Kwa-Zulu Natal	Dec-16	665	513	Retail	887					
Church Street 182, Kwa-Zulu Natal	Dec-16	262	486	Retail	973					
Church Street 184, Kwa-Zulu Natal	Dec-16	480	605	Retail	623					
Church Street 199, Kwa-Zulu Natal	Dec-16	475	651	Retail	1 108					
Church Street 226, Kwa-Zulu Natal	Dec-16	285	404	Retail	605					

Location	Effective date of acquisition	Purchase price	Value attributed	Sector	Gross lettable area ("GLA")	Gross lettable area	Weigted average monthly rental per square meter	Weighted average rental escalation	Revenue	Vacancy % of GLA
		(£'000)	(£'000)		(sq m)	(%)	(£)	(%)	(%)	(%)
Church Street 228, Kwa-Zulu Natal	Dec-16	471	458	Retail	773					
Church Street 239, Kwa-Zulu Natal	Dec-16	935	1 008	Retail	1 200					
Church Street 240, Kwa-Zulu Natal	Dec-16	690	935	Retail	496					
Church Street 257 (Compen), Kwa-Zulu Natal	Dec-16	512	775	Retail	850					
Church Street 374, Kwa-Zulu Natal	Dec-16	1 170	1 332	Retail	2 617					
Church Street 418, Kwa-Zulu Natal	Dec-16	236	289	Retail	1 256					
Church Street 428, Kwa-Zulu Natal	Dec-16	329	461	Retail	678					
Eagle Avenue & Iris Road, Kwa-Zulu Natal	Dec-16	1 015	372	Retail	3 026					
Eshowe – Osborne Road, Kwa-Zulu Natal	Dec-16	806	862	Retail	1 173					
Ezulwini Royal Shopping Centre, Kwa-Zulu Natal	Dec-16	1 871	2 240	Retail	4 476					
Graaff Reinet, Eastern Cape	Dec-16	460	236	Retail	1 856					
Greyling Street 185, Kwa-Zulu Natal	Dec-16	300	456	Retail	1 316					
Greyling Street 201, Kwa-Zulu Natal	Dec-16	1 159	1 432	Retail	3 033					
Greyling Street 216, Kwa-Zulu Natal	Dec-16	131	222	Retail	485					
Howick Ave 5, Gauteng	Dec-16	3 980	3 319	Retail	6 171					
King William's Town – Cathcart Street 70, Eastern Cape	Dec-16	676	492	Retail	1 511					
Mackeurtan Avenue 05-17, Kwa-Zulu Natal	Dec-16	1 758	2 050	Retail	955					
Mackeurtan Avenue 08-12, Kwa-Zulu Natal	Dec-16	1 488	1 466	Retail	1 555					
Mackeurtan Avenue 21-23, Kwa-Zulu Natal	Dec-16	841	848	Retail	630					
Mackeurtan Avenue 33, Kwa-Zulu Natal	Dec-16	2 021	2 452	Retail	2 489					
Main Street – Nongoma, Kwa-Zulu Natal	Dec-16	1 427	1 768	Retail	3 729					
Matatiele – Boxer Centre, Eastern Cape	Dec-16	4 525	5 286	Retail	6 743					
Matatiele – Market Square, Eastern Cape	Dec-16	1 971	2 024	Retail	3 165					
Mpumalanga West, Mpumalanga	Dec-16	1 044	1 321	Retail	2 467					
Nodwengu Shopping Centre, Kwa-Zulu Natal	Dec-16	2 185	2 894	Retail	3 966					
Nquthu Shopping Centre, Kwa-Zulu Natal	Dec-16	2 617	2 878	Retail	4 895					
Roodepoort – Lambert and van Wyk Street, Gauteng	Dec-16	1 299	1 515	Retail	6 222					
Ulundi – Rhino, Kwa-Zulu Natal	Dec-16	1 822	1 868	Retail	2 772					
Victoria Road 186 and 188, Kwa-Zulu Natal	Dec-16	669	755	Retail	2 210					
Victoria Road 241, Kwa-Zulu Natal	Dec-16	3 714	3 622	Retail	10 665					
West Street 448, Kwa-Zulu Natal	Dec-16	1 915	2 053	Retail	1 485					
West Street 452, Kwa-Zulu Natal	Dec-16	2 991	3 687	Retail	3 235					
Mzuri Lifetsyle, Somerset West, Western Cape			81	Retail under construction						
Washington Street (Langa) , Westerm Cape			82	Retail under construction						
Nkandla, Kwazulu Natal			384	Retail under construction						
Nquthu Spar, Kwazulu Natal			5	Retail under construction						
Mamelodi, Gauteng			29	Retail under construction						
				Residential: total	31 912	1.77%	8.00	2.24%	4.07%	16.59%
United Kingdom										
Tagwright House	Dec-14		18 300	Residential	1 086					
119-125 Marygate, Berwick upon Tweed	Oct-03		150	Residential	295					
Avonview Apartments, London	Jul-16		5 190	Residential	530					
Mozambique										
Tete Hollow, Tete	Mar-15	2 220	687	Residential	5 000					
Acacia Estate (previously Cognis), Maputo, Mozambique	Aug-14	3 413	44 715	Residential	25 000					
South Africa										
Mzuri Residential, Somerset West, Western Cape			5 861	Residential under construction						
			841 647		1 804 558	100%			100%	2.59%

The average annualised gross rental yield of the above properties amounts to 9.18%

Property portfolio analysis (continued)

As at 28 February 2018

2. Tenant profile

	%
A – Large nationals, large listeds,and major franchisees	32.3%
B – Government	3.2%
C – Nationals, listeds, franchisees	12.5%
D – Medium to large professional firms	35.8%
E – Private commercial tenants	13.0%
F – Private residential tenants	3.1%
	100%

3. Lease expiry profile based on revenue

	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	Thereafter (%)
Industrial	1.8%	2.8%	4.7%	54.4%
Leisure	0.1%	0.2%	0.0%	1.2%
Offices	2.2%	1.8%	0.9%	2.4%
Retail	3.7%	1.8%	2.1%	15.8%
Residential	1.0%	0.1%	0.0%	3.0%
	8.8%	6.7%	7.7%	76.8%

4. Lease expiry profile based on gross lettable area

	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	Thereafter (%)
Industrial	5.8%	4.4%	8.7%	63.3%
Leisure	0.0%	0.3%	0.0%	0.4%
Offices	1.1%	0.6%	0.7%	1.0%
Retail	2.2%	0.7%	1.4%	7.5%
Residential	0.1%	0.0%	0.0%	1.6%
	9.4%	6.0%	10.8%	73.8%

At 28 February 2017

1. Property schedule

Location	Effective date of acquisition	Purchase price	Value attributed	Sector	Gross lettable area ("GLA")	Gross lettable area	Weigted average monthly rental per square meter	Average rental escalation	Revenue	Vacancy % of GLA
		(£'000)	(£'000)		(sq m)	(%)	(£)	(%)	(%)	(%)
United Kingdom				Industrial: total	1 495 994	82.45%	1.82	5.91%	29.14%	0.62%
J4 Technology Park, Skelmersdale	Feb-07	2 862	1 600	Industrial	3 995	0				
Bath Road, Felling	Oct-03	672	700	Industrial	3 796					
Mozambique					—					
Angola Avenue Number 2289, Maputo, Mozambique	Jan-17	9 389	9 597	Industrial	12 006					
South Africa		—	—		—					
8th Avenue Industrial Estate, Western Cape	Dec-16	451	516	Industrial	1 410					
Alumina Allee – Richards Bay, Kwa-Zulu Natal	Dec-16	377	460	Industrial	2 062					
Baltex Road 3, Kwa-Zulu Natal	Dec-16	16 805	20 365	Industrial	35 193					
Benbow Avenue, Western Cape	Dec-16	1 360	1 433	Industrial	3 982					
Bougainvillia Road 19, Kwa-Zulu Natal	Dec-16	404	773	Industrial	7 170					
Bougainvillia Road 21, Kwa-Zulu Natal	Dec-16	1 424	1 096	Industrial	23 698					
Cherry Road 2, Kwa-Zulu Natal	Dec-16	2 611	3 064	Industrial	8 466					
Circuit Road 22-28, Kwa-Zulu Natal	Dec-16	1 537	1 605	Industrial	4 970					
Circuit Road 32, Kwa-Zulu Natal	Dec-16	1 005	1 017	Industrial	2 781					
Cnr Cresecent & Bamboesvlei Road – Ottery CT, Western Cape	Dec-16	809	978	Industrial	3 385					
Cnr Molecule & Uranium Road (Land) – Brakpan, Gauteng	Dec-16	38	52	Industrial	13 017					
Cnr Molecule & Uranium Roads – Brakpan, Gauteng	Dec-16	2 834	3 435	Industrial	18 551					
Cnr Nobel & Price Streets, Gauteng	Dec-16	2 363	3 368	Industrial	14 348					
Cnr Wimbledon & School Roads – Wimbledon CT, Western Cape	Dec-16	2 324	2 834	Industrial	12 430					
Crewe Road 5, Kwa-Zulu Natal	Dec-16	8 746	9 133	Industrial	25 724					
Culvert Road – De Aar, Northern Cape	Dec-16	304	375	Industrial	4 408					
Dal Josafat, Western Cape	Dec-16	7 203	7 518	Industrial	32 462					
Diesel Road 160, Gauteng	Dec-16	6 848	7 148	Industrial	23 279					
Dodds Street 1, Gauteng	Dec-16	9 564	9 979	Industrial	43 556					
Drakensberg Drive 5, Gauteng	Dec-16	1 197	1 443	Industrial	3 179					
du Plessis Road 5, Gauteng	Dec-16	17 059	17 846	Industrial	69 452					
Edison Place 05, Kwa-Zulu Natal	Dec-16	329	394	Industrial	1 631					
Edmund Morewood Road 12, Kwa-Zulu Natal	Dec-16	1 168	1 111	Industrial	6 984					
Effingham Road 747 – Redhill Durban North, Kwa-Zulu Natal	Dec-16	959	1 166	Industrial	3 606					
Elgin Road – Pomona, Gauteng	Dec-16	5 275	6 363	Industrial	11 094					
Elmfield Place 07, Kwa-Zulu Natal	Dec-16	1 258	1 540	Industrial	4 100					
Emmanuel Road, Gauteng	Dec-16	6 825	7 137	Industrial	20 192					
Fibres Road 300, Kwa-Zulu Natal	Dec-16	32 125	37 407	Industrial	69 866					
Geleirgang Road 14, Kwa-Zulu Natal	Dec-16	877	1 086	Industrial	17 110					
Gillitts Road 68 – Pinetown, Kwa-Zulu Natal	Dec-16	1 222	1 485	Industrial	7 841					
Gillitts Road 72, Kwa-Zulu Natal	Dec-16	2 109	2 313	Industrial	9 200					
Goodenough Avenue, Western Cape	Dec-16	9 918	10 393	Industrial	38 035					
Goodenough Avenue 10 – Epping WC, Western Cape	Dec-16	1 234	1 503	Industrial	6 922					
Goodwood Road 62, Kwa-Zulu Natal	Dec-16	1 167	1 494	Industrial	6 364					
Gosforth Park – Massmart, Gauteng	Dec-16	39 909	47 100	Industrial	70 273					
Gosforth Park – Sasol, Gauteng	Dec-16	7 617	9 435	Industrial	18 907					
Greigcol, Kwa-Zulu Natal	Dec-16	248	283	Industrial	1 053					
Halifax Road 49, Kwa-Zulu Natal	Dec-16	5 609	6 769	Industrial	15 904					
Immelman Road – Wadeville, Gauteng	Dec-16	941	1 152	Industrial	5 376					
Joist Street – Isando, Gauteng	Dec-16	4 090	4 956	Industrial	6 046					
Joyner Road 23, Kwa-Zulu Natal	Dec-16	2 098	2 388	Industrial	7 407					
Joyner Road 31, Kwa-Zulu Natal	Dec-16	1 229	1 512	Industrial	2 799					
Joyner Road 6 – Isipingo, Kwa-Zulu Natal	Dec-16	2 632	3 226	Industrial	9 767					
Jurie Street 10 & 12 – Alrode Alberton, Gauteng	Dec-16	1 833	2 239	Industrial	13 012					
Kitshoff Road – Rosslyn Gauteng, Gauteng	Dec-16	1 029	1 253	Industrial	7 054					
Kubu Ave 52, Kwa-Zulu Natal	Dec-16	1 650	2 052	Industrial	4 203					
Laing Street 78 – George, Western Cape	Dec-16	221	270	Industrial	1 518					
Lily Van Niekerk Road – Boksburg East, Gauteng	Dec-16	1 187	1 444	Industrial	6 687					
Lincoln Road – Benoni South, Gauteng	Dec-16	2 042	2 487	Industrial	13 702					
Main Reef Road 138, Gauteng	Dec-16	782	923	Industrial	8 384					
Malone Road 19 – Pinetown, Kwa-Zulu Natal	Dec-16	1 942	2 357	Industrial	7 145					
Marthunisen Road (Erf 1530) – Roodekop, Gauteng	Dec-16	2 372	2 898	Industrial	15 526					

Property portfolio analysis (continued)

At 28 February 2017

1. Property schedule (continued)

Location	Effective date of acquisition	Purchase price (£'000)	Value attributed (£'000)	Sector	Gross lettable area ("GLA") (sq m)	Gross lettable area (%)	Weigted average monthly rental per square meter (£)	Average rental escalation (%)	Revenue (%)	Vacancy % of GLA (%)
Marthunisen Road (Erf 3343) – Roodekop, Gauteng	Dec-16	4 116	5 012	Industrial	18 757					
Marthunisen Road (Erf3380) – Roodekop, Gauteng	Dec-16	10 754	13 088	Industrial	68 498					
Merlin Drive 2 – Parkhaven Boksburg, Gauteng	Dec-16	4 635	5 617	Industrial	5 992					
Mill Street 15 – Bloemfontein, Other	Dec-16	186	231	Industrial	2 547					
Morewood Road 20-34, Kwa-Zulu Natal	Dec-16	10 030	11 344	Industrial	57 154					
Ndlovu Park (Unilever), Kwa-Zulu Natal	Dec-16	22 078	24 285	Industrial	59 071					
Nicholson Road 6, Kwa-Zulu Natal	Dec-16	1 419	1 489	Industrial	6 234					
Nobel Boulevard, Gauteng	Dec-16	10 356	10 885	Industrial	84 406					
Potgieter Street – Alrode Alberton, Gauteng	Dec-16	5 937	7 251	Industrial	33 787					
Power Street – Germiston, Gauteng	Dec-16	1 996	2 432	Industrial	12 598					
Prospecton Road 23, Kwa-Zulu Natal	Dec-16	3 102	3 611	Industrial	8 420					
Pullinger Road 14/15 – Westonaria, Gauteng	Dec-16	426	517	Industrial	2 296					
Riana Road 6 – Rocky Drift White River, Other	Dec-16	168	210	Industrial	1 614					
Richard Carte Road 25, Kwa-Zulu Natal	Dec-16	11 958	12 495	Industrial	33 845					
Roan Crescent, Gauteng	Dec-16	2 778	3 404	Industrial	8 596					
Samrand Avenue West – Rossway Midrand, Gauteng	Dec-16	3 232	3 921	Industrial	15 544					
Setchel Road 05, Gauteng	Dec-16	2 033	2 374	Industrial	38 426					
Setchell Road – Roodekop, Gauteng	Dec-16	8 716	10 667	Industrial	51 680					
Shepstone & Henwood Road, Kwa-Zulu Natal	Dec-16	2 962	3 493	Industrial	11 767					
Spanner Road 41, Gauteng	Dec-16	6 085	6 388	Industrial	25 085					
Spartan Cresent, Gauteng	Dec-16	1 114	1 307	Industrial	3 428					
Steele Street 18 – Steeledale Alberton, Gauteng	Dec-16	1 314	1 598	Industrial	7 877					
Tannery Road 1, Default Area Code	Dec-16	712	803	Industrial	7 160					
Timmerman Street – Kimberely, Other	Dec-16	85	106	Industrial	2 290					
Tom Muller Drive 2 – Meyerton, Gauteng	Dec-16	1 357	1 648	Industrial	9 138					
Uitenhage Road – Struandale PE, Eastern Cape	Dec-16	4 898	5 988	Industrial	30 193					
Van der Bijl Road 30 – Westonaria, Gauteng	Dec-16	1 209	1 474	Industrial	13 020					
Walter Hall Road 4 (GKN), Kwa-Zulu Natal	Dec-16	1 432	1 738	Industrial	12 713					
Walter Reid Road 09, Kwa-Zulu Natal	Dec-16	6 453	8 069	Industrial	57 046					
Walter Reid Road 13, Kwa-Zulu Natal	Dec-16	2 529	2 673	Industrial	10 159					
Wiganthorpe Road 17, Kwa-Zulu Natal	Dec-16	209	229	Industrial	1 100					
Wiganthorpe Road 27, Kwa-Zulu Natal	Dec-16	426	496	Industrial	1 548					
Woodlands Drive 12, Kwa-Zulu Natal	Dec-16	498	586	Industrial	2 977					
United Kingdom				Leisure: total	16 816	0.93%	5.81	1.51%	4.38%	23.22%
Cookridge Street, Leeds		—	—	Leisure	617					
Bolton – Ikon		247	259	Leisure	2 490					
Market Place, Bolton		—	—	Leisure	6 771					
25 Lime St, London		—	—	Leisure	133					
Zambia										
Plot 9, Cairo Road, Lusaka, Zambia	Mar-15	2 134	2 208	Leisure	6 805					
United Kingdom				Offices: total	68 798	3.79%	4.71	4.46%	7.04%	14.22%
Wilmingtone Grove, Leeds	May-06	3 470	1 150	Offices	5 853					
Cookridge Street, Leeds	Sep-06	2 752	2 051	Offices	585					
Grays Inn, London	Jun-14	6 628	7 500	Offices	643					
Tagwright House		—	—	Offices	619					
25 Lime St, London	Dec-14	6 424	7 520	Offices	841					
24 Lime St, London	Apr-14	5 758	8 000	Offices	619					
Rutherglen		—	—	Offices	152					
Park Place, Leeds	Apr-15	786	1 116	Offices	541					
Central House, Leeds	Dec-14	1 603	2 919	Offices	942					
Wigmore Street, London	Apr-14	5 360	7 000	Offices	418					
Westbourne Centre, Barrhead	Oct-05	4 050	2 000	Offices	1 901					
Carter Lane, London	Feb-17	11 661	11 661	Offices	1 301					
Namibia		—	—							
Mutual Platz	Mar-15	14 480	—	Offices	7 762					

Location	Effective date of acquisition	Purchase price	Value attributed	Sector	Gross lettable area ("GLA")	Gross lettable area	Weigted average monthly rental per square meter	Average rental escalation	Revenue	Vacancy % of GLA
		(£'000)	(£'000)		(sq m)	(%)	(£)	(%)	(%)	(%)
South Africa		—	—							
Alice Street, Eastern Cape	Dec-16	532	596	Offices	863					
Berg Street 169, Kwa-Zulu Natal	Dec-16	1 155	1 378	Offices	1 878					
Burger Street 217, Kwa-Zulu Natal	Dec-16	893	1 073	Offices	1 399					
Bush Shrike VCC 6, Kwa-Zulu Natal	Dec-16	1 171	1 428	Offices	1 000					
Grahamstown – Rautenbach Rd, Eastern Cape	Dec-16	970	1 273	Offices	1 022					
Henwood Road 28, Kwa-Zulu Natal	Dec-16	2 438	1 967	Offices	6 072					
Jabu Ndlovu Street 166, Kwa-Zulu Natal	Dec-16	1 465	1 928	Offices	2 226					
Jeffares and Green Office Block, Kwa-Zulu Natal	Dec-16	3 316	3 921	Offices	2 587					
Kings Road 36, Kwa-Zulu Natal	Dec-16	1 708	1 569	Offices	3 960					
Mondi Park, Kwa-Zulu Natal	Dec-16	2 268	2 779	Offices	1 998					
Murchison Street 43 (Ladysmith), Kwa-Zulu Natal	Dec-16	423	444	Offices	732					
Pin Oak Park, Kwa-Zulu Natal	Dec-16	1 335	1 587	Offices	1 774					
Platinum Drive 1, Gauteng	Dec-16	3 021	3 533	Offices	6 888					
Prospect Street 2, Eastern Cape	Dec-16	539	575	Offices	533					
Ridgeside Office Park, Kwa-Zulu Natal	Dec-16	6 509	7 831	Offices	4 024					
Sarlin, Kwa-Zulu Natal	Dec-16	2 010	2 499	Offices	2 960					
Strand Rd 14, Western Cape	Dec-16	3 186	2 258	Offices	3 692					
The Quarry Office Park, Kwa-Zulu Natal	Dec-16	983	1 045	Offices	1 311					
Unit 5 Quarry Office Park, Kwa-Zulu Natal	Dec-16	257	304	Offices	332					
Vryheid – 15 Stretch Crescent, Kwa-Zulu Natal	Dec-16	711	795	Offices	1 372					
United Kingdom				Retail: total	200 431	11.05%	6.32	5.30%	47.15%	4.53%
Ogden Road Industrial Estate, Doncaster	Dec-06	3 465	3 000	Retail	6 187					
Westbourne Centre, Barrhead		—	—	Retail	2 001					
Bitterne, Southampton	Sep-04	1 756	2 075	Retail	1 563					
High Street, Bromsgrove	Sep-04	1 272	941	Retail	1 703					
High Street, Johnstone	Oct-03	335	435	Retail	626					
High Street, Irvine	Oct-03	300	150	Retail	601					
24 Lime St, London		—	—	Retail	244					
25 Lime St, London		—	—	Retail	17					
Dalrympal Street, Girvan	Oct-03	147	246	Retail	525					
Grays Inn, London		—	—	Retail	29					
St Catherine's Perth	Jun-11	12 132	11 000	Retail	6 039					
Market Place, Bolton	Nov-13	24 860	68 200	Retail	30 038					
Rutherglen	May-12	7 700	11 927	Retail	9 603					
Zambia										
Plot 729, Cairo Road, Lusaka, Zambia	Mar-15	2 733	3 122	Retail	3 009					
Plot 12, Cairo Road, Lusaka, Zambia	Mar-15	1 577	1 918	Retail	1 736					
Botswana		—	—	Retail						
Lot 1232, Maun, Botswana	Mar-15	654	736	Retail	816					
Lot 1602, Letlhakane, Botswana	Mar-15	1 400	1 439	Retail	1 944					
Lot 273 -274, Francistown, Botswana	Mar-15	2 123	1 425	Retail	1 440					
Letlhakane (Morogo) land right.	Mar-15	8	8	Retail	—					
Mozambique		—	—							
Tradehold Mozambique Limitada property	Jun-15	1 458	1 458	Retail	—					
Pemba Investment Company Limitada property	Jan-17	8 584	8 584	Retail	—					
Namibia		—	—	Retail						
Rundu Shopping Mall, Rundu	Mar-15	11 271	13 633	Retail	13 773					
Mega Centre, Windhoek	Mar-15	7 934	10 151	Retail	8 920					
Mutual Platz, Windhoek	Mar-15	14 480	16 457	Retail	10 732					
M&Z Ondangwa	Mar-15	660	556	Retail	240					

Property portfolio analysis (continued)

At 28 February 2017

1. Property schedule (continued)

Location	Effective date of acquisition	Purchase price (£'000)	Value attributed (£'000)	Sector	Gross lettable area ("GLA") (sq m)	Gross lettable area (%)	Weigted average monthly rental per square meter (£)	Average rental escalation (%)	Revenue (%)	Vacancy % of GLA (%)
South Africa		—	—	Retail						
Butterworth, Eastern Cape	Dec-16	501	598	Retail	997					
Church Street 178, Kwa-Zulu Natal	Dec-16	222	261	Retail	398					
Church Street 180, Kwa-Zulu Natal	Dec-16	665	733	Retail	887					
Church Street 182, Kwa-Zulu Natal	Dec-16	262	266	Retail	973					
Church Street 184, Kwa-Zulu Natal	Dec-16	480	601	Retail	623					
Church Street 199, Kwa-Zulu Natal	Dec-16	475	564	Retail	1 108					
Church Street 226, Kwa-Zulu Natal	Dec-16	285	387	Retail	605					
Church Street 228, Kwa-Zulu Natal	Dec-16	471	599	Retail	773					
Church Street 239, Kwa-Zulu Natal	Dec-16	935	1 124	Retail	1 200					
Church Street 240, Kwa-Zulu Natal	Dec-16	690	855	Retail	496					
Church Street 257 (Compen), Kwa-Zulu Natal	Dec-16	512	695	Retail	801					
Church Street 374, Kwa-Zulu Natal	Dec-16	1 170	1 371	Retail	2 617					
Church Street 418, Kwa-Zulu Natal	Dec-16	236	265	Retail	496					
Church Street 428, Kwa-Zulu Natal	Dec-16	329	395	Retail	678					
Cradock, Eastern Cape	Dec-16	176	204	Retail	647					
Eagle Avenue & Iris Road, Kwa-Zulu Natal	Dec-16	1 015	475	Retail	3 026					
Eshowe – Osborne Road, Kwa-Zulu Natal	Dec-16	806	923	Retail	1 173					
Ezulwini Royal Shopping Centre, Kwa-Zulu Natal	Dec-16	1 871	2 229	Retail	4 476					
Graaff Reinet, Eastern Cape	Dec-16	460	518	Retail	1 856					
Greyling Street 185, Kwa-Zulu Natal	Dec-16	300	447	Retail	1 316					
Greyling Street 195, Kwa-Zulu Natal	Dec-16	288	389	Retail	857					
Greyling Street 201, Kwa-Zulu Natal	Dec-16	1 159	1 345	Retail	3 033					
Greyling Street 216, Kwa-Zulu Natal	Dec-16	131	198	Retail	485					
Howick Ave 5, Gauteng	Dec-16	3 980	4 497	Retail	6 171					
King William's Town – Cathcart Street 70, Eastern Cape	Dec-16	676	776	Retail	1 511					
Kokstad, Kwa-Zulu Natal	Dec-16	659	679	Retail	1 797					
Longmarket Street 282, Kwa-Zulu Natal	Dec-16	887	927	Retail	2 560					
Mackeurtan Avenue 05-17, Kwa-Zulu Natal	Dec-16	1 758	2 163	Retail	955					
Mackeurtan Avenue 08-12, Kwa-Zulu Natal	Dec-16	1 488	1 371	Retail	1 555					
Mackeurtan Avenue 21-23, Kwa-Zulu Natal	Dec-16	841	1 166	Retail	905					
Mackeurtan Avenue 33, Kwa-Zulu Natal	Dec-16	2 021	2 489	Retail	2 489					
Main Street – Nongoma, Kwa-Zulu Natal	Dec-16	1 427	1 638	Retail	3 729					
Matatiele – Boxer Centre, Eastern Cape	Dec-16	4 525	5 175	Retail	6 743					
Matatiele – Market Square, Eastern Cape	Dec-16	1 971	2 199	Retail	3 165					
Mpumalanga West, Mpumalanga	Dec-16	1 044	1 214	Retail	2 467					
Nodwengu Shopping Centre, Kwa-Zulu Natal	Dec-16	2 185	2 881	Retail	3 966					
Nquthu Shopping Centre, Kwa-Zulu Natal	Dec-16	2 617	2 874	Retail	4 895					
Roodepoort – Lambert and van Wyk Street, Gauteng	Dec-16	1 299	1 421	Retail	6 222					
Ulundi – Rhino, Kwa-Zulu Natal	Dec-16	1 822	1 777	Retail	2 772					
Victoria Road 186 and 188, Kwa-Zulu Natal	Dec-16	669	793	Retail	2 210					
Victoria Road 241, Kwa-Zulu Natal	Dec-16	3 714	3 615	Retail	10 295					
West Street 448, Kwa-Zulu Natal	Dec-16	1 915	2 286	Retail	1 485					
West Street 452, Kwa-Zulu Natal	Dec-16	2 991	2 944	Retail	3 235					
United Kingdom				Residential: total	32 431	1.79%	15.30	4.08%	12.29%	5.89%
Tagwright House	Dec-14	13 370	17 500	Residential	1 086					
119-125 Marygate, Berwick upon Tweed	Oct-03	580	150	Residential	295					
Avonview Apartments, London	Jul-16	5 134	5 134	Residential	530					
Mozambique										
Tete Hollow, Tete	Mar-15	2 472	1 423	Residential	5 000					
Acacia Estate, Maputo, Mozambique	Aug-14	3 800	44 444	Residential	25 000					
Namibia										
Rundu Flats	Mar-15	178	154	Residential	520					
			806 660		1 814 470	100%			100%	1.87%

The average annualised gross rental yield of the above properties amounts to	7.19%

2. Tenant profile

	%
A – Large nationals, large listeds, government and major franchisees	35.3%
B – Nationals, listeds, franchisees, and medium to large professional firms	9.4%
C – Other	55.2%
	100%

3. Lease expiry profile based on revenue

	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	Thereafter (%)
Industrial	2.8%	0.7%	1.4%	24.0%
Leisure	0.1%	0.0%	0.0%	5.0%
Offices	1.0%	1.0%	0.4%	4.6%
Retail	4.9%	1.4%	2.8%	37.7%
Residential	2.1%	0.2%	0.0%	9.9%
	10.8%	3.2%	4.7%	81.2%

4. Lease expiry profile based on gross lettable area

	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	Thereafter (%)
Industrial	0.4%	3.6%	6.1%	73.1%
Leisure	0.2%	0.0%	0.0%	0.5%
Offices	0.3%	0.7%	0.5%	1.9%
Retail	0.7%	1.0%	1.4%	7.8%
Residential	0.4%	0.0%	0.0%	1.4%
	2.0%	5.3%	8.0%	84.6%

Shareholders' profile

	Number of holders	Percentage of shareholders	Number of shares held	Percentage holding
Distibution of shareholders				
Non-public shareholders				
Directors	6	0.32	154 016 358	62.31
Public shareholders	1 891	99.68	93 158 017	37.69
Total	1 897	100.00	247 174 375	100.00

	Number of shares held	Percentage holding
Major shareholders		
Granadino Investments (Pty) Ltd	82 369 947	33.3
Titan Global Investments (Pty) Ltd	28 695 605	11.6
Teez Away Trading (Pty) Limited	28 586 285	11.6
Redbill Holdings (Pty) Limited	28 668 217	11.6
H Collins and Son (Pty) Limited	15 224 977	6.2
Titan Share Dealers (Pty) Limited	10 236 344	4.1

Directors' interest

At 28 February 2018 the interest of the directors in the issued shares in the company were as follows:

	Direct beneficial	Indirect non- beneficial	Total 2018	Total 2017
K R Collins	418 640	28 668 217	29 086 857	28 916 877
F H Esterhuyse		2 833 843	2 833 843	2 728 943
D A Harrop	—	—	—	—
K L Nordier	191 174	—	191 174	187 247
M J Roberts	—	—	—	—
H R W Troskie	—	—	—	—
T A Vaughan	532 456	—	532 456	532 456
C H Wiese	—	121 301 896	121 301 896	118 412 246
J D Wiese	—	30 308	30 308	30 308
J M Wragge	—	39 824	39 824	—
	1 142 270	152 874 088	154 016 358	150 808 077

There have been no changes in the interest of the directors between 28 February 2018 and the date of approval of these annual financial statements.

Form of proxy

TRADEHOLD LIMITED
(Registration number: 1970/009054/06)
Incorporated in the Republic of South Africa
JSE Ordinary Share code: TDH ISIN: ZAE000152658
JSE B Preference Share code: TDHBP ISIN: ZAE000253050
("Tradehold" or "the Group")

To be completed by certificated shareholders and dematerialised shareholders with own name registration only.

For use at the annual general meeting of members to be held at 10:00 on Tuesday, 28 August 2018 in the boardroom at, 36 Stellenberg Road, Parow Industria 7493.

Shareholders who have dematerialised their shares with a CSDP or broker, other than with own name registration, must arrange with the CSDP or broker concerned to provide them with the necessary authorisation to attend the annual general meeting or the shareholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the shareholder and the CSDP or broker concerned.

I/We (full names and surname in block letters) ....

of (full address) ....

....

as a member of Tradehold Limited, being the registered holder of .... shares in the company, hereby appoint:

1. .... or

2. .... or

3. THE CHAIRMAN OF THE MEETING

as my/our proxy to attend, speak and vote on my/our behalf, as indicated below, at the annual general meeting of shareholders of Tradehold Ltd to be held at 10:00 on Tuesday, 28 August 2018 and at any adjournment thereof:

Indicate with an X in the appropriate block:

Ordinary resolutions		In favour of	Against	Abstain
Adoption of the annual financial statements	1.			
Re-appointment of PricewaterhouseCoopers Inc	2.			
Re-appointment of Mr HRWTroskie to the Board	3.			
Re-appointment of Dr J LL Porter to the Board	4.			
General authority to directors to issue shares for cash	5.			
General authority to issue shares	6.			
Election of members of audit committee	7.			
Election of members of social and ethics committee	8.			
Election of members of the remuneration committee	9,			
Non-binding advisory vote on the remuneration policy of the company	10.			
Approval and ratification of B Unspecified Shares	11.			
General authority of the directors	12.			

Special resolution

Confirmation of the directors' remuneration	1.			
Financial assistance in terms of s. 45	2.			
Financial assistance in terms of s. 44	3.			
General authority to acquire shares in terms of ss. 46 and 48	4.			
Amendment of the MOI	5.			

Signed at .... this .... day of 2018

Form of proxy (continued)

NOTES:

A member entitled to attend and vote at the annual general meeting shall be entitled to appoint one or more persons, who need not be members of the company as his proxy to attend and speak, to vote, abstain and give or refuse consent to a decision -contemplated in section 60 of the Companies Act of 2008, in his place.

If a proxy form, duly signed, is lodged without specific directions as to which way the proxy is to vote, the proxy will be deemed to have been authorized to vote as he thinks fit.

3. A proxy appointment:
   (a) must be in writing, dated and signed; and
   (b) remains valid for:
      (i) one year after the date on which it was signed; or
      (ii) any longer or shorter period expressly set out in the appointment unless it is revoked in a manner contemplated in Section 58(4)(c) or expires earlier as contemplated in section 58(8)(d).
4. If the proxy is signed under power of attorney or on behalf of a company, such power or authority, unless previously -registered with the company, must accompany it.
5. Shareholders who have dematerialised their shares with a CSDP or stockbroker, other than own name registration, must arrange with the CSDP or stockbroker concerned to provide them with the necessary authorisation to attend the annual general meeting or the shareholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the shareholder and the CSDP or stockbroker concerned.
6. Any alteration to the form of proxy must be signed, not initialled.
7. Where there are joint holders of shares and if more than one of such joint holders is present or represented, then the -person whose name appears first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
8. The completion and lodging of this form of proxy will not preclude the signatory from attending the annual general -meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such signatory wish to do so.
9. Forms of proxy must be deposited at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (PO Box 61051, Marshalltown, 2107, South Africa) so as to arrive by no later than 48 hours before the commencement of the AGM. Clause 23.7 of the company's Memorandum of Incorporation grants the Board or the chairman of the General Meeting the right to allow the form of proxy to be effective for purposes of voting at the AGM if the form of proxy is validly executed and received after this time but before the commencement of the General Meeting.

Shareholders' information

Enquiries

Enquiries relating to shareholdings in the company such as the loss of share certificates, dividend payments, or to notify change of address and/or bank account details, please write to the registrars: Computershare Investor Services (Pty) Ltd, P O Box 61051, Marshalltown, 2107.

If you have received more than one copy of this annual report, there may be more than one account in your name on the company's register of members. If you would like to amalgamate your holdings, write to the registrars, detailing the accounts concerned and instructions on how they should be amalgamated.

Additional copies of annual financial statements

Additional copies of the report are obtainable from:

South Africa: The Company Secretary, Tradehold Ltd, 3rd Floor, Pepkor, 36 Stellenberg Road, Parow Industria, 7493
telephone number: +27 21 929 4885.

United Kingdom: The Company Secretary, Moorgarth Group Ltd, 47 St.Paul's Street, Leeds, W Yorkshire LS1 2TE
telephone number: +44 113 246 2711.

Europe: Tradehold Ltd, Fourth Floor, Avantech Building, St Julian's Road, San Gwann SGN 2805, Malta
telephone number: +356 214 463 77.

Share transactions totally electronic ("STRATE")

In July 2001 the company has transferred its share capital to the electronic settlement and custody system, STRATE, designed to achieve contractual, rolling and irrevocable settlement. Shareholders who have not lodged their share certificates with a Central Securities Depositary Participant ("CSDP") or qualifying broker of their choice, are encouraged to do so. Currently all trade in the company's shares take place electronically, resulting in shareholders not being able to sell their Tradehold shares unless they exist in electronic form in the STRATE environment. Any questions with regard to the transfer to STRATE may be directed to the company secretary at telephone number +27 21 929 4800 or the registrars, Computershare, at telephone number +27 11 370 5000.

Payment of dividend directly into shareholders' bank accounts

Shareholders who do not currently have their dividend paid directly into a bank account and who wish to do so should complete a mandate instruction obtainable from the company's registrars at the above address.

Design and layout: Fresh Identity

TRADEHOLD LTD