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")

SUMMARY OF THE AUDITED CONSOLIDATED RESULTS OF THE TRADEHOLD GROUP FOR THE 12 MONTHS TO 28 FEBRUARY 2018 AND CASH DIVIDEND DISTRIBUTION

KEY INFORMATION

- Total assets up 7.8% to £1 075 million
- Revenue 138.6% up at £101 million
- Ordinary shareholders equity up 9% to £325 million
- Headline earnings per share up 300% to 9.2 pence
- Tangible net asset value per share up 11.2% to 144 pence
- Sum-of-the-parts valuation per share of 152.9 pence

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.

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.

FINANCIAL PERFORMANCE

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).

BUSINESS 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.

PROPERTY

Moorgarth

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 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 a 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≤

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≤ 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 two 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.

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, especially to 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 net profit after minorities 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.

SHARE ISSUE

On 12 June 2017 Tradehold issued 81 449 shares to the former shareholders of Pointbreak Corporate Finance, in settlement of the final deferred consideration owing in terms of the acquisition by Mettle in 2015.

ORDINARY SHARE CASH DIVIDEND WITH A NEW SHARE SUBSCRIPTION RE-INVESTMENT ALTERNATIVE

Notice is hereby given that the directors have declared a gross cash dividend of 50 ZAR cents per ordinary share (2017: 10 ZAR cents) on 22 May 2018. Shareholders who do not wish to receive the cash dividend may utilise all or part of the cash dividend to which they are entitled, to subscribe for new ordinary shares in the Company. The dividend will reduce Tradehold's stated capital.

Shareholders are referred to the declaration announcement that will be released on SENS on Thursday, 24 May 2018 for full details of the cash dividend and new share subscription re-investment alternative.

COMMENTS ON THE RESULTS

The provisional purchase-price allocation for the acquisition of the South African portfolio of Collins Group during the 2017 financial year was finalised during the reporting period, resulting in a favourable restatement of the 28 February 2017 comparative results.

The main changes are as follows:

	Restated Audited 12 months to 28/2/17 £'000	Reported Audited 12 months to 28/02/17 £'000
Statement of Comprehensive Income		
Profit attributable to owners of the parent	47 486	44 303
Statement of Financial Position		
Ordinary shareholders' equity	297 896	295 054
Non-controlling interest	13 210	13 696
Net asset value per share (pence)	120.6	119.4

Due to the imminent unbundling of the financial services businesses, these operations have been classified as discontinued operations, which has resulted in a restatement of the 28 February 2017 comparative income statement, with the net result of the discontinued operations shown on a separate line, but with no effect on net profit.

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.

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.

Any reference to future financial performance included in this statement has not been reviewed and reported on by the Group's external auditors and does not constitute an earnings forecast.

POLICY ADOPTION FOR TRADING STATEMENTS
The Group has adopted net asset value per share as the measure for trading statements with effect from the 28 February 2017 financial year-end.

BASIS OF PRESENTATION AND ACCOUNTING POLICIES
The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for preliminary reports, and the requirements of the Companies Act, No 71 of 2008 (the "Companies Act") applicable to summary financial statements.

The JSE Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of the following new standards, amendments to publicised standards and interpretations that became effective for the current reporting period beginning 1 March 2017:

Amendments to IAS 7, Statement of cash flows on disclosure initiative
These amendments to IAS 7 introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved.

Amendments to IAS 12, 'Income taxes' on Recognition of deferred tax assets for unrealised losses
These amendments on the recognition of deferred tax assets for unrealised losses clarify how to account for deferred tax assets related to debt instruments measured at fair value.

There was no material impact on the annual financial statements as a result of the adoption of these standards.

The Group's reportable segments reflect those components of the Group that are regularly reviewed by the chief executive officers and other senior executives who make strategic decisions (the chief operating decision maker).

Trading profit on the face of the statement of comprehensive income is 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.

Tangible net asset value per share

Tangible net asset value per share excludes intangible assets, deferred tax assets and deferred tax liabilities from the calculation of the group's net asset value. Management believes that it is a useful measure for shareholders of the Group's intrinsic net worth. However, this is not a defined term under IFRS and may not be comparable with similarly titled measures reported by other companies.

The directors of the Group take full responsibility for the preparation of this preliminary report.

AUDIT OPINION

These summary consolidated financial statements for the year ended 28 February 2018 have been audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the annual financial statements from which these summary consolidated financial statements were derived.

A copy of the auditor's report on the summary consolidated financial statements and of the auditor's report on the annual consolidated financial statements are available for inspection at the Group's registered office, together with the financial statements identified in the respective auditor's reports.

The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the Group's registered office.

PREPARATION OF FINANCIAL RESULTS

The preparation of the financial results was supervised by the group financial director Karen Nordier BAcc, BCompt Hons, CA(SA).

REPORTING CURRENCY

As the operations of most of Tradehold's subsidiaries are conducted in pound sterling and because of the distortion caused by the fluctuating value of the rand, the Group reports its results in the former currency.

CHANGES TO BOARD AND COMPANY SECRETARY

The following changes to the Tradehold board occurred shortly after the period under review:

- Mr J M Wragge resigned as a non-executive director with effect from 1 March 2018
- Dr L L Porter has been appointed as a non-executive director with effect from 2 May 2018.

C H Wiese K L Nordier

Chairman Director

Malta
22 May 2018

STATEMENT OF COMPREHENSIVE INCOME

(£'000)	Audited 12 months to 28/02/18	Audited 12 months to 28/02/17
Revenue	101 471	42 535
Other operating income	1 427	1 964
Profit on disposal of investment properties	1 157	1 571
Net gain from fair value adjustment on investment property	11 760	26 956
Loss on disposal and scrapping of PPE (excluding buildings)		(54)
Employee benefit expenses	(5 915)	(5 221)
Lease expenses	(6 361)	(4 735)
Depreciation, impairment and amortisation	(2 656)	(2 018)
Other operating costs	(19 383)	(18 523)
Trading profit	81 500	42 475
Gain on business combination	-	21 586
Gain on disposal of investments	340	147
Fair value (loss)/gain through profit or loss	(37)	(419)
Operating profit	81 803	63 789
Finance income	6 152	5 273
Finance cost	(51 877)	(16 591)
Profit from joint venture	662	
Profit from associated companies	539	59
Profit before taxation	37 279	52 530
Taxation	(7 000)	(3 351)
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	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)
Currency translation differences	(2 814)	14 587
Total comprehensive income for the year	31 772	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
	31 772	67 571

Earnings per share (pence): basic

- basic	12,5	23,8
- headline earnings	9,2	2,3
Number of shares for calculation of earnings per share ('000)	247 174	199 921
Earnings per share (pence): diluted		
- diluted	12,5	23,7
- headline earnings	9,1	2,3
Number of shares for calculation of diluted earnings per share ('000)	247 519	200 185

STATEMENT OF FINANCIAL POSITION

(£'000)	Audited 28/02/18	Audited 28/02/17
Non-current assets	913 741	868 571
Property, plant and equipment	11 150	9 396
Investment properties - fair value for accounting purposes	822 459	805 139
Investment properties - straight-line lease income adjustment	19 188	1 521
Intangible assets	9 374	12 556
Loans to discontinued operations held for distribution	8 419	
Investment in joint venture	865	658
Loans to joint venture	26 218	19 973
Investments in associates	674	6 132
Deferred taxation	11 678	10 961
Trade and other receivables	1 337	552
Loans receivable	2 379	1 683
Current assets	161 252	128 988
Financial assets	5 886	5 924
Assets held for sale	1 271	14 389
Assets held for distribution	76 091	-
Loans to discontinued operations held for distribution	13 421	-
Loans receivable	754	531
Derivative financial instruments	5 847	2 656
Loans to associates	8 484	8 707
Trade and other receivables	32 748	65 833
Taxation	353	17
Cash and cash equivalents	16 397	30 931
Total assets	1 074 993	997 559
Equity	338 602	311 106
Ordinary shareholders' equity	324 744	297 896
Non-controlling interest	13 858	13 210
Non-current liabilities	604 911	527 898
Preference share liability	69 321	48
Long-term borrowings	472 384	474 167
Derivative financial instruments	224	532
Deferred revenue	10 669	7 581
Deferred taxation	52 313	45 570
Current liabilities	131 480	158 555
Preference share liability	1 229	38 951
Short-term borrowings	46 349	89 164
Contingent consideration	-	105
Liabilities held for distribution	58 688	-
Taxation	325	1 303

Bank overdrafts	514	558
Other current liabilities	24 375	28 474
Total equity and liabilities	1 074 993	997 559

STATEMENT OF CHANGES IN EQUITY

(£'000)	Audited 12 months to 28/02/18	Audited 12 months to 28/02/17
Balance at beginning of the period	311 106	160 213
Profit for the year	34 339	52 803
Proceeds from ordinary share issue	93	76 478
Dividends distributed to shareholders	(1 501)	(572)
Transaction costs on issue of shares	-	(552)
Acquisition of treasury shares	(124)	-
Disposal of subsidiary	-	(58)
Transactions with minorities	(1 881)	8 537
Capital reserve (Employee Share Option Scheme)	40	38
Distribution to minorities	(1 092)	(548)
Other comprehensive income for the year	(2 378)	14 767
Balance at the end of the period	338 602	311 106

STATEMENT OF CASH FLOWS

(£'000)	Audited 12 months to 28/02/18	Audited 12 months to 28/02/17
Cash flows from operating activities	13 173	10 448
Operating profit / (loss)	81 803	63 789
Non-cash items	(10 525)	(47 234)
Changes in working capital	(11 936)	7 034
Interest received	4 888	2 343
Interest paid	(51 442)	(16 625)
Dividends paid to ordinary shareholders	(1 501)	(572)
Dividends to non-controlling interests	(1 092)	(548)
Taxation paid	(1 220)	(1 158)
Operating activities of operations held for distribution	4 198	3 419
Cash flows utilised in investing activities	(40 247)	(69 093)
Acquisition of investment properties	(25 422)	(54 187)
Acquisition of property, plant and equipment	(4 097)	(2 867)
Business combinations, net of cash acquired	-	758
Proceeds on disposal of investment properties	10 853	5 896
Proceeds on disposal of property, plant and equipment	13	4 911
Loans repaid by operations held for distribution	17 646	-
Loans advanced to joint venture	(4 532)	(6 877)
Loans repaid by/(advanced to) associate undertaking	44	(4 785)
Borrowings repaid	-	-
Loans and advances - issued	(2 468)	(302)
Loans and advances - repaid	100	189
Investing activities of operations held for distribution	(32 384)	(11 829)
Cash flows from financing activities	12 642	67 726
Proceeds from borrowings	154 144	100 197
Repayment of borrowings	(195 719)	(42 023)

Proceeds from preference share issue	62 983	22
Redemption of preference shares	(35 601)	-
Acquisition of treasury shares	(124)	-
Acquisition of non-controlling interest in subsidiary	(2 600)	-
Financing activities of operations held for distribution	29 559	9 530
Net increase in cash and cash equivalents	(14 432)	9 081
Effect of changes in exchange rate	(58)	(661)
Cash and cash equivalents at beginning of the year	30 373	21 953
Cash and cash equivalents at end of the year	15 883	30 373

NON CASH TRANSACTION

During the period under review the following non cash transaction took place:

Tradehold Limited share issue

On 12 June 2017 Tradehold issued 81 449 shares to the former shareholders of Pointbreak Corporate Finance, in settlement of the final deferred consideration owing in terms of the acquisition by Mettle in 2015.

SEGMENTAL ANALYSIS

(£'000)	Revenue	Operating profit/ (loss)	Investment properties	Total assets	Total liabilities
Twelve months to 28 February 2018 (audited)					
Property - United Kingdom	10 778	9 961	191 556	239 808	125 644
Property - South Africa and Namibia	66 216	62 871	575 886	615 793	455 608
Property - Africa excluding Namibia and South Africa	6 204	11 048	74 205	93 956	68 089
Serviced office - United Kingdom	18 273	(59)	-	21 795	13 568
Operations held for distribution - United Kingdom and South Africa	-	-	-	74 098	56 649
Other	-	(2 018)	-	29 543	16 833
	101 471	81 803	841 647	1 074 993	736 391
Twelve months to 28 February 2017 (audited)					
Property - United Kingdom	14 110	21 308	174 236	226 736	68 864
Property - South Africa and Namibia	10 393	33 361	556 061	588 835	449 211
Property -					

Africa excluding Namibia and South Africa	3 301	8 109	76 363	83 582	52 005
Serviced office - United Kingdom	14 731	1 236	-	19 729	13 161
Operations held for distribution - United Kingdom and South Africa	-	-	-	55 896	5 850
Other	-	(225)	-	22 781	97 362
	42 535	63 789	806 660	997 559	686 453

There was no intersegment revenue, resulting in all revenue being received from external customers.

SUPPLEMENTARY INFORMATION

(£'000)		Audited 12 months to 28/02/18	Audited 12 months to 28/02/17
1	Number of shares in issue ('000)	247 174	247 093
2	Net asset value per share (pence)	131,4	120,6
	Tangible net asset value per share (pence) (as defined by management - excludes deferred tax assets and liabilities and intangible assets)	144,0	129,5
3	Depreciation for the period	2 224	1 294
4	Capital expenditure for the period	29 519	57 412
	Capital commitments contracted but not provided for at period-end are:		
	South Africa		
	Phase 1 of the Mezuri development by Imbali Props 21 (Pty) Ltd to be funded by Investec Ltd	1 309	
	Purchase of land and infrastructure by Ifana Investments (Pty) Ltd to be funded by Investec Ltd	535	
	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	

5 Calculation of headline earnings

	Gross	Net	Gross	Net
Net profit		30 826		47 486

	Gain on revaluation of investment properties	(11 760)	(6 804)	(26 956)	(19 516)
	Profit on disposal of investment properties		(1 043)		(1 571)
	Gain from business combination				(21 586)
	Gain on disposal of investments		(340)		(287)
	Loss/(profit) on disposal of property, plant and equipment				52
			22 638		4 578
6	Financial assets Unlisted investments at fund managers valuation		5 886		5 924
7	Contingent liabilities		1 280		516

Contingent liabilities relates to an obligation by Tradehold Mozambique Limitada to build additional infrastructure. The estimated amount is £1 200 000. The remaining balance of £80 000 relates to the refinancing of a bank loan due to a margin call in Dimopoint (Pty) Ltd.

8 Related parties

During the period under review, in the ordinary course of business, certain companies within the Group entered into transactions with each other. All these intergroup transactions are similar to those in the prior year and have been eliminated in the annual financial statements on consolidation.

9 Events after the reporting period

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.

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.

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.

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

10 Goodwill

		Audited 12 months to 28/02/18	Audited 12 months to 28/02/17
10.1	Cost	9 052	13 243
	Accumulated impairment losses	-	(1 441)
		9 052	11 802
10.2	Cost		
	Balance at beginning of year	13 243	11 288
	Acquired through business combinations	10	788
	Transfer to assets held for sale	(4 013)	
	Warranty settlement	(212)	
	Foreign currency translation movements	24	1 167
	Balance at end of year	9 052	13 243
10.3	Accumulated impairment losses		
	Balance at beginning of year	(1 441)	(1 048)
	Transfer to assets held for sale	1 434	
	Foreign currency translation movements	7	(393)
		-	(1 441)

10.4 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:

Twelve months to 28 February 2018 (audited)

Transfer to assets held for

	Opening	Additions	distribution
SA short-term lending	2 592	-	(2 580)
UK property - serviced offices	8 000	10	-
Namibia property	447	-	-
Africa property	763	-	-
Total	11 802	10	(2 580)

Twelve months to 28 February 2018 (audited) (continued)

	Warranty settlement	Impairment	Foreign currency translation movements	Closing
SA short-term lending	-	-	(12)	-
UK property - serviced offices	-	-	-	8 010
Namibia property	(212)	-	122	357
Africa property	-	-	(78)	685
Total	(212)	-	32	9 052

Twelve months to 28 February 2017 (audited)

	Opening	Additions	Transfer to assets held for distribution
SA short-term lending	1 885	-	-
UK property - serviced offices	7 975	25	-
Namibia property	380	-	-
Africa property	-	763	-
Total	10 240	788	-

Twelve months to 28 February 2017 (audited) (continued)

	Warranty settlement	Impairment	Foreign currency translation movements	Closing
SA short-term lending	-	-	707	2 592
UK property - serviced offices	-	-	-	8 000
Namibia property	-	-	67	447
Africa property	-	-	-	763
Total	-	-	774	11 802

10.4.1 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.

	Audited	Audited

	28/02/18	28/02/17
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%

11 Business Combinations

11,1 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.

The following table summarises the revised fair value purchase price allocation for the acquisition.

	Audited 12 months to 28/02/18	Audited 12 months to 28/02/17
Total consideration	-	78 209
Issuance of ordinary shares	-	74 741
Cash paid	-	3 468
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
Investment in associates	-	893
Loans receivable from sellers	-	1 473
Cash and cash equivalents	-	2 503
Trade and other receivables	-	4 534
Deferred tax	-	11
Tax receivables	-	16
Total liabilities	-	(394 870)
Non-controlling interest	-	(8 849)
Borrowings	-	(351 196)
Deferred tax	-	(29 554)
Tax creditor	-	(1 281)
Trade and other payables	-	(3 991)
Total identifiable net assets	-	99 795
Gain on business combination	-	(21 586)
Total consideration	-	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)

12 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

	Carrying value	Net (losses)/ gains	Total interest income	Total interest expense	Impairment
Assets (£'million)					
Financial asset at fair value through profit or loss	5,9	-	-	-	-
Derivatives	5,8	3	-	-	-
Loans to joint venture	26,2	-	2	-	-
Loans to associates	8,5	-	1	-	-
Loans and trade receivables	8,3	-	1	-	-
Other receivables	28,9	-	-	-	-
Cash and cash equivalents	16,4	-	-	-	-
Liabilities (£'million)					
Long-term borrowings	482,0	-	-	44,8	-
Derivatives	0,2	-	-	-	-
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	-	-	-	-

28 February 2017

	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	-	1,0	-	-
Loans to associates	12,0	-	1,4	-	-
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.

13 Fair value hierarchy

IFRS7 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:

Audited 28/02/18			
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		70 550	
Borrowings			518 733
Total liabilities		70 774	518 733

Audited 28/02/17			
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.

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.

Reconciliation of recurring level 3 fair value financial instruments:

	Audited 28/02/18	Audited 28/02/17
Investment Properties		
At beginning of year	806 660	196 879
Additions	25 422	54 468
Acquired through business combinations		496 981
Acquired through change in control of associate to subsidiary	4 840	
Capitalisation of borrowing costs	641	1 165
Foreign currency translation differences	(10 797)	48 536
Disposals	(9 696)	(4 325)
Transfer to assets held for resale	(1 271)	(14 000)
Straight line lease adjustment	14 088	(1)
Net gain from fair value adjustments on investment property	11 760	26 956
At end of year	841 647	806 660
Securities		
At beginning of year	5 924	6 344
Additions	123	-
Fair value loss	(37)	(419)
Transferred to equity - treasury shares	(124)	
Distribution received	-	(1)
At end of year	5 886	5 924
Contingent 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

14 Share based payments

A new 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.

The fair value of the options granted was estimated on the Grant Date using the following assumptions:

	Audited 28/02/18	Audited 28/02/17
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.

JSE Sponsor to Tradehold
Mettle Corporate Finance Proprietary Limited