

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")

UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS AND CASH DIVIDEND
DECLARATION FOR THE SIX MONTHS TO 31 AUGUST 2021

KEY INFORMATION

- Total assets: £825 million (28 February 2021: £808 million)
- Revenue: £39.6 million (31 August 2020: £34.5 million)
- Ordinary shareholders' equity: £232.2 million (28 February 2021: £225.2 million)
- Net profit: £4.9 million (31 August 2020: loss £8.7 million)
- Headline earnings per share: 2.6 pence (31 August 2020: 0.5 pence)
- Tangible net asset value per share: 98 pence/R19.67 (28 February 2021: 94 pence/R19.75)
- Interim dividend: 30 cents per ordinary share (24 May 2021: 30 cents).
- Collins Group reported a net operating profit before tax of R187.1 million, R27.5 million above budget. It succeeded in collecting 99% of all rentals and arrears despite the KwaZulu-Natal unrest.
- Moorgarth achieved a net profit of £1.9 million against a net loss of £12.4 million at 31 August 2020.
- Boutique increased the occupancy level of its flexible office accommodation from 67% at year-end to 85%, while boosting the number of its workstations in Greater London to more than 5 100.

Tradehold Group

Tradehold's net assets are split across the United Kingdom in pound sterling (39.5%), United States dollar assets in Africa (8.2%), and the balance in South African rand (52.3%). In South Africa it owns 74.3% of the Collins Property Group. In the UK it holds 100% of the Moorgarth Property Group, including a 90% stake in Boutique (previously known as The Boutique Workplace Company), a provider of flexible office accommodation in Greater London.

Collins Group

The unrest in KwaZulu-Natal has again underlined the necessity of diversifying the company's property portfolio, not only in terms of asset class but also in terms of geographical spread. A start was made in this direction with Collins' Austrian acquisition at the end of the 2021 financial year. Further diversification is being pursued by management.

As part of this rebalancing process, Collins Group has continued to dispose of mainly smaller, non-core properties.

A total of 21 smaller properties in the portfolio were impacted by the riots in July. Fortunately, none of the company's large industrial parks and distribution centres which constitute the bulk of the portfolio, saw any damage or looting, thanks to hands-on management and the deployment of specialised security.

Despite this major upheaval, the group delivered an operating profit before tax of R187.1 million, by collecting 99% of all rentals and arrears. This was R27.5 million above budget.

The company's ability to weather the vicissitudes brought on by the pandemic is largely due to the long-term contracts - still with a weighted average expiry date of more than six years - with some of South Africa's major companies and conglomerates.

Moorgarth

The UK market opened fully in June when all restrictions on leisure activities were lifted. This resulted in a significant increase in footfall in shopping centres and consequently in much improved trading performances by certain of the company's retail and leisure tenants.

Moorgarth managed to increase rent recoveries to over 90%, substantially above the market average. Consequently, Moorgarth could meet all its operating costs and all external debt requirements from operating income.

With shopping centres having shown themselves vulnerable to changes in global retail trends as well as anti-Covid restrictions imposed by government, Moorgarth has continued reducing its exposure to retail, now constituting 37% by value of the total portfolio. The balance comprises mostly commercial properties some which have been bought and equipped for Boutique.

Negotiations to sell the group's major co-owned shopping centre in Reading near London is ongoing, with strong interest being shown from several quarters. A deal is expected to be concluded in the second half of the year.

Moorgarth achieved a net profit of £1.9 million against a net loss of £12.4 million at 31 August 2020.

Boutique

Boutique provides flexible office accommodation in 29 buildings in Greater London. Together they offer some 5 100 individual workstations in a modern environment adapted to the needs of individual clients.

Boutique started the new financial year with an occupancy rate of 67% compared to 92% at the start of the pandemic. Thanks to intensive sales activity, occupancy has recovered to 85%. Management now expects the business to be trading profitably on a monthly basis by the end of the financial year.

The increase in the number of lettings was also boosted by a steadily recovering market which is marked by a substantial change in how tenants are using space in the light of the new work-from-home culture. This coincides with a recent Property Week survey in which 80% of those questioned said face-to-face interaction with colleagues was the most important reason for returning to the office.

In the period under review the company remained cash positive as it has throughout the pandemic, and it was able to meet all debt obligations without any additional borrowing.

OUTLOOK

The major markets in which Tradehold operates still face considerable uncertainty. In recent weeks the UK has been plagued by shortages of crucial commodities and interruptions in the supply chain, while in South Africa the economy is still staggering under the loss suffered during the July riots.

The UK's economy is showing the strongest recovery of all the G7 nations

while the IMF recently increased its growth projection for South Africa's economy to 5% for the year. In addition, all three of the group's major businesses are solid, well-established entities with experienced and highly adaptable management who have learnt over time how to operate successfully under the remaining Covid-restrictions.

We believe Boutique in particular finds itself in an excellent position to benefit from changing work cultures.

ORDINARY SHARE CASH DIVIDEND

The board of directors of Tradehold (the "Board") resolved to declare a gross cash dividend of 30 cents per ordinary share on 15 November 2021 - Tradehold's second interim dividend to date. The income used for this purpose is Tradehold's share of the dividend Collins Group declares every six months in terms of the agreement with its minority shareholders, as well as operating cash generated by its United Kingdom and Mozambique operations. The dividend will reduce Tradehold's stated capital.

The distribution constitutes a foreign dividend as defined in section 1 of the South African Income Tax Act ("ITA") and is a dividend for purposes of dividends tax ("DT"), since the shares are listed on the JSE Limited ("JSE").

An exemption from DT is provided for in the ITA in respect of foreign dividends paid to a South African company and to a non-resident to the extent that it is paid in respect of listed shares, provided certain administrative procedures are complied with.

The ITA further provides for an exemption from income tax in respect of foreign dividends received or accrued in respect of listed shares.

In terms of the ITA, DT of 20% has been withheld in the case of those shareholders who are not exempt from it. They will therefore receive a net dividend of 24 cents per ordinary share.

Tradehold has 261 346 570 ordinary shares in issue. Its income tax reference number is 9725/126/71/9.

The salient dates for the dividend are as follows:

Declaration date	Monday, 15 November 2021
Last date to trade cum dividend	Tuesday, 30 November 2021
Date trading commences ex dividend	Wednesday, 1 December 2021
Record date	Friday, 3 December 2021
Date of payment to shareholders	Monday, 6 December 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 1 December 2021, and Friday, 3 December 2021, both days included.

HRW Troskie	KL Nordier
Acting Chairman	Director

Malta
15 November 2021

FULL ANNOUNCEMENT

The contents of this announcement is the responsibility of the directors of Tradehold. The announcement is only a summary of the information contained

in the complete unaudited condensed consolidated interim results for the six months ended 31 August 2021 ("Full Announcement"). Any investment decisions by investors and shareholders should be based on consideration of the Full Announcement published on SENS on Monday, 15 November 2021, and which is available at the following link:

<https://senspdf.jse.co.za/documents/2021/jse/isse/tdh/Int2021.pdf> and on Tradehold's website at www.tradehold.co.za. Copies of the full announcement are available for inspection and may be requested at no charge from Tradehold's registered office at Leinster Hall, 7 Weltevreden Street, Gardens 8005, or from that of its sponsor, Questco Corporate Advisory (Pty) Ltd, Ground Floor, Block C, Investment Place, 10th Road, Hyde Park, 2196 at no charge, from Monday to Friday during office hours.

DIRECTORS AND ADMINISTRATION

Executive directors: TA Vaughan, FH Esterhuyse, KL Nordier

Non-executive directors: CH Wiese (alternate JD Wiese), HRW Troskie,

MJ Roberts, KR Collins, LL Porter, PJ Roelofse

Independent non-executive directors: HRW Troskie, MJ Roberts, LL Porter

Company secretary: PJ Janse van Rensburg

Transfer secretary: Computershare Investor Services (Pty) Ltd

Sponsor: Questco Corporate Advisory (Pty) Ltd