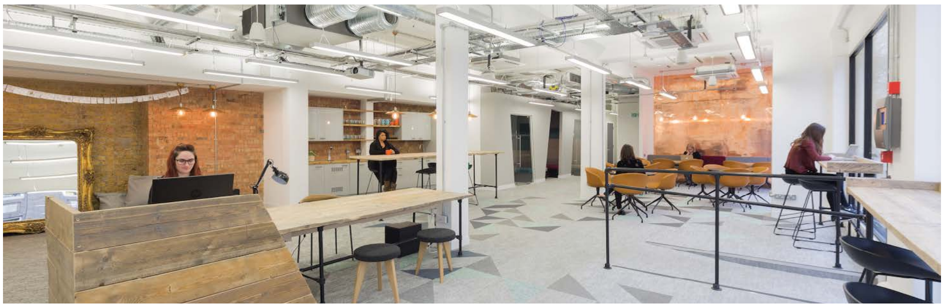
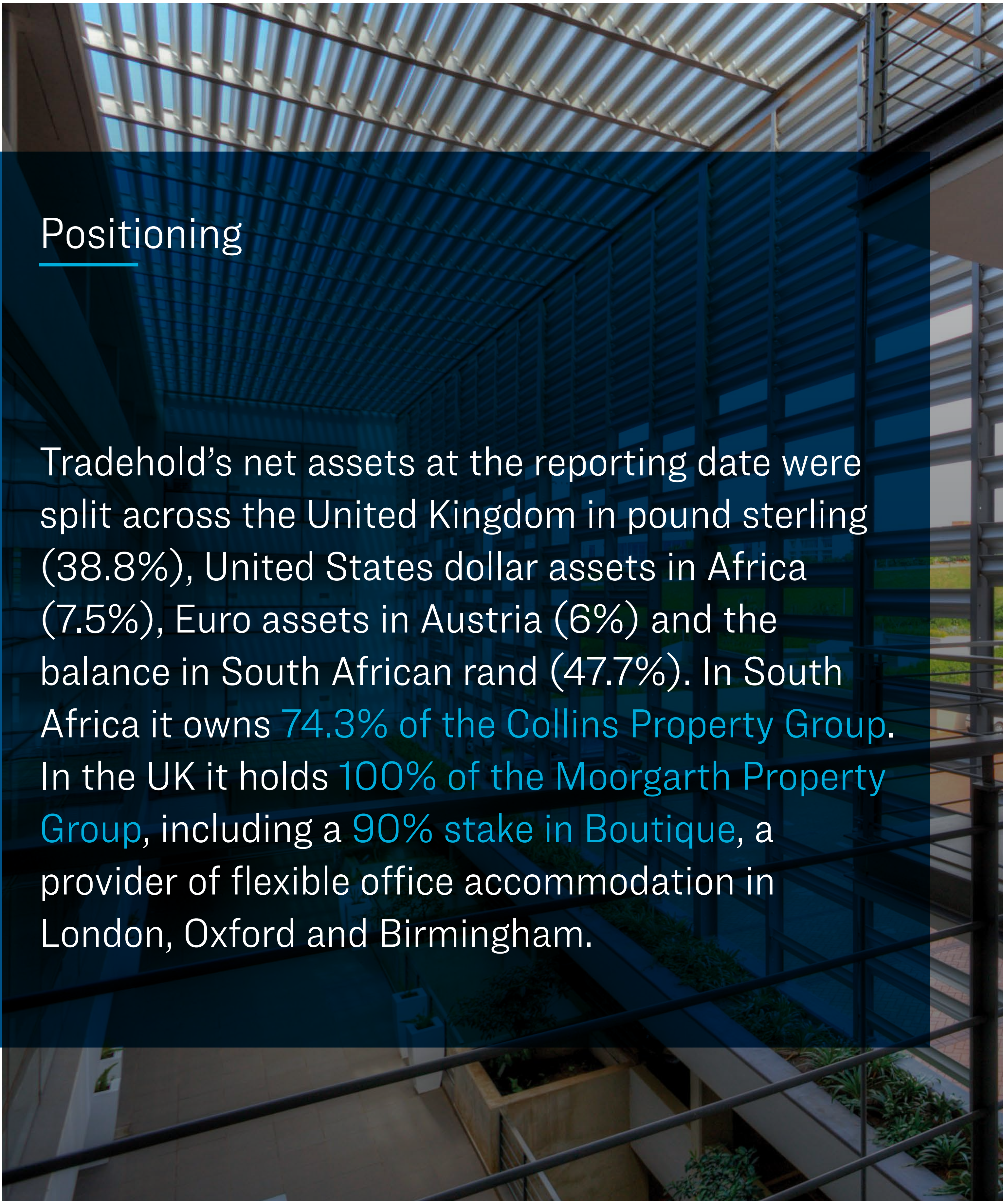
TRADEHOLD LTD

Integrated Report 2022





Positioning

Tradehold's net assets at the reporting date were split across the United Kingdom in pound sterling (38.8%), United States dollar assets in Africa (7.5%), Euro assets in Austria (6%) and the balance in South African rand (47.7%). 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, a provider of flexible office accommodation in London, Oxford and Birmingham.

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STAKEHOLDER APPROACH

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

FINANCIAL PERFORMANCE

The group reported a net profit of £20.3 million, an increase of close to £60 million over last year's loss of £39.7 million. The prior year loss was mainly due to £39 million of non-cash investment property devaluation losses resulting from the Covid-19 pandemic, and interest rate hedge unwind breakage costs of £11 million. The current year's net profit includes non-cash investment property fair-value gains of £10 million. Total assets now amount to £830 million (2021: £817 million) while revenue was £79.2 million (2021: £74.3 million). Headline earnings per share was 6.1 pence, up from last year's loss of 1.9 pence, and tangible net asset value per share (as defined by management) was 101.3 pence / R20.96, compared to 94 pence / R19.75 in the corresponding year.

BUSINESS ENVIRONMENT

Business conditions in the UK has remained highly challenging and in South Africa even more so. Moorgarth management reports that further lockdowns in the economy at the beginning of the reporting period due to the pandemic, followed by intermittent partial lockdowns and closures, severely hampered economic recovery. The effects were felt particularly in our retail properties where we lost a number of tenants due to insolvency, including the anchor in a major shopping centre. In South Africa conditions were even worse due to the country's crumbling infrastructure, high unemployment, widespread corruption primarily in government, a collapsing power network and extensive social unrest which led to massive damage and considerable loss of lives.

OPERATIONAL PERFORMANCE

Collins Group

Over many years, Collins has been working towards diversifying its portfolio. Its primary focus is on industrial space and distribution centres that together account for 77% of its gross lettable area (GLA) of 1.5 million m² while of the remaining 23%, 18% is retail and 5% offices. The total value of its portfolio has increased to £463 million (R9 584 million) from £444 million (R9 311 million) a year ago.

The nature and composition of the portfolio have largely buffered the company against the impact of the pandemic, with a 98.8% collection rate achieved of all income due. Currently, 69% of local income is derived from tenants listed on the JSE. OBI, Europe's third largest DIY retailer, accounts for 95% of Collins' offshore income.

BOUTIQUE
102 COLMORE ROAD, BIRMINGHAM

At the end of the financial year the weighted average lease expiry date (WALE) was 5.7 years, a factor which considerably lowers the company's vacancy risk in the short term. Although still low at 2.5%, the total vacancies in the portfolio for the year were slightly up from the 2.3% in 2021. 18% of the available office space was vacant, which is not dissimilar to the general trend in office accommodation in South Africa. Although this represents only 0.4% of the total portfolio, Collins is continuing to sell off office buildings.

To help improve energy efficiency, reduce carbon emissions, and contribute to the fight against climate change, the company has covered 64 000m² of roof space with solar panels, while another 170 000m² are under consideration. Where underground water is available, boreholes are being drilled to reduce tenant dependence on municipal supplies.

Collins is working continuously to reduce the cost of debt, that dropped to an average of 7.5%. Of total debt, 52% is fixed while 30% of rental income escalates directly with the consumer price index (CPI), therefore directly and indirectly 82% of total debt is hedged against interest rate movements.

In the year to February, Collins reported a profit before minorities of R574 million, significantly up from last year's loss of R183.5 million, mainly due to fair value gains on investment property revaluations of R422 million (2021: fair value loss of R180 million), and last year's once-off non-cash losses on the unwinding of CPI and fixed interest rate hedges of R228.7 million.

Collins' contribution to the group's net profit after minorities was £16.7 million (2021: loss of £6.9 million).

Moorgarth

This has been an extremely challenging time for business in the UK. Further lockdowns at the beginning of the financial year, followed by intermittent partial lockdowns and closures, severely hampered economic recovery. Emergency strategies embedded at the start of the pandemic in 2020 to minimise capital spend and reduce operating costs while implementing innovative ways of driving sales and revenue, continued during the year. Bank support was maintained throughout the period.

Moorgarth managed to collect more than 90% of all rent due across the portfolio, a performance above market average. This, *inter alia*, enabled the company to continue servicing all its debt, including capital repayments and interest, in full for the reporting period.

TRADEHOLD'S STRENGTH IS BUILT ON ACHIEVING ECONOMIC SUSTAINABILITY IN ADVERSE MARKET CONDITIONS.

With shopping centres having proven particularly vulnerable to changes in global retail trends, Moorgarth has continued its efforts to reduce its exposure to retail, now representing 51% of the total value of its portfolio if its interest in joint ventures (not reflected in the balance sheet) is included.

COLLINS GROUP
ONE RICHEFOND CIRCLE, UMHLANGA, DURBAN, SOUTH AFRICA

Chairman's Statement & Review of Operations (continued)

The balance comprises mostly commercial properties, some of which have been acquired with Boutique occupying as a tenant.

The pending sale of its major co-owned retail complex in Reading near London which was reported on at half-year, has progressed slower than expected. Income from its other major shopping centre, Market Place Bolton in Greater Manchester, was considerably curtailed by the insolvency of its anchor tenant, Debenhams, in May 2021. Plans are afoot to reconfigure the vacant space for a range of new tenants.

Moorgarth's contribution to the group net profit was £4.3 million, against a loss of £31.1 million in 2021. Last year's loss was mainly due to non-cash investment property devaluations of £33 million due to the Covid-19 pandemic, compared to devaluation losses of £1.4 million for the current year.

The value of Moorgarth's portfolio (excluding IFRS 16 right-of-use assets) dropped to £199.4 million from £217.8 million if its interest in joint ventures (not reflected in the balance sheet) is included. The decrease is mainly due to its Lime Street investment properties of £15.5 million reclassified from investment property to held for sale at year-end.

Boutique

Boutique, previously known as The Boutique Workplace Company, provides flexible office accommodation in 33 buildings in Greater London, Oxford and Birmingham. Five of these are owned by Moorgarth, who are seeking to acquire more properties suited to Boutique's needs.

During the full year Boutique remained cash-positive as it has throughout the pandemic and was able to meet all its debt obligations without any additional borrowing. Management believes the pandemic has irrevocably changed the office market, with

MOORGARTH GROUP
THE CONNOLLY WORKS, LONDON.

conventional large, centralised offices on traditional leases slowly evolving to more managed and flexible spaces. Cost certainty, occupational flexibility and attractive working environments to ensure operational flexibility in a dynamic and ever-changing market, are requirements Boutique believes it is well positioned to satisfy due to the type of buildings it occupies.

Boutique's EBITDA (earnings before interest, tax, amortisation and depreciation) for the financial year was a loss of £697 000 (2021: earnings of £364 000), before adjusting for the IFRS 16 reporting requirements.

Nguni Group (Namibia)

The Namibian portfolio comprises mainly retail and office accommodation. In a country where GDP has dropped by close to 22% since 2018, rental reversions have become increasingly prevalent as tenants struggle in an ailing economy. As a consequence, rental income on a like-for-like basis dropped 5%. This tendency is not expected to be reversed in the short term.

The value of the Namibian portfolio was £34.8 million (N$720 million) at the reporting date, unchanged from last year's value. It reported a net profit after minorities but before group interest, of £724 000 (2021: net profit of £25 000).

Tradehold Africa Group (Mozambique and Zambia)

The value of the portfolio, which consists of a very small number of properties, increased to £22 million from £20.9 million at the end of February 2021 due to investment property fair value gains and favourable currency movements on the USD to GBP. The company contributed a net profit of £1.5 million to the total group profit, compared to £1.6 million in the prior year. All the properties in the portfolio have been up for sale for a while.

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.

CHANGES OF THE BOARD

We have previously announced the retirement from the Board of David Harrop. He served as an executive director for seven of the ten years during which he was chief financial officer of Moorgarth. We shall miss his insight and valuable contribution to our board discussions.

COLLINS GROUP
TRIDENT STEEL, ROODEKOP, SOUTH AFRICA

Chairman's Statement & Review of Operations (continued)

OUTLOOK

Although the effects of the pandemic are slowly beginning to diminish, new challenges are facing our operations in South Africa as well as the UK.

Collins, largely focused on KZN, had nine properties affected by the recent devastating floods in that province. Although the damages are still being assessed, Collins is adequately insured against any loss.

As far as the UK is concerned, its recovery, as with many countries, is being hampered by inflation, continuing trading issues following Brexit and now the war in Ukraine. The group's management teams, toughened by the enormous challenges of the pandemic, will continue to restructure their portfolio and repurpose assets where necessary to adapt to the changing market and find new opportunities to acquire buildings with Boutique as tenant throughout the UK.

Boutique finds itself in a good space in a growing market for flexible office accommodation that can be rapidly tailored to specific tenant needs. The UK businesses will work closely together to find new opportunities for growth and expansion. Boutique expects to return to profitability in the 2023 financial year.

ACKNOWLEDGMENTS

These days I feel greatly humbled when I thank staff for their hard work in enabling us to run our businesses successfully. Since the beginning of Covid it has been a nightmare, wherever in the world you found yourself. And during the past year Collins' management had at the same time to find ways of protecting our properties, particularly in KZN, against marauding bands of villains out to destroy whatever they could lay their hands on. And yet, we pulled through. It called for an enormous amount of ingenuity, perseverance and dedication on the part of management and staff, but we pulled through; more than pulled through, if you look at our results for the past year.

And still it is not the end, for the year ahead already presents major challenges such as the recent devastation of the floods in KZN and the impact of the war in Ukraine around the world.

I have kept for last thanking my fellow board members. Without their grasp of the enormity of the problems confronting us and their cool-headed input in confronting them we would not be where we are today.

Thank you, one and all.

C H WIESE
CHAIRMAN

23 May 2022

COLLINS GROUP
BOXER CENTRE, MATATIELE, SOUTH AFRICA

Corporate Governance

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

- A 100% interest in the property-owning and 90% in the serviced office business of the Moorgarth group of companies
- A 74.3% stake in the property-owning Collins Property group of companies based in South Africa
- A 100% stake in property-owning Nguni Property Fund group of companies, based in Namibia
- A 100% stake in property-owning Tradehold Africa group of companies, based in Mauritius.

It conducts treasury activity through its wholly-owned finance company, Tradegro S.ár.l . Transactions within the Moorgarth group deal mainly with the 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 commercial properties valued at £463 million, and the Moorgarth Group owned and managed commercial properties valued at £199 million (if its joint venture interests are included, and its right-of-use leased assets are excluded).

Tradehold Limited is committed to upholding good ethical standards and the application of corporate governance principles. Tradehold has 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 all stakeholders.
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 as the lead independent director.
Two Non-executive Directors – work with and challenge the Executive directors, contribute with a broad range of property and finance experience and expertise.
Three 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 Executive (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.

Corporate Governance (continued)

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 position at the end of February 2022, and the attendance of board and committee meetings is for the financial year.

Composition of the board at 28 February 2022 and attendance of meetings for the financial year:

Board of directors	Qualification	Date of appointment	Age	Executive/ independent non-executive	Meetings attended (out of 2)	Other significant directorships
Dr CH Wiese	BA, LLB, D Com (HC)	29 September 2000	80	Non-executive	2	Chairman of Invicta Holdings Limited, director of Shoprite Holdings Limited, Brait Plc and various other companies
Mr HRW Troskie	B Juris, LLB, LLM	27 April 2006	52	Independent non-executive#	2	Brait Plc, Ardagh Group S.A. and various other companies
Mr MJ Roberts	BA, SEDP	28 February 2012	75	Independent non-executive	2	
Mr KR Collins		17 February 2017	50	Non-executive	2	
Dr LL Porter	BA, BSc, DPhil, FBCS, CITP	2 May 2018	70	Non-executive	2	
Mr P J Roelofse	BAcc (Cum Laude), BAcc Hons, CA(SA), CFA	10 November 2020	44	Non-executive	2	Brait Plc
Mr TA Vaughan	BSc (Hons) MRICS	10 November 2010	56	Executive	2	Managing director of Moorgarth Group
Mr FH Esterhuyse	BAcc Hons, MCom(Tax), CA(SA)	27 May 2014	52	Executive	2	
Ms KL Nordier	BAcc, BAcc Hons, CA(SA)	27 May 2014	55	Executive	2	
Mr DA Harrop	BA Hons, ACA	27 May 2014 Resigned 20 May 2021	52	Executive	1	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.

The board confirms that the company is in compliance with the provisions of the Companies Act of South Africa and has operated in conformity with its Memorandum of Incorporation for the year ended 28 February 2022.

The board considers the material risks specific to the group to be the significant matters set out in the Audit committee report.

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 of directors 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 frequency;

1.4. reviewed the external auditor audit plan and reports on the consolidated annual financial statements;

1.5. held meetings with external audit partner and manager without management present;

1.6. reviewed the system of internal controls and risk management, which include reviews of the risk management and internal control reports presented to it and held discussions with executive management, to ensure that the group is identifying, considering and mitigating, as far as possible, all significant 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. considered the findings contained in the JSE's proactive monitoring report and the JSE's report on listing requirements censures and penalties issued in 2021, and their applicability to the group's reporting;

1.10. requested an auditor suitability pack from PricewaterhouseCoopers Inc , confirmed that the pack was presented in the format and contained all the items prescribed in paragraph 22.15 (h) of the JSE Listing Requirements, verified the suitability of PricewaterhouseCoopers Inc. for the role of external auditor, verified the independence of PricewaterhouseCoopers Inc., and nominated PricewaterhouseCoopers Inc. as the auditors for 2022 and noted the appointment of Mr Jacques de Villiers as the designated auditor;

1.11. approved the audit fees and engagement terms of the external auditors;

1.12. 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.

1.13. identified the following areas as significant matters in relation to the financial statements, and addressed these as described:

Investment property valuations

Reviewed a schedule of the entire investment property portfolio, compared year end book value to the acquisition price, noted the last date of the professional valuation and ensured that most recent valuation date was no earlier than three years before 28 February 2022, noted the identity of the valuer to ensure that it was a property professional. Reviewed the list of properties sold and the sale price compared to the book value. Reviewed the list of properties revalued, and discussed reasons for revaluations with management and the external auditors. Reviewed the process of investment property valuations implemented by Collins and Moorgarth management.

Other asset valuations

Reviewed the process of other asset valuations implemented by Collins, Moorgarth and Tradehold management and discussed with the external auditors the finding from their independent valuation of the material derivatives.

Debt

Reviewed the process of debt covenant management implemented by Collins, Moorgarth and Tradehold management, and discussed with the external auditors the findings from their re-performance of a sample of the debt covenant requirements.

Reviewed the interest rate hedging strategies implemented by Collins and Moorgarth management.

Impairment testing

Reviewed the process of impairment testing on financial assets implemented Collins, Moorgarth and Tradehold management, and evaluated goodwill and other impairment computations based on external reports and reporting from the external auditors.

Risks pertaining to the diverse geographical locations

Reviewed the process of geographical and foreign currency management implemented by Collins and Tradehold management and evaluated the risks against the disclosure in the annual financial statements.

Taxation

Reviewed the process of taxation management implemented Collins, Moorgarth and Tradehold management. Derived comfort from the preparation of tax calculations and returns by reputable independent tax consultants in the United Kingdom, Switzerland, Luxembourg and Malta jurisdictions.

Corporate Governance (continued)

Audit committee report (continued)

Fraud and cyber security risk

Made recommendations in respect of mitigating controls to prevent fraud and detect/protect against cyber security breaches.

CEO and FD responsibility statement

Reviewed the corporate governance framework and compliance reporting by the component management, to ensure that the governance and internal financial controls are adequate, effective and can be relied upon in order to assure:

(i) fair presentation in all material respects of the financial position, financial performance and cash flows of the group in terms of IFRS;
(ii) that no facts have been omitted or untrue statements made that would make the annual financial statements of the group false or misleading;
(iii) that the necessary internal financial controls have been implemented to provide all material information required to effectively prepare the financial statements of the group; and
(iv) that any deficiencies in internal financial controls are expeditiously brought to the attention of senior management.

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	52	Independent non-executive	2
Mr MJ Roberts	BA, SEDP	28 February 2012	75	Independent non-executive	2
Dr LL Porter	BA, BSc, DPhil, FBCS, CITP	2 May 2018	70	Independent non-executive	2

The external auditors, in their capacity as auditors of 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 continually monitors the effectiveness of the group's internal financial controls, and is satisfied that the internal financial controls in place adequately address the major risk areas faced by the group.

The audit committee confirms that no material breakdown of internal financial controls was identified for the financial year ended 28 February 2022.

The audit committee is satisfied that the 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 financial position, business model and strategy. It recommends the adoption of the Integrated Report to the Board.

Remuneration committee report

The remuneration committee is a sub-committee of the board and consists of three members.

1. Functions of the remuneration committee

Its main functions are:

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

2. Members of the remuneration committee and attendance at meetings

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	52	Independent non-executive	1
Mr MJ Roberts	BA, SEDP	27 May 2014	75	Independent non-executive	1
Mr KR Collins		23 May 2017	50	Non-executive	1

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

3. Remuneration policy

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

Remuneration is monitored and reviewed on an ongoing basis by the remuneration committee to ensure that the guaranteed and variable pay is market related and aligned with the group's strategic objectives to create sustained value for all stakeholders.

When considering remuneration and increases, the remuneration committee measures executive remuneration and increases against those for employees across the group by jurisdiction.

The group has implemented an employee share option scheme, with the purpose of attracting, retaining, motivating and rewarding employees on a basis which aligns company performance and the interests of mid-tier and senior employees with those of shareholders.

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, and recognise the responsibilities of the director throughout the year.

Non-executive directors do not participate in the company's variable pay plans to avoid any potential conflict of interest and to maintain their independence.

Corporate Governance (continued)

Remuneration committee report (continued)

4. Implementation report

The remuneration committee has monitored the implementation of the remuneration policy and is of the view that there were no deviations from the remuneration policy in the 2022 financial year.

In determining the total guaranteed package increases for executive directors, the remuneration committee referred to market conditions as well as comparative industry benchmarking in the specific jurisdiction.

The table below presents an analysis of the remuneration of executive directors received in 2022 compared to 2021, in £'000:

Year ending 28 February 2022	Jurisdiction	Salary	Other benefits	Variable remuneration	Share scheme	Total
FH Esterhuyse	South Africa	137	19	67	–	223
KL Nordier	Switzerland	208	9	30	–	247
TA Vaughan	United Kingdom	306	7	20	–	333
		651	35	117	–	803

Year ending 28 February 2021	Jurisdiction	Salary	Other benefits	Variable remuneration	Share scheme	Total
FH Esterhuyse	South Africa	118	22	–	53	193
DA Harrop	United Kingdom	74	6	10	–	90
KL Nordier	Switzerland	219	10	63	45	337
TA Vaughan	United Kingdom	304	9	20	42	375
		715	47	93	140	995

The table below presents an analysis of the remuneration of non-executives received in the 2022 financial year (excluding VAT), compared to 2021:

	Currency '000	Year ending 28 February 2022	Year ending 28 February 2021
CH Wiese	Euro	50	50
HRW Troskie	Euro	30	30
MJ Roberts	Euro	10	10
KR Collins	Euro	25	25
LL Porter	Euro	20	20

Details of the remuneration and participation of directors in share incentive schemes appear on pages 103 and 120 of the Annual Financial Statements (notes 26 and 36).

5. Shareholder engagement and voting

The company will table its remuneration policy and implementation report for two separate non-binding advisory votes by shareholders at the AGM, in line with King IV.

In the event that 25% or more of the shareholders vote against these resolutions, the remuneration committee will engage with such dissenting shareholders to ascertain the reasons for the dissenting votes, address all valid and reasonable concerns raised, and disclose the full shareholder engagement process, response and resolutions in the remuneration report of the next financial year.

Social and ethics committee report

1. Functions of the 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 has established a social and ethics governance framework for the group, and monitors compliance by the group's subsidiaries.

2. Members of the social and ethics committee and attendance at meetings

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. MJ Roberts	BA, SEDP	28 May 2012	75	Independent non-executive	2
Ms KL Nordier	BAcc, BAcc Hons, CA(SA)	22 May 2017	55	Executive	2
Dr LL Porter	BA, BSc, DPhil, FBCS, CITP	7 November 2019	70	Independent non-executive	2

3. Statement on social and ethics governance

The social and ethics committee wishes to report that it has reviewed the reports presented to it by executive management on social and ethics governance, which include a review of the policies and codes of conduct for social responsibility, health and safety, anti-bribery and corruption, anti-fraud, anti-money laundering, whistleblowing, procurement, gifts, conflicts of interest and compliance with relevant local legislation. It has held discussions with management on the implementation of these policies and the procedures for monitoring compliance with the codes of conduct.

The social and ethics committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act of South Africa, and it is satisfied that the group has adequate policies and procedures in place to prevent and detect unethical behaviour and non-compliance with applicable legislation. No instances of material non-compliance or unethical behaviour were identified during the year under review.

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 South African and United Kingdom 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 the internal control measures in place.

The South Africa and United Kingdom business components are each headed by an experienced qualified chief executive, assisted by an experienced and qualified head of finance. These executives are responsible for the implementation of internal control, risk management and financial reporting policies and procedures and the monitoring thereof 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, and a semi-annual forecasting 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, comparison of actual results with budgets and forecasts, and preparation of revised forecasts whenever deemed necessary, for review and consideration by the board;
- reporting to the board any changes in business, operational and financial risk in each area of the business;
- clearly defined authorisation procedures for capital expenditure and major corporate 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.

Corporate Governance (continued)

Integrity and ethics

Tradehold Limited at all times endeavours to maintain the highest standard of integrity in dealing with its clients, staff, local 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 2022.

Environment

Our teams are fully aware of their ecology responsibilities, and constantly strive to introduce the latest technologies to save our planet. Working with property, we have a responsibility to ensure the improvements we make to buildings have a minimal impact on the environment.

In the United Kingdom that means taking advantage of the latest technology to install energy-efficient lighting, heating and air conditioning. Where appropriate, we take this efficiency further by using building management systems to control and monitor all of a property's mechanical and electrical equipment. We also support our tenants' efforts to reduce their carbon footprint – for example, by providing cycle bays or efficient waste-management systems. Something else we take very seriously is protecting historic properties. We have broad experience of working with listed buildings, and developing them for both retail and office purposes. Collaborating closely with conservation organisations such as Historic England ensures we help preserve our built heritage for future generations, while creating commercially viable propositions.

In South Africa, to help improve energy efficiency, reduce carbon emissions and contribute to the fight against climate change, the company has covered 64 000m² of roof space with solar panels, while another 170 000m² are under consideration. The company continues with the implementation of solar power technology and water saving methods to reduce its environmental footprint and become less reliant on municipal supply, as well as its asbestos removal program.

Broad diversity

Tradehold Limited supports the principles and aims of broad diversity at board level, and has adopted a broad diversity policy (gender, race, culture, age, field of knowledge, skills and experience). 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 appropriate gender, race, culture and age diverse directors so as to attain and maintain the voluntary target levels of broad diversity.

Notice to Shareholders

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

Notice is hereby given in terms of section 62(1) of the Companies Act, 71 of 2008, as amended (the "Act") that the annual general meeting ("AGM") of the shareholders (each a "Shareholder") of Tradehold will be held at 11:00 on Tuesday, 30 August 2022. The purpose of the AGM is to consider and, if approved, pass the ordinary and special resolutions set out in this notice (this "Notice"), with or without modification.

Attendance and voting

Shareholders are advised that the AGM will be held in electronic format only in accordance with the provisions of section 63(2) of Act.

Participants connecting to the AGM will be able to participate in the meeting but will not be able to cast their votes electronically at the AGM. Accordingly, and in order for their votes to be recorded, certificated Shareholders and dematerialised Shareholders with "own name" registration making use of the electronic participation facility must submit their duly completed forms of proxy to the Company's Transfer Secretaries by email to: proxy@computershare.co.za as soon as possible but before the commencement of the AGM. Dematerialised Shareholders, other than those with "own name" registration, making use of the electronic participation facility must provide instructions to their duly appointed central securities depository participant ("CSDP") or broker, as soon as possible but before the commencement of the AGM. Those dematerialised Shareholders, other than those with "own name" registration, who wish to be classified as attending in person, must obtain letters of representation from their CSDP or broker, and voting forms from the Company's Transfer Secretaries (also at: proxy@computershare.co.za), and must submit these to the Transfer Secretaries. These Shareholders must also connect to the AGM electronically.

Shareholders or their proxies who wish to participate in the AGM via the teleconference facility should make application to Tradehold's company secretary, by completing the application form attached to this notice and by delivering it to Tradehold's company secretary at Suite 1603, Portside Building, 4 Bree Street, Cape Town, 8001 or emailing it to tdhcosec@leacorporateservices.co.za as soon as possible but in any event by no later than 11:00 on Friday, 26 August 2022.

The application should include all relevant contact details including an email address, cellular number and land line as well as full details of the Shareholder's title to the ordinary shares ("Ordinary Shares") in Tradehold, proof of identity in the form of certified copies of identity documents and share certificates (in the case of certificated Shareholders) and written confirmation from the Shareholder's CSDP confirming the Shareholder's title to the dematerialised shares (in the case of dematerialised Shareholders).

An application form to be completed for this purpose is enclosed herewith.

Upon receipt of the required information, the Shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the AGM. Shareholders who wish to participate in the AGM by way of telephone conference call must note that they will not be able to vote at the AGM. Such Shareholders, should they wish to have their vote counted at the AGM, must, to the extent applicable: (i) complete the attached form (blue); or (ii) contact their CSDP or broker, in both instances, as set out above.

Shareholders must further note that access to the teleconference facility will be at the expense of the Shareholders who wish to utilise the teleconference facility.

In terms of section 59(1)(a) and (b) of the Act, the board of directors ("the Board") of Tradehold 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, 24 June 2022; 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, 19 August 2022.

Accordingly, the last day to trade in Ordinary Shares to be recorded in the share register in order to exercise voting rights at the AGM is Tuesday, 16 August 2022.

Please note that in terms of section 63(1) of the Act all participants (including proxies) at the AGM will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM.

Presentation of Annual Financial Statements

The consolidated audited annual financial statements of the Company and its subsidiaries for the year ended 28 February 2022, including the Directors' Report, Independent Auditor's Report, Report by the Chairman, Audit Committee Report and Social & Ethics Committee Chairman's Report, (the "Integrated Report") have been distributed and accordingly presented to Shareholders in terms of section 30(3) of the Act.

Additional information

The complete annual financial statements are set out on pages 32 to 140 of the Integrated Report of which this Notice forms part; copies of the Integrated Report have been distributed to all Shareholders who have requested copies thereof. The complete electronic copy of the Integrated Report is available online at: https://www.tradehold.co.za/investor-centre/financial-reports/annual-reports.

Ordinary Resolutions

Ordinary Resolution Number 1

"Resolved that PricewaterhouseCoopers Inc, as nominated by the Company's audit and risk committee (the "Audit and Risk Committee"), be re-appointed as independent auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company. It is to be noted that Mr J De Villiers is the individual and designated auditor who will undertake the Company's audit for the financial year ending 28 February 2023."

Note: The audit committee of the Company has considered the suitability and independence of its auditors and Mr J De Villiers and has concluded that there is no reason to believe that the auditors have not acted with unimpaired independence at all times. As recommended by the King IV Report on Corporate Governance for South Africa, 2016 ("King Code IV"), the audit committee of the Company further confirmed with reference to audit quality indicators, that the audit quality for the year ended 28 February 2022 was satisfactory. The Audit and Risk Committee has therefore

Notice to Shareholders (continued)

recommended that PricewaterhouseCoopers Inc. be re-appointed as auditors of the Company in compliance with section 90(1) of the Act.

Reason and effect
The reason and effect of this resolution is to re-appoint PricewaterhouseCoopers Inc as auditors of the Company, with Mr J De Villiers as the individual and designated auditor.

Ordinary Resolution Number 2
Resolved that Dr CH Wiese who retires as chairman and non-executive 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.

Dr Wiese is 80 years of age and he holds a BA; LLB; D Com (hc). Dr Wiese is the non-executive chairman of Tradehold and a non-executive director and former chairman of Shoprite Holdings Limited.

Reason and effect
The reason and effect of this resolution is to re-appoint Dr CH Wiese as a director.

Ordinary Resolution Number 3
Resolved that Mr KR Collins who retires as non-executive director in terms of the MOI of the Company and, being eligible, offers himself for re-election to the Board, be re-appointed.

Mr Collins is 50 years of age and is a director of, amongst others, Redbill Holdings (Pty) Ltd.

Reason and effect
The reason and effect of this resolution is to re-appoint Mr KR Collins as a director.

Ordinary Resolution Number 4
Resolved that Dr LL Porter who retires as non-executive director in terms of the MOI of the Company and, being eligible, offers himself for re-election to the Board, be re-appointed.

Dr Porter is 70 years of age, and holds a BA, BSc, DPhil, FBCS, CITP.

Reason and effect
The reason and effect of this resolution is to re-appoint Dr LL Porter as a director.

Ordinary Resolution Number 5
Resolved that, subject to the provisions of the Act and in accordance with the Listings Requirements ("Listings Requirements") of the JSE Limited ("JSE"), the Board is hereby authorised to issue Ordinary Shares, or options or securities convertible into Ordinary Shares, for cash, from time to, subject to the following conditions:

- that this authority is valid until the Company's next annual general meeting, provided it shall not extend beyond 15 months from the date that this authority is given;
- that the Ordinary Shares 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 securities which are the subject of the issue for cash may not exceed 30% of the Company's listed equity securities after deducting treasury shares as at the date of this notice of AGM (this number of shares being 77 088 933);
- any Ordinary Shares issued under this authority during the period of its validity must be deducted from the above number of Ordinary Shares and the authority shall be adjusted accordingly to represent the same allocation ratio on the event of a subdivision or consolidation of Ordinary Shares during the same period;
- 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;
- that any such issue will only be made to public shareholders, as defined by the Listings Requirements, and not to related parties, save therefore that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be "out of the book" and not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the JSE's Stock Exchange News Service ("SENS") announcement launching the bookbuild; and
- upon any issue of Ordinary Shares which, together with prior issues of Ordinary Shares during the same financial year, will constitute 5% or more of the total number of Ordinary Shares in issue prior to that issue, the Company shall publish an announcement in terms of paragraph 11.22 of the Listings Requirements on SENS, giving full details hereof, including (i) the number of Ordinary Shares issued, (ii) the average discount to weighted average traded price of the Ordinary Shares over the 30 business days prior to the date that the issue is agreed in writing between the Company and the party/ies subscribing for the Ordinary Shares; and (iii) in respect of the issue of options and convertible securities issued for cash, the effects of the issue on net asset value per share, net tangible asset value per share, earnings per share, headline earnings per share and, if applicable, diluted earnings and headline earnings per share; or (iv) in respect of an issue of Ordinary Shares for cash, an explanation including supporting information (if any), of the intended use of funds."

Reason and effect
The reason and effect of this resolution is to empower the Board to issue shares, options or securities convertible into shares representing less than 30% of the Company's unissued Ordinary Shares for cash within the limits imposed by the above terms.

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

- 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 Unspecified E Preference Shares, collectively, the "**Unspecified Preference Shares**") subject to the following 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 relevant Unspecified Preference Shares are in all material respects arms' length and in line with current market norms (which for clarity will include, without limitation, that the Unspecified Preference 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 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 Unspecified Preference Shares under the control of the Board subject to certain restrictions.

Ordinary Resolution Number 7

"Resolved that the following independent directors of the Company be elected as members of the Audit and Risk Committee, as a single resolution, until the conclusion of the next annual general meeting of the Company:

- HRW Troskie
- MJ Roberts
- LL Porter."

The Board has determined that each of the members of the Audit and Risk Committee standing for election is independent, and that they possess the required qualifications, skills and experience as contemplated in Regulation 42 of the Act and collectively, they have sufficient qualifications and experience to fulfil their duties as contemplated in the Act.

Reason and effect

The reason and effect of this resolution is to appoint the Audit and Risk Committee, which will be valid until the next annual general meeting.

Additional information

Mr Troskie is 52 years of age and holds a B Juris; LL B; LL M. Mr Troskie is a non-executive director of Brait Plc, Ardagh Group S.A., Puma Brandenburg Ltd and Pestana International Holdings S.A..

Mr Roberts is 75 years of age and holds a BA, SEDP.

Dr Porter is 70 years of age, and holds a BA, BSc, DPhil, FBCS, CITP.

Non-binding Advisory Resolution Number 1

"Resolved that in accordance with the King Code IV and the Listing Requirements as a non-binding advisory vote, the Shareholders endorse the remuneration policy of the Company, as set out on page 11 of the Integrated Report."

Reason for and effect of non-binding advisory vote

In terms of principle 14 of the King Code IV, 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 approval of the Company's remuneration policy is not a matter that is required to be resolved or approved by Shareholders and therefore no minimum voting threshold is required for the non-binding advisory vote. Failure to pass this resolution will therefore not have any legal consequences in relation to the existing remuneration.

Nevertheless, for record purposes, the non-binding advisory vote will require the support of more than 50% (fifty percent) of the total number of votes exercised by Shareholders, to be approved. The Company's remuneration policy contains the measures that the Company will take if 25% (twenty five percent) or more of votes are cast against the policy at the AGM. The Board will also take the outcome of the votes into consideration when considering the Company's remuneration policy.

Non-binding Advisory Resolution Number 2

"Resolved that in accordance with King Code IV and the Listing Requirements as a non-binding advisory vote, the Shareholders endorse the implementation report of the remuneration policy of the Company as set out on page 12 of the Integrated Report."

Notice to Shareholders (continued)

Reason and effect of the non-binding advisory vote

The Listing Requirements require Tradehold to present its remuneration implementation report to Shareholders at the AGM. Accordingly, Shareholders are requested to endorse the Company's implementation report of its remuneration policy by way of a non-binding advisory vote in the same manner as an ordinary resolution.

Voting requirement

The approval of the Company's remuneration implementation report is not a matter that is required to be resolved or approved by Shareholders and therefore no minimum voting threshold is required for the non-binding advisory vote. Failure to pass this resolution will therefore not have any legal consequences in relation to the existing remuneration.

Nevertheless, for record purposes, the non-binding advisory report will require the support of more than 50% (fifty percent) of the total number of votes exercised by Shareholders to be approved. The Company's remuneration policy contains the measures that the Company will take if 25% (twenty five percent) or more of votes are cast against the policy at the AGM. The Board will also take the outcome of the votes into consideration when considering the Company's remuneration policy.

Special Resolution Number 1

"Resolved that the directors' remuneration to be paid by the Company for services rendered during the reporting period from 1 March 2022 to 28 February 2023 be confirmed to be as follows:

Non-executive directors' fees

Board	EUR (excl. VAT)
Chairperson	50 000
Lead Independent Director*	30 000
Members (in total)	55 000

* also Chairperson of the Audit & Risk Committee and Remuneration Committee."

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 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 proposed remuneration payable by the Company to its non-executive directors for the period ending 28 February 2023.

Special Resolution Number 2

"Resolved that the Company be and is hereby authorised, in terms of section 45(3)(a)(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."

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 Special Resolution Number 2, 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.

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 2023 annual general meeting.

Any 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 2 of the Act and the terms under which the financial assistance are proposed to be given are fair and reasonable to the Company.

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 (including loans and guarantees) to, amongst others, a related or inter-related company or members or persons related to such company, director, prescribed officer or corporation.

Special Resolution Number 3

"Resolved that Board be and is hereby authorised, by way of a general approval, in terms of section 44(3)(a)(ii) of the Act and the MOI of the Company, to authorise the Company to 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."

Reason and effect

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 any option or securities of the Company or inter-related to the companies. 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 2023 annual general meeting.

Any 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 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 2 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 Special Resolution Number 3 and the reason therefor 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 or a related or inter-related company.

Special Resolution Number 4

"Resolved that the mandate given to the Company (or one of its subsidiaries) providing authorisation, by way of a general authority contemplated in sections 46 and 48 of the Act, read with sections 114 and 115 and paragraph 5.67(B)(b) of the Listings Requirements, to acquire the Company's own securities, upon such terms and conditions and in such amounts as the Board may from time to time decide, but subject to the provisions of the Act and the Listings Requirements, be extended, subject to the following:

- 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;
- authorisation be given by the MOI of the Company;
- this general authority will be valid until the Company's next annual general meeting, provided that it shall not extend beyond fifteen months from date of passing of this Special Resolution Number 4;
- 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;
- at any point in time, the Company may only appoint one agent to effect any repurchase;
- a resolution by the Board 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.
- a SENS 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 paragraphs 5.79 and 11.27 of 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 Number 4 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; and
- repurchases may not be undertaken by the Company (or one of its subsidiaries) during a prohibited period; unless the Company or the subsidiary 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."

In accordance with the Listings Requirements the Board records that although there is no immediate intention to effect a repurchase of the securities of the Company, the directors of the Company will utilise this general authority to repurchase shares as and when suitable opportunities present themselves, which opportunities may require expeditious and immediate action.

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

The Board is of the opinion that, after considering the provisions of sections 4 and 48 of the Act and the effect of the maximum repurchase permitted and for a period of 12 months after the date of this Notice:

- 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 audited consolidated annual financial statements of the Company for the financial year ended 28 February 2022;
- the working capital of the Company and the group will be adequate for ordinary business purposes; and
- the share capital and reserves are adequate for the ordinary business purposes of the Company and the group.

Reason and effect

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

Other business

To transact such other business as may be transacted at an annual general meeting or raised by Shareholders with or without advance notice to the Company.

Tradehold Limited and its subsidiaries

Notice to Shareholders (continued)

Additional Information in terms of paragraph 11.26 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 Integrated Report:

- Major Shareholders – refer to page 141 of the Integrated Report;
- Share capital – refer to page 82 of the Integrated Report.

Ordinary Resolution Number 8

"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 resolutions to be proposed at the AGM."

Reason and effect

The reason for Ordinary Resolution Number 8 is to authorise any director or the company secretary of the Company to attend to the necessary requirements to implement the 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 resolutions on behalf of the Company.

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.

Directors' Responsibility Statement

The directors, whose names are given on page 142 of the Integrated Report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to this Notice 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 this Notice contains all information required by law and the Listings Requirements.

Material change

Other than the facts and developments reported on in the Integrated Report, there have been no material changes in the affairs, financial or trading position of the Company since the signature date of the Integrated 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, 7 and 8. For ordinary resolution number 5 a 75% voting majority is required by the Listings Requirements. The special resolutions require a 75% voting majority in terms of the Company's MOI and the Listings Requirements.

Proxies

All registered Shareholders will be entitled to attend and vote only by proxy at the AGM. A form of proxy is attached for completion by certificated Shareholders and dematerialised Shareholders with "own name" registration. Forms of proxy must be deposited at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa (Private Bag X9000, Saxonwold, 2132) or emailed to proxy@computershare.co.za, so as to arrive by no later than 48 hours before the commencement of the AGM, for administration purposes. Clause 23.7 of the MOI grants the Board or the chairman of the AGM 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 AGM. Certificated Shareholders and dematerialised Shareholders with "own name" registration who complete and lodge forms of proxy, will nevertheless be entitled to attend but not vote 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 (letter of representation) 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 via teleconference. This must be done in terms of the custody agreement entered into between the Shareholder and the CSDP or broker concerned.

By order of the board

PIETER JOHAN JANSE VAN RENSBURG
SECRETARY

22 June 2022

Leinster Hall
Gardens
Cape Town

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

APPLICATION FOR ELECTRONIC PARTICIPATION AT THE ANNUAL GENERAL MEETING

Where appropriate and applicable, the terms defined in the notice (the "AGM Notice") of annual general meeting to which this application for electronic participation form is attached and forms part of shall bear the same meaning in this application form.

Instructions

Shareholders, or their proxies, have the right, as authorised in the MOI of the Company and provided for in the Act, to participate by way of electronic communication in the AGM. Shareholders or their duly appointed proxies who wish to participate by way of electronic communication must apply to the company secretary, by completing this application form and by delivering it to the company secretary at Suite 1603, Portside Building, 4 Bree Street, Cape Town, 8001, or emailing it to tdhcosec@leacorporateservices.co.za as soon as possible, but in any event by no later than 11:00 on Friday, 26 August 2022.

Please note

Shareholders, or their proxies, may not vote electronically and must use the form of proxy attached to the AGM Notice for this purpose if they wish to have their votes counted.

By no later than 17:00 on Monday, 29 August 2022, Shareholders, or their proxies, will be advised by email, telephone call or text message of the relevant telephone number and access code to allow them to dial in and participate electronically in the AGM.

The Company will bear the cost of establishing the electronic communication whilst the cost of the Shareholder (or its proxy) dialling in or logging on will be for its own account.

By signature of this application form, the Shareholder or its proxy indemnifies and holds Tradehold harmless against any loss, injury, damage, penalty or claim arising in any way from the use of the telecommunication lines to participate in the AGM or any interruption in the ability of the Shareholder or proxy to participate in the AGM via electronic communication, whether or not the problem is caused by any act or omission on the part of the Shareholder, its proxy or anyone else, including without limitation Tradehold and its employees.

Information required for participation by electronic communication at the AGM

Full names of Shareholder or authorised representative (for company or other legal entity):

Identity number or registration number of individual/entity

Email address

Cell phone number Telephone number, including dialling codes

Documents required to be attached to this application form

1. In order to exercise their voting rights at the AGM, Shareholders who choose to participate electronically are to appoint a proxy, which proxy may only participate at such AGM, provided that a duly completed proxy form has been submitted in accordance with the instructions on that form, and as envisaged in the notice of the AGM, a copy of which proxy form is also to be attached to this application.
2. Documentary evidence establishing the authority of the named person, including any person acting in a representative capacity, who is to participate in the AGM, must be attached to this application.
3. A certified copy of the valid identity document/passport/driver's licence of the person attending the AGM by electronic participation, including any person acting in a representative capacity, must be attached to this application.

Signed at on 2022

Signature

Assisted by (where applicable)

Applications to participate by electronic communication will only be considered if this application form is completed in full, signed by the Shareholder, its proxy or representative, and delivered to the Company secretary as aforesaid. Tradehold may in its sole discretion accept any incomplete application forms.

Stock Exchange Transactions

	2022	2021	2020	2019	2018
Number of shares traded (‘000)	3 068	4 565	4 714	10 263	17 424
Value of shares traded (R‘000)	27 394	39 110	51 870	149 707	320 410
Volume of shares traded as % of total issued shares	1.17	1.75	1.80	4.05	7.05
Market capitalisation (R‘000)	2 485 406	2 116 907	2 482 792	3 165 262	3 954 790
Share prices for the year (cents)					
Lowest	7.51	6.46	8.46	9 01	13 90
Average	8.93	8.57	11.36	12 87	18 45
Highest	10.99	10.75	12.80	16 74	21 35
Closing	9.51	8.10	9.50	12 50	16 00

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 2022, 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.

PJ JANSE VAN RENSBURG
COMPANY SECRETARY

23 May 2022

Shareholder 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 Integrated 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 Limited, Leinster Hall,
7 Weltevreden Street, Gardens
Cape Town 8005
PO Box 6100
Parow East 7501
Telephone: +27 21 020 8920
email: tdhcosec@leacorporateservices.co.za

United Kingdom:
The Company Secretary,
Moorgarth Group Ltd,
47 St. Paul's Street, Leeds,
W Yorkshire LS1 2TE
Telephone: +44 113 246 2711

Europe:
Tradehold Ltd, Fourth Floor,
Avantech Building, St Julian's Road,
San Gwann SGN 2805, Malta
Telephone: +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.

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 17 May 2022 by the Board of directors.

Contents

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

17 May 2022

CEO and financial director responsibility statement

Each of the directors, whose names are stated below, hereby confirm that:

a) the annual financial statements set out on pages 32 to 140, fairly present in all material respects the financial position, financial performance and cash flows of Tradehold Limited in terms of IFRS;
b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
c) internal financial controls have been put in place to ensure that material information relating to Tradehold Limited and its consolidated subsidiaries have been provided to effectively prepare the financial statements of Tradehold Limited;
d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
f) we are not aware of any fraud involving directors.

FH ESTERHUYSE
CEO

KL NORDIER
FINANCIAL DIRECTOR

Tradehold Limited and its subsidiaries

Directors' report

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 Boutique, a serviced office business.

Collins Property Projects Proprietary Limited
Hold a portfolio of commercial properties in South Africa and Austria.

Nguni Property Fund Limited
Nguni owns a portfolio of commercial properties in Namibia.

Tradehold Africa Limited
Holds a portfolio of commercial properties in Mozambique and Zambia.

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

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 2022 are shown in note 2 to the annual financial statements.

Borrowings
Interest-bearing borrowings are shown in notes 18, 19 , 20 and 23 to the annual financial statements, and includes bank borrowings of £428.2 million (2021: £427.8m).

Group results
Earnings

After taking into account the interest of non-controlling shareholders, the group reports a basic earnings per share of 7.9 pence (2021: loss per share 15.4 pence).

The annual financial statements on pages 32 to 140 set out fully the financial position, results of operations and cash flows of the group for the financial year ended 28 February 2022.

Dividends

A final cash dividend of 30 cents per share was declared on 24 May 2021 (May 2020: 30 cents per share) and paid on 14 June 2021. An interim cash dividend of 30 cents per share was declared on 15 November 2021 (November 2020: 30 cents per share) and paid on 6 December 2021.

Material risks
The directors consider the material risks specific to Tradehold Limited to be the significant matters set out in the Audit Committee Report.

Events after the reporting period
There are no significant subsequent events after year end which need to be adjusted for or additional disclosure required, other than as disclosed in note 38 to the annual financial statements.

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, as detailed in note 37 to the annual financial statements. The directors have satisfied themselves that the group remains in a sound financial position and that it has access to sufficient liquidity and borrowing facilities to meet its foreseeable cash requirements.

Directorate
The names of the directors are listed on page 142 of this report.

In terms of the Memorandum of Incorporation of the company Dr C H Wiese, Mr K R Collins and Dr L L Porter retire as directors of the company at the annual general meeting but, being eligible, offer themselves for re-election.

At 28 February 2022 the directors of Tradehold Limited held a direct interest of 0.27% (2021: 0.27 %) and an indirect, non-beneficial interest of 66.30% (2021: 65.88%) of the issued ordinary share capital of the company. Indirect holdings through listed companies have not been included.

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 2022 the company had no holding company. An analysis of the main shareholders of the company appears on page 141 of this report.

Compliance
The directors confirm that Tradehold Limited is in compliance with the provisions of the Companies Act of South Africa and has operated in conformity with its Memorandum of Incorporation for the year ended 28 February 2022.

Secretary
The name and address of the secretary appears on page 142 of this report.

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

To the shareholders of Tradehold Limited

Independent auditor's report

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 2022, 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 32 to 140 comprise:

- the consolidated and separate statements of financial position as at 28 February 2022;
- 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Our audit approach

Overview

Overall group materiality

- £8 300 000, which represents 1% of consolidated total assets.

Group audit scope

The Group consists of four property owning components and three head office components. Full scope audits were performed at two of the largest property-owning components, which have their property assets located in South Africa and the United Kingdom ("UK").

We audited the investment property related balances and borrowings on the remaining property-owning components, predominantly located in Namibia, elsewhere in Africa and in Austria. We also performed full scope audits at two of the three head office components and performed an audit of specific balances and/or analytical procedures over the remaining components.

Key audit matters

- Valuation of investment properties
- Recoverability of loans to subsidiaries.

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.

To the shareholders of Tradehold Limited

Independent auditor's report (continued)

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	£8 300 000
How we determined it	1% of consolidated total assets
Rationale for the materiality benchmark applied	We chose consolidated 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 consolidated financial statements. 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 manages a property portfolio which includes retail, offices, industrial, residential and leisure properties in the UK, South Africa, Austria, Namibia and other African countries.

Our scoping assessment included consideration of the financial significance of the Group's components as well as the sufficiency of work planned to be performed over material financial statement line items. The Group consists of four property owning components and three head office components. We identified two financially significant components in the Group, being two of the property-owning components, namely Moorgarth Group and Collins Group, which operate in the UK and South Africa, respectively. We performed full scope audits for these two significant components as well as two head office components. Based on indicators such as the contribution to consolidated revenue and consolidated profit before taxation, for the other three components, we performed a combination of audit of balances and/or classes of transactions and analytical procedures.

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, and component auditors from other PwC network firms and another audit firm, 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 consolidated 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 judgement, 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 This key audit matter relates to the consolidated financial statements. The valuation of the Group's investment properties is a key contributor to the asset value of the Group. The Group carries investment property at fair value in accordance with International Accounting Standard (IAS) 40 – Investment Property. As at 28 February 2022, the Group's investment property portfolio, including the straight-line lease income adjustment and right-of-use asset, was measured at £703.8 million, after recognising a fair value gain in the consolidated statement of comprehensive income of £10.1 million. The fair values are based on the directors' valuation for a portion, and for the remainder 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 make use of the income method of valuation and the sales or direct comparison methods. These methods take into account property specific information such as the capitalisation yields to current and future rental streams net of income voids arising from vacancy rates or rent-free periods and associated running costs, market rentals, as well as the impacts resulting from COVID-19. Other factors considered in the valuations include the tenure of the property, tenancy details and ground and structural conditions. The valuers and directors apply assumptions for yields and estimated future market rents, which are influenced by prevailing market yields, comparable property and leasing transactions in the market, to arrive at the final valuation. The valuation of investment properties was considered to be a matter of most significance to the current year audit due to significant estimation uncertainty in relation to key assumptions (the capitalisation yields, market rentals and vacancy rates), coupled with the fact that only a small percentage difference in yields for individual property valuations, when aggregated, could result in a material impact on the overall valuation. Refer to note 2 and note 3 to the consolidated financial statements for details on the valuation of investment properties, the property analysis schedule and note 31 within the accounting policies for critical accounting estimates.	We inspected the underlying valuation documentation for a sample of the properties valued externally, or valued by the directors in the current year, in order to evaluate whether the valuation approach followed by the directors or external valuers for each property was consistent with the requirements of IFRS. We found the valuation approach to be consistent with the requirements of IFRS. We evaluated the valuers' qualifications, expertise and experience in property valuations by inspecting their curricula vitae, including a consideration of whether they are members of a registered professional body. We did not note any aspect in this regard requiring further consideration. Our audit procedures covered different types of properties including retail, office, industrial, leisure and residential. We tested the accuracy, reliability and completeness of data inputs into the directors' valuations, as well as in the valuations prepared by the valuers. We focused on the data inputs underpinning the investment property valuations for a selection of investment properties, including projected rental income and associated running costs, vacancy rates, income capitalisation rates and discount rates by agreeing these to appropriate underlying documentation. Making use of our internal valuations' expertise, we also assessed the impact of COVID-19 on these data inputs, considering both the current economic impact as well as the potential future expected impact. We held discussions with the valuers on the valuations and key assumptions used. We utilised our internal valuation expertise to assess the reasonability of the assumptions in the valuations performed by the directors' valuers and those performed by the directors. Our work focussed on developing independent expectations which we compared to the directors' and valuers' valuations for a sample of properties. In doing this, we used comparable market data and focused in particular on properties where the growth in property valuations were higher or lower than our expectations, based on available market information. We compared the investment yields used by the directors and valuers to an estimated range of expected yields, determined with reference to published benchmarks. The inputs were found to be within an acceptable range.

To the shareholders of Tradehold Limited

Independent auditor's report (continued)

Key audit matter	How our audit addressed the key audit matter
Recoverability of loans to subsidiaries This key audit matter relates to the separate financial statements. The Company has provided loans to its subsidiaries amounting to R3.567 billion. These loans are carried at amortised cost and assessed for impairment in accordance with IFRS 9 – Financial instruments. Management has determined that there is no impairment loss on these loans based on the likelihood of a number of scenarios and the cash flows related to each of those scenarios. In addition, these loans are secured by investment property held in the UK. We considered the recoverability of loans to subsidiaries to be a matter of most significance to the current year audit due to the significance of the loans to subsidiaries balances in the Company's statement of financial position and the impact any impairments thereon could have on the financial statements. Refer to note 5 to the separate financial statements for details regarding the Company's investments in subsidiaries.	We obtained managements' impairment assessment, prepared using the expected credit loss ("ECL") methodology as required by IFRS 9. The impairment assessment contained a number of scenarios and the cash flow forecast models for each. We audited managements' assumptions included in each scenario, which comprised the counterparts' ability to generate cash flow to service the loans from the properties which are held as security. We compared management's cash flow forecasts and projected rental income to their actual results from these properties to validate management's assumptions and concluded that these were reasonable. In addition, we compared the property fair values less cost to sell, that could be liquidated should the need arise, and noted that they exceed the outstanding loan balances. We noted no aspects in this regard requiring further consideration.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Tradehold Ltd Consolidated annual financial statements for the year ended 28 February 2022", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate 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 document titled "Tradehold Ltd Integrated Report 2022", which is expected to be made available to us after that date.. The other information does not include the consolidated or the 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 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, 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, actions taken to eliminate threats or safeguards applied.

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 24 years.

PricewaterhouseCoopers Inc.

PRICEWATERHOUSECOOPERS INC.
DIRECTOR: JR DE VILLIERS
REGISTERED AUDITOR

Cape Town

23 May 2022

Tradehold Limited and its subsidiaries at 28 February 2022

Statements of financial position

COMPANY				GROUP	
2021 R'000	2022 R'000		Notes	2022 £'000	Restated* 2021 £'000
		Assets			
2 743 270	2 578 501	**Non-current assets**		756 659	761 185
		Property, plant and equipment	1	7 886	9 181
		Investment property	2	633 998	631 551
		Investment property – straight lining lease income accrual	2	32 609	31 315
		Investment property – right-of-use assets	3	37 184	40 640
		Intangible assets	4	8 031	8 031
		Deferred taxation	9	7 569	6 567
7 838	7 838	Investment in subsidiaries	5	—	—
2 715 876	2 552 116	Loans to subsidiaries	5		
		Investments accounted for using the equity method			
		Investments in joint venture	6.2	10 103	9 092
		Financial assets at amortised cost:			
		Loans to joint venture	6.3	9 979	9 893
19 556	18 547	Loans receivable	8	3 312	7 723
		Other non-current assets	13.1	5 988	7 192
1 046 116	1 023 312	**Current assets**		56 720	55 124
		Financial assets at fair value through profit and loss	10	4 514	4 081
		Derivative financial instruments	20	88	
		Financial assets at amortised cost:			
1 040 301	1 014 647	Loans to subsidiaries	5		
		Loans receivable	8	17 723	10 156
		Loans to associates	7.3	6 009	5 468
2 200		Trade and other receivables	12	5 953	6 293
		Other current assets	13.1	2 209	3 718
3 615	8 665	Cash and cash equivalents	14	20 224	25 408
		Assets classified as held for sale	11	17 036	954
3 789 386	3 601 813	**Total assets**		830 415	817 263
		Equity and liabilities			
2 748 009	2 583 842	**Ordinary shareholders' equity**		240 260	225 249
2 900 902	2 744 095	Share capital and share premium	15	202 218	209 840
(152 893)	(160 253)	Reserves	16	38 042	15 409
		Non-controlling interest	17	51 854	44 511
2 748 009	2 583 842	**Total equity**		292 114	269 760
1 082	1 082	**Non-current liabilities**		427 685	433 591
1 082	1 082	Preference share liability	18.2	52	52
		Long-term borrowings	19	349 267	357 852
		Lease liabilities	3	29 735	35 111
		Derivative financial instruments	20	2 017	347
		Deferred taxation	9	46 614	40 229
1 040 295	1 016 889	**Current liabilities**		110 616	113 912
1 039 017	1 015 469	Preference share liability	18.2	49 081	49 574
—		Short-term borrowings	23	23 058	23 817
		Deferred revenue	21	5 685	6 500
1 278	1 420	Trade and other payables	22	16 827	19 776
		Lease liabilities	3	7 383	5 464
		Derivative financial instruments	20	6 732	7 731
		Taxation		1 850	1 050
		Bank overdrafts	14	—	—
1 041 377	1 017 971	**Total liabilities**		538 301	547 503
3 789 386	3 601 813	**Total equity and liabilities**		830 415	817 263

* Comparatives have been restated for the reclassification of a security deposit from Long-term borrowings to Loans receivable as detailed in note 8.5

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Statements of comprehensive income

COMPANY 2021 R'000	COMPANY 2022 R'000		Notes	GROUP 2022 £'000	GROUP Restated* 2021 £'000
		Revenue	24	79 239	74 274
–	11	Other operating income	25	2 735	1 193
		Profit/(loss) on disposal of investment property	26	1 640	(817)
		Net gain/(loss) from fair value adjustment on investment property	2 & 3.1.1	10 142	(38 662)
		Gain on disposal and scrapping of PPE (excluding buildings)	26	1	4
		Impairment losses on financial assets	26	378	(9 587)
(50)	(66)	Employee benefit expenses	26	(6 521)	(5 903)
(96)	(209)	Lease expenses	26	(28)	(24)
		Depreciation, impairment and amortisation	1 & 4	(1 757)	(2 350)
(9 390)	(6 745)	Other operating costs	26	(18 698)	(14 130)
(9 536)	(7 009)	**Trading profit/(Loss)**		67 131	3 998
		Gain/(loss) on disposal of financial assets		332	(62)
		Net fair value losses on financial assets at fair value through profit or loss		(1 617)	(2 171)
(9 536)	(7 009)	**Operating profit/(loss)**	26	65 846	1 765
67 095	58 675	Finance income	27	4 588	5 646
(69 275)	(59 025)	Finance cost	27	(32 382)	(44 821)
		Earnings/(loss) from joint venture	6	1 012	(3 219)
		Loss from associated companies	7		(474)
(11 716)	(7 359)	**Profit/(Loss) before taxation**		39 064	(41 103)
		Taxation	28	(9 288)	(833)
(11 716)	(7 359)	**Profit/(Loss) for the year before non-controlling interest**		29 776	(41 936)
		Other comprehensive income			
		Items that may be subsequently reclassified to profit or loss			
		Gains on cash flow hedges		435	80
		Deferred tax on cash flow hedges		(109)	(5)
		Exchange differences on translation of foreign operations		2 146	(11 199)
		Items that may not be subsequently reclassified to profit or loss			
		Revaluation of land and buildings			
(11 716)	(7 359)	**Total comprehensive income/(loss) for the year**		32 248	(53 060)
		Profit/(Loss) attributable to:			
		Owners of the parent		20 278	(39 709)
		Non-controlling interest		9 498	(2 227)
				29 776	(41 936)
		Total comprehensive income/(loss) attributable to:			
		Owners of the parent		22 526	(48 882)
		Non-controlling interest		9 722	(4 178)
		Total comprehensive income/(loss) for the year		32 248	(53 060)
		Earnings per share for profit attributable to the ordinary equity holders of the company	29		
		Basic (loss)/earnings per share		7.9	(15.4)
		Diluted (loss)/earnings per share		7.9	(15.2)

* Comparatives have been restated for the reclassification of a security deposit from Long-term borrowings to Loans receivable as detailed in note 8.5

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Statements of cash flows

COMPANY 2021 R'000	COMPANY 2022 R'000		Notes	GROUP 2022 £'000	GROUP Restated* 2021 £'000
		Cash flows from operating activities			
(9 538)	(7 009)	Operating profit/(loss)		65 846	1 765
		Non-cash items	30.1	(9 883)	50 584
(1 294)	2 343	Changes in working capital	30.2	(265)	10 258
(10 832)	(4 666)	Cash from operations		55 698	62 607
77 936	59 364	Interest received	8.5	1 720	1 466
(72 720)	(57 607)	Interest paid	30.4 & 8.5	(30 374)	(32 417)
(156 808)	(156 808)	Dividends paid to ordinary shareholders		(7 615)	(7 399)
		Dividends paid to non-controlling interests		(2 379)	(2 714)
		Taxation paid	30.3	(3 476)	(1 318)
(162 424)	(159 717)	**Net cash flows from operating activities**		13 574	20 225
		Cash flows from/utilised in investing activities			
		Acquisition of investment properties	2.2	(5 150)	(30 102)
		Acquisition of property, plant and equipment	1	(490)	(413)
		Proceeds on disposal of investment properties	2.2	7 837	10 040
		Proceeds on disposal of property, plant and equipment	1	70	45
		Proceeds on disposal of financial assets			2 819
		Loans advanced to joint venture	6.4		(875)
229 632	188 724	Loans repaid by group companies		—	—
		Loans advanced to associate undertaking	7.4	(282)	(205)
		Loans repaid by associate undertaking		132	44
		Loans and advances – advanced	8.2	(3 554)	(10 545)
3 614	1 010	Loans and advances – repaid	8.2	342	11 739
233 245	189 734	**Net cash flows from/utilised in investing activities**		(1 095)	(17 453)
		Cash flows from financing activities			
		Proceeds from borrowings	30.4 & 8.5	69 416	163 567
	—	Repayment of borrowings	30.4 & 8.5	(80 262)	(154 849)
		Settlement of derivative	30.4	(146)	(415)
(67 750)	(24 967)	Redemption of preference shares	30.4	(1 226)	(3 178)
		Acquisition of treasury shares	16.1	(7)	(563)
		Principle portion of lease liabilities	30.4	(5 400)	(5 464)
(67 750)	(24 967)	**Net cash from financing activities**		(17 625)	(902)
3 071	5 050	**Net increase in cash and cash equivalents**		(5 146)	1 870
		Effect of changes in exchange rate		(38)	43
544	3 615	Cash and cash equivalents at beginning of the year		25 408	23 495
3 615	8 665	Cash and cash equivalents at end of the year		20 224	25 408
		Cash and cash equivalents consists of:			
3 615	8 665	Cash and cash equivalents	14	20 224	25 408
		Bank overdrafts			
3 615	8 665			20 224	25 408

* Comparatives have been restated for the reclassification of a security deposit from Long-term borrowings to Loans receivable as detailed in note 8.5

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Statements of changes in equity

Group (£'000)	Share capital and premium	Foreign currency translation reserve	Share based payment reserve	Cash flow hedging reserve	Revaluation surplus	Accumulated loss/Retained earnings	Attributable to equity holders of the parent	Non-controlling interest	Total
Balance at 29 February 2020	217 803	(18 047)	37	(234)	634	82 474	282 667	51 403	334 070
Profit for the year						(39 710)	(39 710)	(2 227)	(41 937)
Dividends distributed to shareholders	(7 399)						(7 399)		(7 399)
Acquisition of treasury shares	(564)						(564)		(563)
Acquisition of subsidiary – Austria						(654)	(654)		(654)
Capital reserve (ESOP)			82				82		82
Distribution to non-controlling interests								(2 714)	(2 714)
Other comprehensive income for the year		(9 248)		75			(9 173)	(1 951)	(11 124)
Balance at 28 February 2021	209 840	(27 295)	119	(159)	634	42 110	225 249	44 511	269 760
Profit for the year						20 278	20 278	9 498	29 776
Dividends distributed to shareholders	(7 615)						(7 615)		(7 615)
Acquisition of treasury shares	(7)						(7)		(7)
Capital reserve (ESOP)			107				107		107
Distribution to non-controlling interests								(2 379)	(2 379)
Other comprehensive income for the year		1 922		326			2 248	224	2 472
Balance at 28 February 2022	202 218	(25 373)	226	167	634	62 388	240 260	51 854	292 114

Company (R'000)	Share capital and premium	Foreign currency translation reserve	Share based payment reserve	Cash flow hedging reserve	Revaluation surplus	Accumulated loss/Retained earnings	Attributable to equity holders of the parent	Non-controlling interest	Total
Balance at 29 February 2020	3 057 711					(141 178)	2 916 533		2 916 533
Profit for the year						(11 716)	(11 716)		(11 716)
Dividends distributed to shareholders	(156 808)						(156 808)		(156 808)
Balance at 28 February 2021	2 900 903					(152 894)	2 748 009		2 748 009
Profit for the year						(7 359)	(7 359)		(7 359)
Dividends distributed to shareholders	(156 808)						(156 808)		(156 808)
Balance at 28 February 2022	2 744 095					(160 253)	2 583 842		2 583 842

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Accounting policies

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

1 Basis of preparation

Statement of compliance

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB"), the South African Institute of Chartered Accountants ("SAICA"), Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council ("FRSC"), the requirements of the Companies Act of South Africa and the JSE Limited Listings Requirements.

Preparation of the consolidated annual financial statements

The consolidated and separate annual financial statements have been prepared on the historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments), certain classes of property, plant and equipment and investment property – measured at fair value, and
- Assets held for sale – measured at fair value less costs to sell.

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 policy 31.

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 disclosures

a) New and amended standards, interpretations and amendments adopted by the group

The following new standards, and interpretations and amendments to existing standards, that are effective as at 28 February 2022 have been adopted by the group for the first time for the annual reporting period commencing 1 March 2021:

Number	Title	Effective date (annual periods beginning on or after)
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to IFRS 4, IFRS 7, IFRS 9, IFRS 16 and IAS 39	Interest rate benchmark reform – Phase 2	1 January 2021

The nature and impact are as follows:

Amendments to IFRS 16 – COVID-19-Related Rent Concessions beyond 30 June 2021

In the previous financial year, the group adopted the IFRS 16 Covid-19-Related Rent Concessions Amendment that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. The group elected to account for such rent concessions in the same way as they would if they were not lease modifications. The practical expedient was applied to all rent concessions that meet the conditions in the amendment. In most cases this resulted in accounting for the concessions as variable lease payments. The previous amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, this Amendment extends the period of application of the practical expedient to 30 June 2022.

Amendments to IFRS 4, IFRS 7, IFRS 9 and IAS 39 – Interest rate benchmark reform – Phase 2

In the previous financial year, the group adopted the Interest rate benchmark reform – Phase 1 amendments. The amendments require disclosure of the financial reporting effects when benchmark interest rates such as LIBOR and other interbank offered rates (IBOR) are replaced with alternative nearly risk-free interest rates ("RFRs"). The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one.

The amendments provide temporary reliefs which address the financial reporting effects when benchmark interest rates such as LIBOR and other interbank offered rates (IBOR) are replaced with alternative nearly risk-free interest rates ("RFRs").

The amendments include the following practical expedients:

- Provided the transition from an IBOR benchmark rate to a RFR is on an economically equivalent basis with no value transfer occurring, a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

The amendments require an end date for Phase 1 relief for non contractually specified risk components in hedging relationships. The Phase 1 reliefs prospectively cease to apply at the earlier of when changes are made to the non contractually specified risk component, or when the hedging relationship is discontinued.

Additional temporary reliefs from applying specific IAS 39 and IFRS 9 hedge accounting requirements to hedging relationships directly affected by IBOR reform are provided.

Additional IFRS 7 disclosures related to IBOR reform are required.

LIBOR as an interest rate benchmark ceased on 31 December 2021 and UK banks have replaced LIBOR with SONIA. The interest costs based on SONIA are not materially different to interest costs based on LIBOR.

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets. The South African Reserve Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. This reform is at various stages globally, a suitable alternative for South Africa is only expected to be announced in a few years time. Accordingly, there is uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.

b) New standards and interpretations not yet adopted

Certain new standards, amendments and interpretations that have been published, but are not yet effective for the 28 February 2022 year end and are relevant to the group, have been summarised below. None of these standards, amendments and interpretations are expected to have a material impact of the results of the group.

International Financial Reporting Standards, interpretations and amendments issued but not effective for 28 February 2022 year-end	Effective date (annual periods beginning on or after)
Amendments to IFRS 3 'Business combinations', IAS 16 'Property, plant and equipment', and IAS 37 'Provisions, contingent liabilities and contingent assets'	1 January 2022
Annual Improvements cycle 2018 – 2020	1 January 2022
Amendments to IAS 1 'Presentation of financial statements', on classification of liabilities	1 January 2023
Amendments to IAS 1 'Presentation of financial statements', IFRS Practice statement 2 and IAS 8,' Accounting policies, changes in accounting estimates and errors'	1 January 2023

3 Principles of consolidation and equity accounting

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 IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for in equity.

Accounting policies (continued)

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 for 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 Earnings per share

Earnings and headline earnings per share are calculated by dividing the net profit attributable to owners of the parent and headline earnings, respectively, by the weighted average number of ordinary shares in issue during the year.

Diluted earnings and diluted headline earnings per share is determined by adjusting for the impact on earnings and the weighted average number of ordinary shares of all known dilutive potential ordinary shares.

Headline earnings per share are calculated in terms of the requirements set out in Circular 4/2018 issued by SAICA.

5 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.

The Group has the following seven operating and reportable segments:

- Property – United Kingdom
- Property – South Africa
- Property – Austria
- Property – Namibia
- Property – Rest of Africa
- Serviced Office – United Kingdom
- Other

6 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 functional currencies of the group's South African operations are measured in South African Rand, UK operations are in Pound Sterling, Austrian operations are in Euros, Namibian operations are in Namibian Dollars and African operations are in US Dollars. 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. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other operating costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary 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 and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

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.

Accounting policies (continued)

7 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.

After 1 March 2019, all leases that meet the definition of investment property are classified as investment property and measured at fair value.

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 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.

Investment property that is obtained through a lease is measured initially at the lease liability amount adjusted for any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred by the group, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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.

For investment property to be classified as held for sale, the following conditions must be met:

- Management is committed to a plan to sell
- The asset is available for immediate sale
- An active programme to locate a buyer is initiated
- The sale is highly probable, within 12 months of classification as held for sale (subject to limited exceptions)
- The asset is being actively marketed for sale at a sales price reasonable in relation to its fair value
- Actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn

Once all the above conditions have been met, investment property is classified as held for sale. A property can be available for immediate sale even though it still has a tenant occupying it.

8 Leases

The group's leasing activities and how these are accounted for are set out below.

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

The group leases various offices under non-cancellable operating leases expiring within 1 years to 125 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms, escalation clauses, extension options and renewal rights. On renewal, the terms of the leases are renegotiated.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 March 2019 was 4.34% on property leased for the service office business and 3.95% for investment properties held on long leaseholds.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group, which does not have recent third party financing, and
- makes adjustments specific to the lease, eg term, country, currency and security.

Payments associated with short-term leases of office premises and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise leases below £5 000.

The group recognises deferred tax on right-of-use assets and lease liabilities separately, by applying the requirements of IAS 12. Refer to note 24.

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 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.

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.

10 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 can be 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.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Accounting policies (continued)

11 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 not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Impairment losses on goodwill are not reversed.

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. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

12 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.

13 Investments and other financial assets

a) Classification

From 1 March 2018, the group classifies its financial assets in the following measurement categories:

- To be measured subsequently at fair value (either through profit or loss or through OCI), and
- To be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments only when its business model for managing those assets changes.

b) Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transactions costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented as a separate line item in the statement of profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial asset, where the asset's cash flows represent solely payments of principal and interest are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other operating costs and impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net on a separate line item in the statement of profit or loss in the period in which it arises.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payment is established.

Changes in the fair value of financial assets at FVPL are recognised on a separate line item in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d) Impairment

From 1 March 2019 the group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e) 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.

14 Investments and other financial assets

Assets carried at amortised cost

For loans and receivables, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the group could 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 decreased and the decrease could 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 was recognised in profit or loss.

Impairment testing of trade receivables is described in note 12.

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 Financial liabilities

The group classifies its financial liabilities in the following categories: at fair value through profit or loss, and measured at amortised cost. The classification depends on the purpose for which the financial liability was incurred. Management determines the classification of its financial liabilities 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 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 IAS 39 are satisfied. The group has designated one of its swaps as fair value through profit or loss.

Gains or losses arising from changes in the fair value of the 'financial liabilities at fair value through profit or loss' category are presented in the profit or loss in the period in which they arise.

Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost are initially measured at fair value, and transaction costs are expensed in profit or loss.

Accounting policies (continued)

After initial recognition, interest bearing loans and borrowings are 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.

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

18 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 unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short term nature.

19 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value, and is subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

The amount of the loss allowance is initially equal to 12-month expected credit losses. Where there has been a significant increase in the risk that the specified debtor will default on the contract, the calculation is for lifetime expected credit losses.

Expected credit losses for a financial guarantee contract are the cash shortfalls adjusted by the risks that are specific to the cash flows. Cash shortfalls are the difference between the expected payments to reimburse the holder for a credit loss that it incurs, and any amount that an entity expects to receive from the holder, the debtor or any other party.

20 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 20. Movements in the hedging reserve in shareholders' equity are shown in note 20. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When derivative contracts are used to hedge forecast transactions, the group designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within OCI in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within OCI in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of sales).
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

21 Deferred revenue

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

22 Deferred consideration

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

23 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.

24 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

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.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Accounting policies (continued)

25 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Specific borrowings: actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment income from surplus funds derived from those borrowings; and
- General borrowings: weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset(s).

Borrowing costs capitalised cannot exceed borrowing costs incurred.

A qualifying asset is defined as an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. An asset that normally takes more than a year to be ready for use will usually be a qualifying asset. Once management chooses the criteria and types of assets, it applies this consistently to those types of asset. The group classifies buildings under development and land acquired for the purpose of development as qualifying assets.

The group commences the capitalisation of borrowing costs once finance costs are incurred and activities are undertaken that are necessary to prepare the asset for its intended use. This occurs as follows:

- **Properties under development and refurbishments:** once costs have been incurred; and
- **Land:** once land has been acquired and is in the process of being developed, i.e. when town planning, zoning, earthworks, etc commences with a view to utilising this in development.

The group ceases capitalising borrowing costs on each qualifying asset on the date on which practical completion is issued. On this date, substantially all the activities necessary to prepare the qualifying asset for its intended use are considered to be complete.

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

26 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.

27 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.

28 Revenue

Revenue comprises the following:

- Rental income
- Boutique serviced office revenues
- Property management

Property management fees are levied in order to cover the costs of managing the property operationally, drafting contractual agreements, managing municipal accounts and all other elements of the property as defined in the agreement.

Rental income received in advance is recognised as a current liability as part of trade and other payables in the statement of financial position.

a) Rental income

Contractual rental income from operating leases are recognised on a straight-line basis over the lease term taking into account fixed escalations. When the group provides incentives to its tenants, the lease incentives are recognised on a straight-line basis, as a reduction of rental income over the lease period. Surrender premiums are recognised as income in the period they become receivable from the tenant.

b) Boutique serviced office revenues

Revenue represents licence agreement, rental and service charges receivable net of VAT and trade discounts. Billing is performed two months in advance of the period to which licence agreements relate, as such deferred income within payables relates to licence agreement income deferred to the period to which the charges relate.

c) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income on financial assets at amortised cost calculated using the effective interest rate method, is recognised in the statement of profit or loss as finance income.

Interest earned from financial assets that are held for cash management purposes, is recognised in the statement of profit or loss as finance income.

d) Dividend income

Dividends are received from financial assets measured at fair value through profit or loss. Dividends are recognised as other operating income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment.

e) Management fee revenue

Management fee revenue, including maintenance fees, administration fees and other related fees are recognised as the related services are performed.

29 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.

30 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.

31 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;
- 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; and
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

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.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Accounting policies (continued)

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 2.3 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.

The group recognises deferred tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of tax laws in each relevant jurisdiction in which the group operates.

c) Estimated impairment of goodwill

The group tested annually whether goodwill suffered any impairment, in accordance with accounting policy 11. 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 4.

d) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined 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.

Details of the fair value calculation of derivatives are set out in note 20.

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. In applying the 'concentration test', an acquisition is not considered to be a business combination if at the date of the acquisition substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets) The assets acquired in such a transaction would not represent a business

f) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The risk of default would include for example breach of any tenant covenants, volume of concessions requested and overall trading performance where applicable.

g) Lease term

Where the group recognises a lease liability and corresponding right-of-use asset, consideration is given around the extension options of the lease, in terms of IFRS 16. In determining the lease term, the group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). These include an assessment of the potential business disruption by not extending and the unrecoverable costs or penalties incurred to extend or terminate the lease. The group concluded that the lease liabilities and right-of-use assets are appropriately accounted for based on the lease term and that any significant changes or circumstances in the current year to this assessment have been accounted for.

Notes to the annual financial statements

		Machinery, equipment and vehicles	Property	Improvements to leasehold property	Total
1	**Property, plant and equipment**				
1.1	£'000				
1.1.1	**Cost**				
	At 28 February 2021	18 209	3 509	17	21 735
	Additions	490			490
	Foreign currency translation differences	55			55
	Disposals and scrappings	(171)			(171)
	Transfer from investment property				
	At 28 February 2022	18 583	3 509	17	22 109
1.1.2	**Accumulated depreciation**				
	At 28 February 2021	12 537		17	12 554
	Charge for the year	1 757			1 757
	Foreign currency translation differences	14			14
	Disposals and scrappings	(102)			(102)
	At 28 February 2022	14 206	–	17	14 223
1.1.3	Book value at 28 February 2022	4 377	3 509	–	7 886
1.2	£'000				
1.2.1	**Cost**				
	At 29 February 2020	18 120	3 526	17	21 663
	Additions	413			413
	Foreign currency translation differences	(188)			(188)
	Disposals and scrappings	(136)	(17)		(153)
	Transfer from investment property				
	At 28 February 2021	18 209	3 509	17	21 735
1.2.2	**Accumulated depreciation**				
	At 29 February 2020	10 334		17	10 351
	Charge for the year	2 350			2 350
	Foreign currency translation differences	(52)			(52)
	Disposals and scrappings	(95)			(95)
	At 28 February 2021	12 537	–	17	12 554
1.2.3	Book value at 28 February 2021	5 672	3 509	–	9 181

1.3 The group leases certain property, plant and equipment, refer to note 3.1.2

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
2	**Investment properties**		
2.1	**Investment properties at fair value for accounting purposes (excluding straight lining)**	633 998	631 551
	Investment property under development		
	Straight-lining lease income accrual	32 609	31 315
		666 607	662 866
2.2	**Movement in investment properties**		
	At beginning of year	662 866	679 506
	Additions – direct acquisitions South Africa		15 991
	Additions – direct acquisitions Austria		28 826
	Construction and development costs	4 514	3 067
	Subsequent expenditures – improvements and extensions	636	683
	Capitalisation of borrowing costs –refer note 2.8	873	597
	Foreign currency translation differences	5 573	(23 147)
	Disposals	(6 197)	(10 857)
	Loss due to civil unrest – South Africa	(1 232)	
	Transfer to assets held for sale	(17 000)	(954)
	Straight line lease adjustment	869	2 212
	Net gain/(loss) from fair value adjustments on investment property	15 705	(33 058)
	At end of year	666 607	662 866

Investment properties are valued by adopting the "income" 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 2.3.

2.3 Property valuation details and sensitivity analysis at 28 February 2022

2.3.1 United Kingdom investment properties

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

Valuation method: Income – capitalisation of earnings

						£'000	Sensitivity analysis £'000					
Valuer	Sector	Location	Market rates £ per m²	Capital-isation rate	Vacancy rate	Valuation	1% increase in capitalisa-tion rate	1% decrease in capitalisa-tion rate	5% increase in vacancy rate	5% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Duff & Phelps	Retail/ Leisure	Bolton, Rutherglen	89.74 – 175.40	4.74% – 7.80	10'% – 56%	45 236	(9 900)	10 445	(575)	575	3 000	(6 135)
Tim A Vaughan	Offices	London	47.47 – 98.29	4.0% – 5.00%	0.00%	65 820	(13 587)	17 251	–	–	5 788	(7 425)
Tim A Vaughan	Industrial	Leeds, Doncaster	10.03 – 14.40	3.6% – 8.9%	0.00%	4 296	(218)	2 396	–	–	314	(316)
Tim A Vaughan	Retail	Perth, Barrhead, Bromsgrove, Southampton	5.2 – 76.37	6.82% – 10.75%	0% – 15%	14 456	(1 069)	2 974	(5)	5	2 245	(750)
Tim A Vaughan	Offices	Leeds	7.53 – 20.90	5.30% – 7.00%	0.00% – 10.00%	4 275	(478)	958	(5)	5	532	18
Tim A Vaughan	Residential	Clapham London	19.79	4.10%	0.00%	5 200	(1 200)	1 479			310	(692)
						139 283	(26 452)	35 503	(585)	585	12 188	(15 300)

Valuation method: Sales comparison

Valuer	Sector	Location	Sale price £ per m²	Valuation	10% increase in sales price per square metre	10% decrease in sales price per square metre
Tim A Vaughan	Offices	London	16 746	7 000	700	(700)
Tim A Vaughan	Residential	Berwick	508	100	10	(10)
				7 100	710	(710)

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

2 Investment properties (continued)

2.3 Property valuation details and sensitivity analysis at 28 February 2022 (continued)

2.3.2 South Africa and Austria investment properties

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

Valuation method: Income – capitalisation of earnings

Valuer	Sector	Location	Market rates £ per m²	Capital-isation rate	Vacancy rate	£'000 Valuation	Sensitivity analysis £'000 1% increase in capitalisa-tion rate	1% decrease in capitalisa-tion rate	5% increase in vacancy rate	5% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Boyd Valuations	Industrial	Eastern Cape	1.79	10.75%	5.00%	5 561	(222)	894	(314)	314	884	(319)
Roper & Associates	Retail	KwaZulu-Natal	4.83	9% – 9.2%	2.00%	9 401	(964)	1 204	(493)	493	1 242	(1 242)
	Industrial	Gauteng	1.64 – 2.51	9.5% – 11.0%	2.0% – 3.0%	19 109	(1 817)	2 194	(991)	991	2 281	(2 325)
	Industrial	Gauteng	3.04	10.75%	6% – 8%	2 269	(205)	249	(121)	121	358	(358)
Dot Max CC	Retail	KwaZulu-Natal	3.62	9.00%	2.00%	3 171	(327)	384	(161)	161	430	(452)
	Industrial	KwaZulu-Natal	3.09	8.5% – 10%	2.00%	4 403	(372)	580	(242)	242	585	(483)
Urban Valuations Incorporated	Retail	KwaZulu-Natal	8.94	8.75% – 9%	1.5% – 3%	1 017	(126)	99	(51)	51	130	(182)
	Offices	KwaZulu-Natal	6.48	9.50%	8.50%	1 658	(86)	284	(95)	95	318	(158)
	Industrial	KwaZulu-Natal	3.53	8.5% – 8.75%	2% – 3.5%	16 400	(1 798)	2 093	(846)	846	1 866	(2 030)
	Industrial	KwaZulu-Natal	1.84	9.75%	7.50%	242	(24)	29	(24)	24	39	(39)
Roger O'Leary & Associates Incorporated	Industrial	Gauteng, Western Cape	2.32 – 3.04	9.0% – 10.75%	2.0% – 5.0%	38 588	(3 581)	4 302	(2 054)	2 054	4 340	(4 422)
	Offices	Gauteng	6.57	9.50%	5.00%	3 301	(131)	615	(184)	184	525	(120)
Directors	Retail	Austria	5.85	5.1% – 7.5%	0.00%	30 164	(3 946)	5 374	–	–	5 232	(5 232)
	Retail	South Africa	2.27 – 6.86	8.75% – 10.00%	0.00% – 2.00%	26 409	(3 171)	2 474	(1 292)	320	2 490	(3 799)
	Retail	Eastern Cape	6.19	9.75%	13.00%	2 136	(199)	244	(123)	123	240	(241)
	Retail	KwaZulu-Natal	6.38	3.41%	1.00%	1 521	(345)	631	(77)	77	469	(469)
	Retail	KwaZulu-Natal	6.28	9.50%	9.85%	681	(65)	80	(38)	38	95	(95)
	Retail	KwaZulu-Natal	11.84	9.50%	15.50%	749	(72)	88	(44)	44	94	(95)
	Retail	KwaZulu-Natal	4.83	9.75%	25.00%	1 319	(125)	148	(88)	88	144	(149)
	Retail	KwaZulu-Natal	2.75	10.00%	26.00%	488	(46)	52	(33)	33	72	(75)
	Retail	KwaZulu-Natal	3.43	10.00%	43.00%	918	(83)	103	(81)	81	125	(123)
	Retail	KwaZulu-Natal	5.32	11.85%	0.00%	2 093	(163)	193	(105)	–	134	(134)
	Offices	South Africa	4.54 – 16.67	8.25% – 10.00%	0% – 5.00%	12 011	(1 388)	1 385	(612)	150	1 329	(1 647)
	Offices	Eastern Cape	5.07	16.88%	0.00%	266	(15)	17	(13)	–	31	(31)
	Offices	KwaZulu-Natal	4.01	13.00%	20.00%	691	(52)	59	(28)	–	73	(76)
	Offices	Western Cape	6.33	11.00%	12.00%	3 073	(477)	42	(161)	161	58	(540)
	Industrial	South Africa	0.77 – 2.90	8.00% – 11.00%	0.00% – 5.00%	245 633	(24 514)	30 266	(12 301)	242	27 951	(28 236)
	Industrial	Gauteng	0.77 – 2.91	12% – 13%	0.00%	5 771	(435)	522	(314)	–	599	(590)
	Industrial	KwaZulu-Natal	0.77 – 2.92	10.00%	17.50%	8 777	(797)	976	(532)	532	1 353	(1 353)
	Industrial	Northern Cape	0.77 – 2.93	14.00%	0.00%	191	(14)	14	–	–	24	(29)
						448 011	(45 563)	55 598	(21 418)	7 464	53 511	(55 043)

Valuation method: Income – discounted cash flow

				£'000	Sensitivity analysis £'000			
Valuer	Sector	Location	Rental values £ per m²	Valuation	1% increase in discount rate	1% decrease in discount rate	10% increase in estimated rental value	10% decrease in estimated rental value
Urban Valuations Incorporated	Retail	KwaZulu-Natal	12.03	1 402	(10)	10	53	(53)
Directors	Retail	KwaZulu-Natal	6.52	169	(10)	10	19	(19)
				1 571	(19)	19	72	(72)

Valuation method: Sales value/direct comparison/cost

Valuer	Sector	Location	Sale price £ per m²	Valuation	10% increase in sales price per square metre	10% decrease in sales price per square metre
Dot Max CC (Sales value)	Industrial	KwaZulu-Natal	288.98	860	86	(86)
Urban Valuations Incorporated (Sales value)	Offices	KwaZulu-Natal	404.6	718	72	(72)
Directors (Sales value)	Industrial	various in SA	290.29	416	35	(47)
Directors (Sales value)	Offices	KwaZulu-Natal	762.89	1 353	136	(135)
Under construction	Retail/ Industrial	various in SA		10 300		
				13 647	328	(340)

Notes (continued)

2 Investment properties (continued)

2.3 Property valuation details and sensitivity analysis at 28 February 2022 (continued)

2.3.3 Namibia investment properties

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

Valuation method: Income – capitalisation of earnings

						£'000	Sensitivity analysis £'000					
Valuer	Sector	Location	Market rates £ per m²	Capital-isation rate	Vacancy rate	Valuation	1% increase in capitalisa-tion rate	1% decrease in capitalisa-tion rate	5% increase in vacancy rate	5% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Director's valuation	Retail	throughout Namibia	0.32 – 7.96	8.50% – 10%	0% – 26.7%	34 780	(4 440)	5 556	2 302	(1 234)	(4 406)	4 407
						34 780	(4 440)	5 556	2 302	(1 234)	(4 406)	4 407

2.3.4 Africa investment properties

A register containing details is available for inspection at the following locations:
Plot 729 & Plot 12, Cairo Road, Lusaka, Zambia: Office 5 Lonhro House Plot 12 Cairo Road Lusaka Zambia
BAT and Pemba: Mozambique, Cidade de Maputo, DISTRITO KAMPFUMO, Bairro Polano Cimento, Av. Armando Tivane n° 245

Valuation method: Income – capitalisation of earnings

						£'000	Sensitivity analysis £'000					
Valuer	Sector	Location	Market rates £ per m²	Capital-isation rate	Vacancy rate	Valuation	1% increase in capitalisa-tion rate	1% decrease in capitalisa-tion rate	5% increase in vacancy rate	5% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Knight Frank Anderson and Anderson	Retail	Lusaka, Zambia	5.22	11.00%	0.00%	1 507	(110)	131	(82)	–	164	(164)
	Retail	Lusaka, Zambia	154.43	12.00%	3.00%	1 007	(107)	125	(71)	67	138	(138)
						2 514	(216)	257	(153)	67	302	(302)

Valuation method: Income – discounted cash flow

Valuer	Sector	Location	Rental values £ per m²	Valuation	1% increase in discount rate	1% decrease in discount rate	10% increase in estimated rental value	10% decrease in estimated rental value
Assured Real Estate Consulting	Industrial	Maputo, Mozambique	15.83	9 885	(364 070)	379 737	1 016 115	(1 019 845)
Mills Fitchet	Retail	Pemba, Mozambique	9.88	9 700	(493 136)	85 795	722 172	(1 142 942)
				19 585	(857 207)	465 533	1 738 287	(2 162 787)

2.4 Property valuation details and sensitivity analysis at 28 February 2021

2.4.1 United Kingdom investment properties

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

Valuation method: Income – capitalisation of earnings

					£'000	Sensitivity analysis					
Valuer	Sector	Location	Capitalisation rate	Vacancy rate	Valuation	1% increase in capitalisation rate	1% decrease in capitalisation rate	1% increase in vacancy rate	1% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Duff & Phelps	Retail/Leisure	Bolton	6.17%	50.00%	35 649	(2 184)	9 662	(100)	100	1 676	(5 109)
Duff & Phelps	Retail	Rutherglen	9.00%	10.00%	9 528	(708)	1 497	(15)	15	1 252	(708)
Tim A Vaughan	Offices	London	4.79% – 5.00%	0.00%	45 700	(8 481)	10 127	–	–	3 432	(5 504)
Tim A Vaughan	Offices	Leeds	6.52% – 7.00%	0.00% – 10.00%	4 314	(466)	840	(1)	1	532	(439)
Tim A Vaughan	Retail	Perth, Southampton	7.60% – 8.25%	0.00%	11 062	(193)	3 054	–	–	2 448	(16)
Tim A Vaughan	Residential	Clapham London	3.95%	0.00%	5 200	(1 200)	1 479	–	–	310	(692)
Tim A Vaughan	Industrial/Leisure	Leeds, Doncaster	7.60% – 8.80%	0.00%	4 280	(407)	718			557	(351)
Tim A Vaughan	Retail	Barrhead	10.00% – 15.27%	0.00% – 8.00%	1 883	(168)	(109)	(1)	1	202	(187)
					117 615	(13 807)	27 268	(117)	117	10 409	(13 006)

Market rates in £ per m2 vary as follows per sector:
Offices – between £9 and £65
Retail – between £3 and £12
Other – between £1 and £34

Valuation method: Sales comparison

Valuer	Sector	Location	Capitalisation rate	Vacancy rate	Valuation	10% increase in sales price per square metre	10% decrease in sales price per square metre
Duff & Phelps	Offices	London			20 688	2 082	(2 058)
Knight Frank	Offices, Residential	London			17 520	1 742	(1 760)
Tim A Vaughan	Offices/Residential	London, Berwick			7 075	708	(708)
					45 283	4 532	(4 526)

Sales price in £ per m^2 varies between £10 276 and £16 746

As for many other businesses, Covid-19 brought an unprecedented series of challenges for Moorgarth in the past financial year, which included the full or partial closure of the retail portfolio assets for most of the year, the failure of a number of significant tenants, including the Bolton anchor Debenhams, a collapse in rent collection together with a government moratorium on legal redress for landlords, and significant negative market sentiment towards retail assets, leading to major write downs in the retail portfolio in the year.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

2 Investment properties (continued)

2.4 Property valuation details and sensitivity analysis at 28 February 2021 (continued)

2.4.2 South Africa and Austria investment properties

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

Valuation method: Income – capitalisation of earnings

					£'000	Sensitivity analysis					
Valuer	Sector	Location	Capitalisation rate	Vacancy rate	Valuation	1% increase in capitalisation rate	1% decrease in capitalisation rate	1% increase in vacancy rate	1% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Roper & Associates	Retail	KwaZulu-Natal	9.00%	3.00%	575	(70)	59	(6)	6	53	(77)
	Offices	KwaZulu-Natal	8.00% – 10.00%	3.00% – 8.00%	5 328	(576)	736	(55)	55	713	(713)
	Industrial	KwaZulu-Natal	8.75% – 11.50%	0% – 5%	52 407	(4 828)	7 039	(545)	539	6 685	(5 796)
Swindon Property Services (Pty) Ltd	Retail	various in SA	9.50% – 10.50%	2.00% – 3.00%	11 723	(1 336)	1 069	317	118	1 133	(1 653)
	Industrial	various in SA	9.00% – 10.00%	1.00% – 5.00%	18 054	(2 223)	1 455	(181)	181	1 518	(2 672)
Urban Valuations Incorporated	Retail	KwaZulu-Natal	9.00%	3.00% – 5.00%	2 514	(248)	315	(26)	26	340	(340)
	Offices	KwaZulu-Natal	9.50%	7.50%	1 813	(177)	210	(20)	20	240	(244)
	Industrial	KwaZulu-Natal	8.50% – 9.50%	2.00% – 5.00%	8 841	(759)	1 231	(93)	93	1 515	(1 256)
Roger O'Leary & Associates Incorporated	Industrial	various in SA	8.25% – 9.50%	2.00% – 3.00%	46 186	(3 660)	6 933	(484)	484	6 062	(3 965)
Knight Frank (Gauteng) (Pty) Ltd	Industrial	various in SA	9.00% – 12.00%	2.00% – 3.00%	80 300	(6 704)	9 991	(847)	847	8 104	(6 490)
Directors valuation	Retail	various in SA	9.00% – 11.00%	0.00% – 5.00%	35 298	(3 326)	4 403	(361)	113	4 331	(4 069)
	Offices	various in SA	9.00% – 14.00%	0% – 35.00%	15 926	(1 837)	1 374	(166)	84	1 205	(1 999)
	Industrial	various in SA	8.50% – 14.00%	0.00% – 5.00%	121 529	(10 153)	17 024	(1 242)	117	16 348	(12 460)
					400 496	(35 897)	51 839	(3 709)	2 683	48 247	(41 734)

Market rates in £ per m2 vary as follows per sector:
Industrial – between £1 and £3
Retail – between £2 and £7
Offices – between £4 and £10

Valuation method: Income – discounted cash flow

Valuer	Sector	Location	Valuation (£'000)	Sensitivity analysis: 1% decrease in discount rate	10% increase in estimated rental value	10% decrease in estimated rental value
Swindon Property Services (Pty) Ltd	Retail	KwaZulu-Natal	86	5	10	(5)
Directors valuation	Retail	KwaZulu-Natal	143	5	14	(14)
			229	10	24	(19)

Rental values in £ per m^2 vary between £5 and £6

Valuation method: Sales value/direct comparison/cost

Valuer	Sector	Location	Valuation	10% increase in sales price per square metre	10% decrease in sales price per square metre
Roger O'Leary & Associates Incorporated (Direct comparison)	Land	KwaZulu-Natal	389	39	(39)
Directors valuation	Retail/Offices/ Industrial	various in SA	3 535	407	(310)
Directors valuation	Retail	Austria	28 826	2 883	(2 883)
Under construction	Retail/Industrial	various in SA	10 768		
			43 518	3 329	(3 232)

Sales price in £ per m^2 varies between £56 and £701

The Covid-19 impact has not been significant due to the majority of the property portfolio having an industrial composition. Covid-19 exposed weaknesses in the Retail and Office sector particularly with employees staying away from the office and shoppers away from retail centres. As lockdown levels have eased across the country, we find that a new trend is emerging where office workers are more likely to work from home, or on a part time home basis and shoppers are more likely to purchase online. Industrial property has not been affected to these levels as the supply chains have stayed intact with manufacturing and distribution still taking place. We have noted slight reversion on market rental rates and vacancy provisions. Our high weighted average lease expiry on the industrial portfolio has also protected our net operating income in the valuation process. During our review of external valuations and the preparation of the management valuations we did note that capitalisation rates moved marginally out. Vacancy, capitalisation rates, as well as revised market rental rates in the valuations have taken into account the current economic impact of Covid-19 and the potential future expected impact.

Notes (continued)

2 Investment properties (continued)

2.4 Property valuation details and sensitivity analysis at 28 February 2021 (continued)

2.4.3 Namibia investment properties

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

Valuation method: Income – capitalisation of earnings

Valuer	Sector	Location	Capitalisation rate	Vacancy rate	£'000 Valuation	Sensitivity analysis 1% increase in capitalisation rate	1% decrease in capitalisation rate	1% increase in vacancy rate	1% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
P.J. Scholtz	Retail	Windhoek	10.00%	5.00%	8 709	(792)	968	122	(122)	(1 135)	1 135
Director's valuation	Retail	various in Namibia	8.50% – 8.75%	1.50% – 2.40%	19 658	(2 911)	3 663	335	(321)	(3 285)	3 285
					28 367	(3 703)	4 631	457	(443)	(4 420)	4 420

Market rents in £ per m² vary between £6 and £86

Valuation method: Income – discounted cash flow

Valuer	Sector	Location	Valuation	1% decrease in discount rate	10% increase in estimated rental value	10% decrease in estimated rental value
P.J. Scholtz	Retail	Gobabis	6 461	57	25	(25)

Rental values in £ per m² vary between £6 and £9

Due to the Namibia portfolio being mainly retail focused with components of offices, gyms, and hospitality the valuations did not stand up to the pandemic as well as the South African portfolio did. This is evident in the drop in turnover by 12.6% pre remissions [N$2m] and straight-line rental. The bulk of this is on the Mutual Platz property which was 38% down in income. The flight from inner-city offices and the demise of retailer Edcon left voids in this building. The portfolio has been impaired by 1.7%.

2.4.4 Africa investment properties

A register containing details is available for inspection at the following locations:

Plot 729 & Plot 12, Cairo Road, Lusaka, Zambia: Office 5 Lonhro House Plot 12 Cairo Road Lusaka Zambia

BAT and Pemba: Mozambique, Cidade de Maputo, DISTRITO KAMPFUMO, Bairro Polano Cimento, Av. Armando Tivane nº 245

Valuation method: Income – capitalisation of earnings

					£'000	Sensitivity analysis £'000					
Valuer	Sector	Location	Capitalisation rate	Vacancy rate	Valuation	a1% increase in capitalisation rate	1% decrease in capitalisation rate	1% increase in vacancy rate	1% decrease in vacancy rate	10% increase in market rents	10% decrease in market rents
Directors valuation	Industrial	Maputo, Mozambique	8.50%	0.00%	8 595	(778)	987			751	(681)
Directors valuation	Retail	Pemba, Mozambique	9.75%	4.14%	9 814	(849)	1 111	(76)	138	1 064	(909)
					18 409	(1 627)	2 098	(76)	138	1 815	(1 590)

Market rents in £ per m^2 vary between £53 and £167

Valuation method: Sales value

Valuer	Sector	Location	Valuation	10% increase in sales price per square metre	10% decrease in sales price per square metre
Sale agreement	Retail	Lusaka, Zambia	2 474	25	(22)

The sales value in £ per m^2 is £351

Mozambique had isolation restrictions in place and not a full lockdown. All tenants remained trading. There were no rental remissions/concessions granted to tenants. On the Pemba property a director's valuation was used where rental yields and vacancies are the main considerations. As the centre is still trading, the impact on the valuation is considered to be low. On the BAT warehouse, the property is fully let by a single tenant and the rental is received a year in advance. The impact on the valuation is also considered low. Zambia was in a partial lockdown and rental remissions of USD 9 706 were granted to tenants. However, there was no impact on the valuation of the property as it is based on a signed sale agreement. There have been no discussions to adjust the selling price.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
2	**Investment properties (continued)**		
2.5	Investment properties with a carrying amount that were vacant at year-end.	7 457	992
2.6	**Lessor accounting**		
	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 shorter than 1 year to 24 years (2021: 1 year to 13 years) in South Africa; shorter than 1 year to 20 years (2021: 1 year to 20 years) in the United Kingdom; 1 year to 5 years in Namibia and 1 to 8 years in Africa excluding Namibia.		
	The investment properties are leased to tenants under operating leases with rentals payable monthly/quarterly, with the exception of two Africa tenants for which rentals are payable annually in advance. Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the group may obtain bank guarantees for the term of the lease.		
	Although the group is exposed to changes in the residual value at the end of the current leases, the group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.		
	The group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.		
	Below sets out a maturity analysis of the undiscounted lease payments to be received after the reporting date:		
	Within 1 year	60 752	55 569
	Between 1 and 2 years	57 092	51 558
	Between 2 and 3 years	57 371	45 665
	Between 3 and 4 years	46 350	43 514
	Between 4 and 5 years	45 418	40 175
	Later than 5 years	168 878	143 489
		435 861	379 970
2.7	**Income and expenditure relating to investment properties**		
	Rental income	81 281	76 242
	Direct operating expenditure	10 711	9 561
	Direct operating expenses recognised in profit or loss relating to investment property that was unlet.	326	151
2.8	The borrowing costs were capitalised at the following weighted average interest rates applicable to the entity's general borrowings during the year:		
	South Africa	Between 6.008% and 7.5 %	between 6.50% and 7.00%
	Namibia	between 10% and 10.25%	–

2.9 The impact of expected credit losses on the straight-lining lease income accrual has been assessed. There has been no impairment of the straight line lease asset after reviewing the performance over the past year, none was identified and being needed to be impaired. The tenant and building category mix is regarded as resilient and no impairment was judged necessary by management.

2.10 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 34.9

3 Lease accounting – right of use assets and lease liabilities

This note provides information for leases where the group is a lessee, which is applicable mainly to the group's serviced office business. For leases where the group is a lessor – refer note 2.5

The group leases various offices under non-cancellable leases expiring within 1 years to 125 years (2021: 2 years to 126 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms, escalation clauses, extension options and renewal rights. On renewal, the terms of the leases are renegotiated.

The group adopted the IFRS 16 COVID-19-Related Rent Concessions Amendment that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. The group elected to account for such rent concessions in the same way as they would if they were not lease modifications. The practical expedient was applied to all rent concessions that meet the conditions in the Amendment. In most cases this resulted in accounting for the concessions as variable lease payments. Rent concessions were received in the form of rent-free periods and utilisation of deposits – refer note 3.1.2

The group has received some rent concessions in respect of its leased properties during the year. Where appropriate, in that remaining lease terms are unaffected, the group has taken the optional exemption from assessing the concession as a lease modification. Such concessions have been accounted for as a variable lease payment and recognised in the income statement in the reporting period.

	GROUP	
	2022 £'000	2021 £'000
3.1 Amounts recognised in the balance sheet		
3.1.1 Right-of-use assets		
Fair value – buildings	37 184	40 641
Movement in fair value		
Opening balance	40 640	49 021
Adjustment for rent increase	(426)	
Additions	2 529	4 429
Disposals and scrappings		(7 186)
Net loss from fair value adjustments on investment property	(5 563)	(5 604)
Foreign currency translation movements	4	(20)
Closing balance	37 184	40 640

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
3	**Lease accounting – right of use assets and lease liabilities (continued)**		
3.1	**Amounts recognised in the balance sheet (continued)**		
3.1.2	**Lease liabilities**		
	Current	7 383	5 464
	Non-current	29 735	35 111
		37 118	40 575
	Movement in lease liabilities		
	Opening balance	40 575	48 953
	Additions	2 529	4 429
	Adjustment for rent concessions	(588)	(145)
	Interest	1 714	1 973
	Repayments	(7 114)	(7 437)
	Disposals and scrappings		(7 186)
	Foreign currency translation movements	2	(12)
	Closing balance	37 118	40 575
	Commitments for undiscounted minimum lease payments under non-cancellable leases are payable as follows:		
	Expenditure to be incurred within 1 year	7 772	7 654
	Between 1 and 2 years	6 868	7 560
	Between 2 and 3 years	6 425	6 492
	Between 3 and 4 years	5 740	6 037
	Between 4 and 5 years	5 019	5 232
	To be incurred after 5 years	22 325	25 333
		54 149	58 307
	Sub-lease payments		
	Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of leases	28 911	27 514
3.2	**Amounts recognised in the statement of profit or loss**		
	Net loss from fair value adjustments on investment property– buildings	5 563	5 604
	Changes in lease payments arising from rent concessions to which IFRS 16 Amendment applied		231
	Interest expense (included in finance cost)	1 714	1 973
	Expense relating to variable lease payments not included in lease liabilities (included in lease expenses)	28	24
3.3	**Total cash outflow for leases during the reporting period**	(7 114)	(7 437)
4	**Intangible assets**		
	Goodwill – refer note 4.1	8 031	8 031
	Other intangible assets – refer note 4.2	—	—
		8 031	8 031
4.1	**Goodwill**		
	Cost	8 031	8 031
	Accumulated impairment losses	—	—
		8 031	8 031

4.1.1 Allocation of goodwill to cash-generating units

The goodwill acquired in a business combination is allocated, at acquisition, to the CGU or group of CGUs that is expected to benefit from that business. Goodwill arose from the acquisition of The Boutique Workplace Co Ltd ("Boutique") which has been identified as the CGU for which this goodwill has been allocated.

	GROUP		
2022	**Opening**	**Impairment**	**Closing**
Boutique	8 031	—	8 031

	GROUP		
2021	**Opening**	**Impairment**	**Closing**
Boutique	8 031	—	8 031

4.1.1.1 Impairment review

Goodwill is assessed for impairment annually, irrespective of whether there is any indication of impairment.

No impairment charge arose as a result of the impairment test (2021: 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	
	2022 %	**2021 %**
The key assumptions, long term growth rate and discount rate used in the value-in-use calculations are as follows:		
Pre-tax discount rate	4.50%	4.46%
Growth rate	21.5%	2.70%
Sustainable growth rate	0.00%	0.00%
The principal assumptions where impairment occurs are as follows:		
Pre-tax discount rate	22.75%	10.29%
Growth rate	-8.30%	0.00%
Sustainable growth rate	0.00%	0.00%

Management have determined the values assigned to each of the above key assumptions as follows:
Discount rate: a pre-tax discount rate reflective of the specific risks applicable to the Boutique CGU
Growth rate: detailed financial forecasts have been produced using realistic assumptions about the rate at which new locations are opened and the speed at which those new locations become profitable to assess goodwill carrying value. These financial forecasts yielded a short-medium term growth rate of 21.5% over a 5 year period, due to the turnaround position from loss to profit following the impact of Covid-19 on the current trading year. Assumptions in the forecast include numbers of new offices opened per year, occupancy rates and how quickly new offices will become fully occupied.
Sustainable growth rate: cash flows beyond the five year period are assumed to be constant.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
4	**Intangible assets (continued)**		
4.2	**Other intangible assets**		
	Cost	1 518	1 518
	Accumulated amortisation	(1 518)	(1 518)
		–	–

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

		COMPANY 2022 R'000	COMPANY 2021 R'000
5	**Investment in subsidiaries**		
5.1	**Shares in subsidiaries consisting of:**		
	Shares in Tradegro Holdings (Pty) Ltd at cost (100% held)	7 838	7 838
		7 838	7 838
5.2	**Loans to subsidiaries consisting of:**		
	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 in favour of other creditors. The loan is unsecured and interest free with no fixed date of repayment, and has been classified as non-current.	2 541 732	2 703 659
	Loan to subsidiary company – Tradegro S.à r.l. (100% held) R1 014.7 million of the loan to Tradegro S.à r.l. bears interest at a rate of 72% of 3 month ZAR JIBAR plus 3%, payable quarterly, with capital of R11.3 million repayable semi-annually, and the balance repayable on 20 July 2022. The balance of R10.4 million is interest free, unsecured and a direct foreign investment, with no fixed date of repayment, and has been classified as non-current.	1 025 031	1 052 518
		3 566 763	3 756 176
	Non-current	2 552 116	2 715 875
	Current	1 014 647	1 040 301
		3 566 763	3 756 176

5.3 Credit risk management practices and impairment assessment

Management have performed an assessment of the recoverability of the loan to Tradegro S.à r.l. This assessment looked at the likelihood of a number of scenarios and the cash flows of each of those scenarios, as well as the security held in the form of first charges over various investment properties located in the United Kingdom. These scenarios include a review of the 18 month cash flow forecasts of the UK operations, which show that current debt can be serviced for the 18 months to 31 August 2023, and the operating cash flow forecasts of Tradegro S.à r.l., as well as review of the investment property valuations at the reporting period date. The assessment does not show an impairment of the loan.

The loan is repayable on 20 July 2022, but this was extended to 31 August 2023 after the end of the reporting period, to align with the extension of the RMB preference share facility – refer note 18.4

Loans due from subsidiaries at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider "low credit risk" for debt investments with subsidiaries to be when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as LIBOR interest rates affecting the ability of the borrower to repay its debt.

The loans have been determined fully recoverable, and the expected credit loss has been determined to be immaterial due to the following factors: repayments are funded monthly by rental generating properties; these repayments are backed by long term leases; the current and projected interest charge equates the forecast repayment each month, and the value of the investment properties held as security exceeds the amount of the loan outstanding.

		GROUP	
		2022 £'000	2021 £'000
6	**Interests in joint venture**		
6.1	**Consisting of:**		
	Shares at cost plus attributable retained income	10 103	9 092
	Financial assets – loans due from joint ventures	9 979	9 893
		20 082	18 985
6.2	**Shares at cost plus attributable retained income**		
	The carrying amount of equity accounted joint venture investments has changed as follows during the year:		
	At beginning of the year	9 092	12 312
	Reallocation/capitalisation of loan accounts		
	Share of profit/(loss)	1 011	(2 966)
	Dividends received		(254)
	Carrying value	10 103	9 092
6.3	**Loans due from joint ventures and joint operations**		
	Inception (Reading) S.à r.l.	21 469	20 326
	Moorgarth Group Ltd has provided an unsecured £14.000,000 loan to Inception (Reading) S.à r.l. Interest accrues at a rate of 7% + UK SONIA. The interest and capital is due for repayment by agreement between the parties. Repayment is anticipated within the next 6 months from the sale of the Broad Street Mall property, currently under offer.		
	Mega Centre JV	979	1 314
	The loan is unsecured, and 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. There are no repayments expected within the next 12 months and therefore it has been classified as non-current.		
		22 448	21 640
	Less: Loss allowance	(12 469)	(11 747)
		9 979	9 893
6.4	**Movements in loans due from joint ventures**		
	Opening balance	9 893	16 376
	Loan advanced to joint ventures		875
	Interest	1 144	1 252
	Loans repaid by joint ventures	(353)	(337)
	Loss allowance	(722)	(8 204)
	Foreign currency translation differences and forex losses	17	(69)
	Closing balance	9 979	9 893

Notes (continued)

6 Interests in joint venture (continued)

6.5 Credit risk management practices and impairment assessment

Management have performed an assessment of the recoverability of the loan to Inception Reading Sarl (IRS). This assessment looked at the likelihood of a number of scenarios and the NPV of the cash flows of each of those scenarios. These scenarios are based on the sale of the Broad Street Mall property held by IRS for a range of values. The assessment of the likely cash generated by a sale, together with the ongoing operating cash flows of the business received before a sale, showed that a £9m recovery against this loan was reasonable to assume.

Mega Centre JV loan

The loans have been determined fully recoverable, and the expected credit loss has been determined to be immaterial due to the following factors: repayments are funded monthly by a rental generating property in the Joint Venture; these repayments are backed by long term leases; the current and projected interest charge equates to less than the forecast repayment each month.
The property budgets have been used to project the income of the property which is distributed evenly to each partner.

There have been no changes in assumptions during the year.

Credit risk is mitigated by customer management and an affordability assessment which determines a customer's ability to repay an outstanding credit amount.

Credit risk has maintained the same level via the affordability test control.

6.6 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 2022	% ownership interest 2021	Carrying amount £'000 2022	Carrying amount £'000 2021
Inception (Reading) S.à r.l.	UK/ Luxembourg	50	50	214	—
Moolmoor Holdings Ltd	UK	50	50	10 038	9 541
Molmoor Investments Ltd	UK	50	50	(1 174)	(1 256)
Molmoor Waverley Ltd	UK	50	50	1 025	808
Reading Site Services Ltd	UK	50	50	—	—
Moolmoor Site Services Ltd	UK	50	50	—	—
				10 103	9 093

The joint ventures are private companies and there are no quoted market price available for their shares. Inception (Reading) S.à r.l. holds 100% of the shares of Reading Site Services Ltd and Moolmoor Holdings Ltd owns 100% of the shares of Moolmoor Investments Ltd, Moolmoor Waverley Ltd and Moolmoor Site Services Ltd.

6.7 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

6.8 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.

Summarised financial information for the year ended 28 February 2022

	GROUP						
£'000	Inception (Reading) S.à r.l.	Moolmoor Holdings Ltd	Moolmoor Investments Ltd	Moolmoor Waverley Ltd	Reading Site Services Ltd	Moolmoor Site Services Ltd	Total
Current							
Cash and cash equivalents	1 554		390	497	64	14	2 519
Other current assets (excluding cash)	2 187	20 628	629	805	14	98	24 361
Total current assets	3 741	20 628	1 019	1 302	78	112	26 880
Financial liabilities (excluding trade payables)	(86 095)						(86 095)
Other current liabilities (including trade payables)	(1 306)	(552)	(9 454)	(13 177)	(35)	(67)	(24 591)
Total current liabilities	(87 401)	(552)	(9 454)	(13 177)	(35)	(67)	(110 686)
Non-current							
Assets	59 072		13 813	28 814			101 699
Total non-current assets	59 072	—	13 813	28 814	—	—	101 699
Financial liabilities		(250)	(16 831)	(26 362)	(50)	(50)	(43 543)
Other liabilities			(105)	(459)			(564)
Total non-current liabilities		(250)	(16 936)	(26 821)	(50)	(50)	(44 107)
Net assets	(24 588)	19 826	(11 558)	(9 882)	(7)	(5)	(26 214)
Summarised statement of comprehensive income							
Revenue	4 291		1 182	1 714	156	100	7 443
Depreciation and amortisation	(221)		(42)	(68)			(331)
Interest income	38	1 012		3			1 053
Income expense	(5 010)	(1)	(752)	(1 832)	(156)	(100)	(7 851)
Revaluation deficit	(666)		(41)	725			18
Pre-tax profit	(1 568)	1 011	347	542	—	—	332
Income tax expense	565	(17)	(183)	(109)	(1)		255
Post-tax profit	(1 003)	994	164	433	(1)	—	587
Other comprehensive income				121			121
Total comprehensive income	(1 003)	994	164	554	(1)		708
Dividends received from joint venture							—
Reconciliation to carrying value							
Opening net assets	(23 585)	19 082	(2 514)	1 616	(3)		(5 404)
Profit for the period	(1 003)	994	164	433	(1)		587
Other comprehensive income				121			121
Closing net assets	(24 588)	20 076	(2 350)	2 170	(4)	—	(4 696)
Interest in Joint venture @ 50%	(12 294)	10 038	(1 174)	1 063	(2)		(2 369)
Add back: loss	12 508				2		12 510
Add back: other comprehensive income				(38)			(38)
Carrying value	214	10 038	(1 174)	1 025	—	—	10 103

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.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

6 Interests in joint venture (continued)

6.8 Summarised financial information per joint venture entity (continued)

Summarised financial information for the year ended 28 February 2021

£'000	GROUP Inception (Reading) S.à r.l.	Moolmoor Holdings Ltd	Moolmoor Investments Ltd	Moolmoor Waverley Ltd	Reading Site Services Ltd	Moolmoor Site Services Ltd	Total
Current							
Cash and cash equivalents	758		416	707	46	4	1 931
Other current assets (excluding cash)	1 515		416	831	70	91	2 923
Total current assets	2 273		832	1 538	116	95	4 854
Financial liabilities (excluding trade payables)	(83 800)						(83 800)
Other current liabilities (including trade payables)	(1 677)	(284)	(442)	(1 263)	(69)	(46)	(3 781)
Total current liabilities	(85 477)	(284)	(442)	(1 263)	(69)	(46)	(87 581)
Non-current							
Assets	60 060	19 616	14 000	28 004	1		121 681
Total non-current assets	60 060	19 616	14 000	28 004	1	—	121 681
Financial liabilities		(250)	(16 831)	(26 362)	(50)	(50)	(43 543)
Other liabilities	(441)		(72)	(345)			(858)
Total non-current liabilities	(441)	(250)	(16 903)	(26 707)	(50)	(50)	(44 401)
Net assets	(23 585)	19 082	(2 513)	1 572	(2)	(1)	(5 447)
Summarised statement of comprehensive income							
Revenue	3 875		1 261	1 584	176	121	7 017
Depreciation and amortisation	(235)		(58)	(73)			(366)
Interest income	(3 620)	1 029	(662)	(1 030)			(4 283)
Income expense	(1 377)	(3)	(343)	(1 197)	(176)	(121)	(3 217)
Revaluation deficit	(15 217)		(85)	(7 464)			(22 766)
Pre-tax profit from continuing operations	(16 574)	1 026	113	(8 180)	—	—	(23 615)
Income tax expense	168	15	(63)	1 160			1 280
Post-tax profit from continuing operations	(16 406)	1 041	50	(7 020)		—	(22 335)
Other comprehensive income	41		13	(44)			10
Total comprehensive income	(16 365)	1 041	63	(7 064)			(22 325)
Dividends received from joint venture							—
Reconciliation to carrying value							
Opening net assets	(7 219)	18 042	(2 576)	8 636	(3)		16 880
Profit for the period	(16 407)	1 040	50	(7 021)			(22 338)
Other comprehensive income	41		12	1			54
Closing net assets	(23 585)	19 082	(2 514)	1 616	(3)	—	(5 404)
Interest in Joint venture @ 50%	(11 793)	9 541	(1 257)	808	(2)		(2 703)
Add back: loss	11 793				2		11 795
Carrying value		9 541	(1 257)	808		—	9 092

6.9 Details of joint operation

Name of joint operation	Place of business/ country of incorporation	% ownership interest 2022	% ownership interest 2021	Value of net assets £'000 2022	Value of net assets £'000 2021
Mega Centre JV	Namibia	50	50	10 540	7 886

	GROUP	
	2022 £'000	2021 £'000
6.9.1 Summarised financial information for the joint operation		
Summarised balance sheet as at 28 February		
Current		
Cash and cash equivalents	179	61
Other current assets (excluding cash)	26	54
Total current assets	205	115
Financial liabilities (excluding trade payables)		(5 259)
Other current liabilities (including trade payables)	(144)	(144)
Total current liabilities	(144)	(5 403)
Non-current		
Assets	14 394	13 173
	14 394	13 173
Financial liabilities		—
Other liabilities	(3 915)	—
Total non-current liabilities	(3 915)	
Net assets	10 540	7 886
Summarised statement of comprehensive income for the year ended 28 February		
Revenue	1 551	1 491
Income expense	—	1 241
Pre-tax profit from continuing operations	1 551	2 732
Income tax expense	—	—
Post-tax profit from continuing operations	1 551	2 732
Other comprehensive income	—	—
Total comprehensive income	1 551	2 732

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
7	**Interests in associates**		
7.1	**Consisting of:**		
	Shares at cost plus attributable retained income	—	—
	Financial assets – loans due from associates	6 009	5 468
		6 009	5 468
	Loans due to associates	—	
		6 009	5 468
7.2	**Shares at cost plus attributable retained income**		
	The carrying amount of equity accounted associated entity investments has changed as follows during the year:		
	At beginning of the year		504
	Share of loss		(474)
	Foreign currency translation differences		(30)
		—	
7.3	**Loans due from associates**		
	Steps Towers Property Investments	4 390	4 345
	The above unsecured loan accrues interest at the Namibian prime rate plus 2%. There are no set terms of repayment.		
	Afrisaf Investment Holdings (Pty) Ltd	1 619	1 149
	The above unsecured loan accrues interest at the South African prime rate. There are no set terms of repayment.		
		6 009	5 494
	Loss allowance	—	(26)
		6 009	5 468
7.4	**Movements in loans due from/(to) associates**		
	Opening balance	5 468	5 578
	Loan advanced to associates	282	205
	Interest and other fees	138	49
	Loans repaid by associates	(270)	(93)
	Loss allowance	328	(26)
	Foreign currency translation differences and forex losses	63	(245)
	Closing balance	6 009	5 468

7.5 Credit risk management practices and impairment assessment

Steps Towers is a partner (50%) in Steps JV, the JV pays a pro-rata profit share to all partners. The profit share is used to service the mortgage bond held in Steps Towers. If there is insufficient profit share available, shareholders of the respective partners will be requested to provide funding. Step JV also have 3 unrealised sites with a constructed superbasement, which once developed with yield greater partner payments and value.

Loans due from associates at amortised cost are considered to have low credit risk, and the impairment assessment was therefore limited to 12 months expected losses. Management consider "low credit risk" for debt investments with associates to be when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as prime interest rates affecting the ability of the borrower to repay its debts.

The above loans receivable and investments are assessed bi-annually for credit losses on a company by company basis.
The expected credit loss has been determined to be immaterial on all the loans, as the loans are backed by under development investment property assets where the value exceeds the loan balance, or the assets are expected to generate sufficient cash flow to cover the repayment of loan and return on investment.

7.6 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 2022	% ownership interest 2021	Carrying amount 2022	Carrying amount 2021
Steps Towers Property Investments (Pty) Ltd	Namibia	50.0	50.0	–	–
Afrisaf Investment Holdings (Pty) Ltd	Namibia	50.0	50.0	–	–
Dunes Mall (Pty) Ltd (formerly Greenstone Resorts)	Namibia	20.0	20.0	–	–
				–	–

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.

Steps Towers Property Investments (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.

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.

7.7 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

7.8 Individually immaterial associates

The interests in associates disclosed above are accounted for using the equity method and are individually immaterial to the group.

	GROUP 2022 £'000	GROUP 2021 £'000
Aggregate carrying amount of individually immaterial associates	–	–
Aggregate amounts of the group's share of profit/(loss) from continuing operations	1 048	(2 381)
Total comprehensive income	1 048	(2 381)

Notes (continued)

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		8	**Loans receivable**		
		8.1	**Consisting of:**		
19 556	18 547		Loans and receivables with key persons – refer note 8.3	1 777	1 792
			Loan to U Reit Collins (Pty) Ltd – refer note 8.4	7 596	5 379
			Loan to Nedbank – refer note 8.5	11 008	9 712
			Loans and receivables – other – refer note 8.6	654	996
19 556	18 547			21 035	17 879
			Prior year – originally reported	–	8 167
			Prior year restatement – reallocation of deposit at Nedbank from long term borrowings – refer note 19.1.11	–	9 712
			Prior year – after restatement	–	17 879
			Non-current	3 312	7 723
			Current	17 723	10 156
				21 035	17 879

		GROUP 2022 £'000	GROUP 2021 £'000
8.2	**Movement in loans receivable**		
	Opening balance – originally reported		19 991
	Opening balance – restatement – reallocation of loan to Nedbank from long term borrowings – refer note 8.5	17 879	
	Loans granted – refer note 8.5	1 224	10 545
	Advance to UREIT – refer note 8.4	2 330	
	Interest – refer note 8.5	1 229	1 080
	Repayments – refer note 8.5	(1 571)	(12 819)
	Discount on redemption		(80)
	Foreign currency translation differences – refer note 8.5	(56)	(838)
	Closing balance	21 035	17 879
8.3	**Loan receivables from key persons – current and non-current**		
	Aapstert Investments (Pty) Ltd (FH Esterhuyse) – shares	897	933
	Eastwick Road Ltd (D Wheble) – 10% of The Boutique Workplace Company Ltd	880	859
		1 777	1 792

On 15 April 2014 a loan was granted to F Esterhuyse to buy 1 664 490 shares of the company. The share issue price was R12 (£0.68) per share at the date of the transaction.

Interest is charged at 61.43% of Standard Bank Prime rate and is to be repaid from distributions.

The loan is secured by cession and pledge of 3 066 111 shares in the company, and is considered a full recourse loan. The loan is repayable on 30 June 2025.

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 SONIA and is payable from distributions.

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

		GROUP	
		2022 £'000	**2021 £'000**
8.4	**Loan receivable from U Reit Collins (Pty) Ltd**	7 596	5 379

On 24 May 2019 a loan was granted to U Reit Collins (Pty) Ltd to partially fund the purchase of a 25.7% interest in the ordinary shares of Collins Property Projects (Pty) Ltd.

Interest is charged at South African prime interest rate less 0.50%.

The loan and interest payable are secured by cession of 608 140 shares in Collins Property Projects (Pty) Ltd acquired/held by the borrower, as well as a guarantee from I-Group Financial Holdings (Pty) Ltd.

The loan is repayable on 31 May 2024.

8.5	**Restatement – Annex deposit receivable from Nedbank Limited**	11 008	9 712

In July 2020 a group entity Saddle Path Props 69 (Pty) Ltd advanced a deposit to Nedbank South Africa of R200 million, which was ceded as a cash guarantee to Nedbank as security for the Nedbank borrowings of a fellow subsidiary Dimopoint (Pty) Ltd disclosed in note 19.1.11

In January 2021 a group entity Imbali Props 21 (Pty) Ltd advanced a deposit to Nedbank South Africa of R27 million, as security enhancement for the refinancing of the Nedbank borrowings relating to the Nampak property portfolio disclosed in note 19.1.11

The above two security guarantee receivables were disclosed in error as a reduction of the applicable borrowings to which they relate in the prior financial year. During the current financial year it was identified that legal set-off against the Nedbank borrowings was not permissible, and consequently these two receivables have been reallocated to loans receivable, requiring the prior year restatements shown above.

Interest is charged at South African prime interest rate less 0.75% and is payable monthly.

In respect of the Imbali Props 21 (Pty) Ltd Annex, Nedbank requires the surplus of the rental received over the bond repayments made on the Nampak properties to be paid across and held in Annex as security.

In respect of the Saddle Path Props 69 (Pty) Ltd Annex, maintaining the investment improves the cash flow of Dimopoint (Pty) Ltd, lowers the group net borrowing costs and improves the group credit rating exposure with Nedbank.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP	
		2021 £'000	2021 £'000
		Restated	Previously reported
8	**Loans receivable (continued)**		
8.5	**Restatement – Annex deposit receivable from Nedbank Limited (continued)**		
	The restatement had the following impact:		
	Statements of financial position		
	Non-current assets – Loans receivable	7 723	7 553
	Current assets – Loans receivable	10 156	613
	Non-current liabilities – Long term borrowings	357 852	348 139
	Statements of comprehensive income		
	Finance income	5 646	5 310
	Finance cost	(44 821)	(44 485)
	Statements of cash flows		
	Interest received	1 466	1 130
	Interest paid	(32 417)	(32 081)
	Loans and advances – issued	(10 545)	(833)
	Loans and advances – repaid	11 739	11 734
	Proceeds from borrowings	163 567	153 855
	Repayment of borrowings	(154 849)	(154 844)
	Notes to the annual financial statements		
	Note 8.2 Movement in loans receivable		
	Loans granted	10 545	833
	Interest	1 080	744
	Repayments	(12 819)	(12 478)
	Foreign currency translation differences	(837)	(843)
	Closing balance	17 879	8 087
	Note 8.5 Restatement – Annex deposit receivable from Nedbank Limited	9 712	–

		GROUP	
		2022 £'000	2021 £'000
8.6	**Other loan receivables**		
	Dulu Holdings (Pty) Ltd	387	573
	Leatile Services (Pty) Ltd	101	
	Dynamic Fluid Control (Pty) Ltd	–	258
	Other – current	166	165
		654	996

The loan to Dulu Holdings (Pty) Ltd is a vendor loans for a property sale in South Africa, bears interest at South African prime plus 3%, and is repayable in 36 equal monthly instalments until 31 March 2024.

The loan to Leatile Services (Pty) Ltd is a vendor loan for a property sale in South Africa, bears interest at South African prime plus 3%, and is repayable in 60 equal monthly instalments until 9 February 2027.

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

8.7 Credit risk management practices and impairment assessment

Loan to Aapstert Investments (Pty) Ltd: Management have performed an assessment of the recoverability of the loan. This assessment looked at the likelihood of a reduction in the trading share price of the listed securities securing the loan as a result of the impact of Covid-19 on the operations of the listed entity. The loan is repayable via dividends the borrower might receive from the company and also secured via a pledge of a portfolio of listed shares. The assessment does not show an impairment of the loan.

Loan to Eastwick Road Ltd: Management have reviewed expected future performance of The Boutique Workplace Company Ltd as part of its assessment of the carrying value of goodwill of that business. It is satisfied that the carrying value of goodwill is supported by the cash flows shown by the forecasts, and also thus the recoverability of the loan from Eastwick Road Ltd. The loan is repayable via dividends Eastwick Road Ltd might receive from The Boutique Workplace Company Ltd and also secured via personal guarantees from an individual with significant assets. The assessment does not show an impairment of the loan.

Loans due from U Reit Collins (Pty) Ltd, Dulu Holdings (Pty) Ltd, Leatile Services (Pty) Ltd, and other loans at amortised cost are considered to have low credit risk, and the impairment assessment was therefore limited to 12 months expected losses. Management consider "low credit risk" for loans receivable to be when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, or the receivables are secured by assets with values that exceed the loan balance.

There have been no significant events/transactions impact on impairment assessment, with no new significant judgements applied for expected credit losses and significant estimates due to the impact of the pandemic.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as South African prime interest rates affecting the ability of the borrower to repay its debts.

All above receivable loans are assessed bi-annually for credit losses on a company by company basis. There have been no changes in the measurement of expected credit losses during the year.

The expected credit loss has been determined to be immaterial on all the loans, as the loans are backed by secured assets where the value exceeds the loan balance, or the borrower is expected to generate sufficient cash flow to cover the repayment of loan and return on investment.

		GROUP	
		2022 £'000	2021 £'000
9	**Deferred taxation**		
	Deferred taxation assets	7 569	6 567
	Deferred taxation liabilities	(46 614)	(40 229)
	Net deferred taxation	(39 045)	(33 662)
9.1	**Deferred taxation assets**		
	Comprising temporary differences attributable to:		
	Tax losses carried forward	6 681	4 198
	Property, plant and equipment	(221)	431
	Deferred revenue	298	272
	Doubtful debts	83	60
	Financial assets at fair value through profit or loss	95	163
	Other provisions and liabilities	633	1 442
		7 569	6 567

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

9 Deferred taxation (continued)

9.1 Deferred taxation assets (continued)

Significant estimates

South Africa operations

The deferred tax assets include an amount of R3m (2021: R 105.6m) which relates to the carried forward tax losses of Collins Property Projects (Pty) Ltd and it's subsidiaries. The subsidiary has incurred losses relating to the letting of immovable property.

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 subsidiary. The subsidiary is expected to generate taxable income from 2022 onwards. The losses can be carried forward indefinitely and have no expiry date.

United Kingdom operations

The deferred tax assets include an amount of £3.5 million (2021: £978 000) which relates to the carried forward tax losses of Moorgarth group subsidiaries.The subsidiaries have incurred the losses due 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 subsidiary. The subsidiaries are expected to generate taxable income or deferred tax liabilities (capital allowances) against which deferred tax assets can be set from 2022 onwards. The losses can be carried forward indefintely and have no expiry date.

Namibia and Africa (excluding South Africa) operations

The deferred tax assets include an amount of N$16.066,530 which relates to the carried forward tax losses of Probo (Pty) Ltd and Nguni Property Fund Ltd. The subsidiary has incurred losses relating to the letting of immovable property.

The deferred tax assets include an amount of USD1.797,843 which relates to the carried forward tax losses of Mozambican and Mauritian entities. The subsidiary has incurred losses relating to the letting of immovable property.

The group has concluded that the deferred tax assest will be recoverable using the estimated future taxable income based on the approved budgets for the subsidiaries. The Namibia subsidiaries are expected to generate taxable income from March 2022 onwards. The Africa subsidiaries are expected to generate taxable income from March 2023 onwards. The losses can be carried forward indefintely and have no expiry date.

		GROUP	
		2022 £'000	2021 £'000
9.2	**Movement in deferred taxation assets**		
	Balance at beginning of the year	6 567	9 135
	Income tax charge – refer note 28.2	2 224	494
	Increase in tax losses available for set-off against future taxable income	(1 302)	(2 540)
	Adjustment on adoption of IFRS 16		
	Other	(109)	(1)
	Functional currency translation differences – recognised through other comprehensive income	189	(522)
	Balance at end of the year	7 569	6 567
9.3	**Deferred taxation liabilities**		
	Comprising temporary differences attributable to:		
	Provisions and accruals		
	Investment property	(45 623)	(39 363)
	Lease straight-lining	(443)	(453)
	Property, plant and equipment	(353)	(362)
	Prepayments	(29)	(22)
	Assets held for sale	(165)	(29)
	Functional currency translation differences – recognised through other comprehensive income	(1)	
		(46 614)	(40 229)

		GROUP	
		2022 £'000	2021 £'000
9.4	**Movement in deferred taxation liabilities**		
	Balance at beginning of the year	(40 229)	(44 615)
	Income tax charge – refer note 28.2	(5 933)	2 445
	Functional currency translation differences – recognised through other comprehensive income	(452)	1 946
	Other		(5)
	Balance at end of the year	(46 614)	(40 229)
9.5	Portion of deferred tax asset to be realised within twelve months	–	19
9.6	**Unutilised assessed losses at the beginning of the year**	2 408	296
	Losses incurred during the year	4 803	17 896
	Utilised during the year	(2 387)	(10 134)
	Foreign currency translation movements	(6)	2 079
	Unutilised assessed losses at the end of the year	4 818	10 137
	Assessed losses applied in the provision for deferred tax	(2 769)	(7 729)
	Assessed losses to be applied in reduction of future taxable income	2 049	2 408
10	**Financial assets at fair value through profit and loss**		
10.1	**Consisting of:**		
	Investment in DV4 Ltd	4 458	4 028
	Investment in Capricon Corporate Fund	56	53
	Financial assets at fair value through profit or loss	4 514	4 081
	The assets were valued using an income based approach to determine the fair value. Management's intention is to sell these assets within 12 months.		
10.1.1	24 975 010 (2021: 24 977 508) A Shares in DV4 Ltd designated at fair value through profit or loss; and shares in Capricorn Corporate Fund Class B: 2 301 977 (2021: 1 060 365) units		
	At beginning of year	4 081	4 691
	(Disposal)/acquisition	2	2
	Fair value gain/(loss)	431	(610)
	Foreign currency translation differences		(2)
	At end of year	4 514	4 081
10.2	**Estimates used and sensitivity analysis:**		
	The value of investment in DV4 is taken as the relevant share of net assets of DV4 when valued on an IFRS basis per the fund managers valuation. As significant judgement was exercised by management in determining the fair value using inputs that are based on unobservable market data, the investments were classified as a Level 3 financial asset for the year ended 28 February 2022 – refer note 34.9		
	A 5% increase in the value of investments would increase the group's net profit by	226	204
	whilst a 5% decrease in the value of investments would reduce the net profit by	(226)	(204)
10.3	**Analysis of total financial assets:**		
	Non-current	–	–
	Current	4 514	4 081
		4 514	4 081

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
11	**Net assets held for sale**		
11.1	**Consisting of:**		
	Investment property held for sale – South Africa – refer note 11.2	1 515	954
	Investment property held for sale – United Kingdom – refer note 11.3	15 521	—
		17 036	954

11.2 Six properties, known as Laing Street 78 – George, Mill Street 15 – Bloemfontein, Riana Road 6 – Rocky Drift White River, Church Street 199, Main Reef Road 138 unit 10 and 17, and Church Street 418 were subject to an unconditional sale but not disposed of at February 2022 for ZAR31.3 million, and each property has been valued at its selling price at reporting date.

These properties are presented within the Property – South Africa operating segment.

11.3 Two properties, known as 24-26 Lime Street London were under offer of sale, conditional on the buyer's property and corporate due diligence, but not disposed of at February 2022 (sale price £15.5 million), and each property has been valued at its selling price at the reporting date.

These properties are presented within the Property – United Kingdom operating segment.

		GROUP 2022 £'000	GROUP 2021 £'000
12	**Trade and other receivables**		
	Trade receivables – refer note 12.1	1 940	2 597
	Other receivables – refer note 12.2	4 013	3 696
		5 953	6 293
12.1	**Trade receivables in respect of:**		
	Outstanding rent	2 514	3 936
	Less: Loss allowance	(574)	(1 339)
		1 940	2 597
12.2	**Other receivables**		
	Service charge receivables		31
	Indirect taxes receivable	2 392	2 308
	Accrued income	1 735	1 253
	Other receivables	251	450
		4 378	4 042
	Less: Loss allowance	(365)	(346)
	Indirect taxes receivable	(365)	(346)
		4 013	3 696

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

		GROUP 2022 £'000	GROUP 2021 £'000
12.3	**Analysis of total trade and other receivables**		
	Non-current		
	Current	5 953	6 293
		5 953	6 293

12.4 Credit risk management practices and impairment assessment

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as CPI for inflation linked rental escalations affecting the ability of the debtor to repay its debts.

South Africa operations

Expected credit losses for Trade Receivables are assessed as follow:
Monthly: Arrear meetings are held monthly to monitor tenant payments. Tenants who are late paying/defaulting are noted and appropriate action is taken is terms of recovery.
Bi-Annually: Outstanding debtors are listed by outstanding balance and every tenant individually is looked at in terms of the past history at the monthly meetings. An assessment is then given to each tenant by management on which an expected credit loss is then raised on the portion of the debt that management consider may not be recovered.

There have been no changes in the method of credit loss calculation for the year.

Credit risk is mitigated by customer management and an affordability assessment and creditworthy checks with reputable bureaus which determines a customers ability to repay an outstanding credit amount. These are conducted before a potential lease agreement is signed. If there is any doubt to the tenants ability to afford the contract then they are turned away.

The expected credit loss rate at inception of the contract is immaterial as only tenants who pass the affordability test are entered into agreement with.

With the prior year impact of the COVID-19 pandemic, the Expected Credit Losses modelling and assessments over arrears was tested and enhanced during the various stages of the national lockdown. Management is satisfied with the robust nature of the procedures in place to assess risk of losses and with identifying potential defaults. As such management has not been required to readjust the current modelling used to perform Expected Credit Losses but has taken the view to continuously enhance and improve the existing processes as part of an ongoing and long term view relating to business environment.

There were no significant events/transactions which impact on impairment assessment of receivables due other than those already provided for in the Expected Credit Losses.

United Kingdom operations

There are no significant assumptions that have changed. As at the end of August and February each year an assement is carried out of every tenant's ability to settle their rental arrears. The individual assessment of each tenant has resulted in a decrease in the expected loss allowance overall. As the Covid related lockdowns, that had impacted many tenants ability to operate, came to an end (April-July 2021) tenants were in a better position to be able to pay both their arrears and current rental obligations. This coupled with agreeing new rental terms with numerous tenants, in conjunction with settling aged debts, has driven down the loss allowance for trade receivables.

The UK government placed limits on landlords' abilities to exercise their rights under lease terms to recover rent arrears. These restrictions expired on 25 March 2022. However, despite these restrictions the business has by way of negotiations with tenants and achieving rent collections above that of the industry average managed to reduce the loss allowance to levels similar to those experienced pre-covid.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

12 Trade and other receivables (continued)

12.4 Credit risk management practices and impairment assessment (continued)

12.4.1 The loss allowance was determined as follows for trade and other receivables:

28 February 2022	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected loss rate %	2%	29%	21%	26%	14%
Gross carrying amount – trade receivables	1 138	150	395	831	2 514
Gross carrying amount – other receivables	2 387			1 991	4 378
Loss allowance	82	44	82	731	939

28 February 2021	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected loss rate %	1%	9%	10%	39%	21%
Gross carrying amount – trade receivables	1 198	470	717	1 550	3 936
Gross carrying amount – other receivables	1 627			2 415	4 042
Loss allowance	39	40	71	1 534	1 685

	GROUP 2022 £'000	GROUP 2021 £'000
The closing loss allowances for trade and other receivables reconciles to the opening loss allowance as follows:		
Opening loss allowance	1 685	909
Increase in loss allowance recognised in profit or loss during the year	872	1 573
Receivables written off during the year as uncollectible	(1 251)	(378)
Unused amount reversed	(390)	(474)
Foreign currency translation differences	23	55
Closing loss allowance	939	1 685

Impairment losses on trade and other receivables are presented as net impairment losses on a separate line in profit or loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

12.5 The ageing of trade receivables are as follows:

	2022 £'000	2021 £'000
Neither past due nor impaired	791	692
30 days	475	686
60 days	58	121
Past due but not impaired	26	26
30 days past due	61	170
60 days past due	300	91
90 days past due	144	526
More than 90 days past due	659	1 624
Impaired	(574)	(1 339)
Total gross balance	1 940	2 597

12.6 Credit quality of trade receivables (net of provisions)

	2022 £'000	2021 £'000
Trade receivables without external credit rating:		
Group 1	26	389
Group 2	1 562	2 089
Group 3	352	119
	1 940	2 597

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

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		12.7	**The carrying amount of trade and other receivables are denominated in the following currencies:**		
			Pound Sterling	1 037	1 328
			South African Rand	2 523	2 030
			United States Dollar	2 020	1 995
			Namibian Dollar	275	334
			Other – Swiss franc/Euro	98	606
				5 953	6 293
		13	**Other assets**		
			Lease incentives	3 136	3 680
			Insurance proceeds receivable	157	1 329
			Prepayments	2 038	2 010
			Rental deposits	2 866	2 950
			Restricted cash	—	562
			Loan arrangement fees and deferred finance charges	—	379
				8 197	10 910
		13.1	**Analysis of total other assets**		
			Non-current assets	5 988	7 192
			Current assets	2 209	3 718
				8 197	10 910
		13.2	The carrying amount of other current assets are denominated in the following currencies:		
			Pound Sterling	7 213	9 252
			South African Rand	878	1 569
			United States Dollar	81	46
			Namibian Dollar	25	43
				8 197	10 910
		14	**Cash and cash equivalents**		
		14.1	**Consisting of:**		
3 615	8 665		Cash at bank and on hand	11 950	18 076
			Short term bank deposits	8 266	7 324
			Cash as security for borrowings	8	8
3 615	8 665			20 224	25 408
			Cash and cash equivalents include the following for the purposes of the statement of cash flows:		
3 615	8 665		Cash and cash equivalents	20 224	25 408
—	—		Bank overdrafts		
3 615	8 665			20 224	25 408
		14.2	Carrying amount of cash and cash equivalents are denominated in the following currencies:		
2			Pound Sterling	5 888	11 481
3 307	8 665		South African Rand	9 603	8 571
			United States Dollar	2 844	3 553
			Namibian Dollar	213	241
			Zambian Kwacha	130	382
305			Other (Euro/Swiss Franc)	1 546	1 180
3 615	8 665			20 224	25 408

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		15	**Ordinary share capital**		
		15.1	**Authorised**		
	–		310 000 000 (2021: 310 000 000) ordinary shares of no par value	–	
		15.2	**Issued:**		
2 900 902	2 744 095		261 346 570 (2021: 261 346 570) ordinary shares of no par value	202 218	209 840
			Share premium		
2 900 902	2 744 095			202 218	209 840
		15.3	**Reconciliation of number of shares issued:**		
261 346 570	261 346 570		Balance at beginning of the year	261 346 570	261 346 570
261 346 570	261 346 570		Balance at end of the year	261 346 570	261 346 570
		15.4	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.		
		16	**Other equity and reserves**		
		16.1	**Treasury shares**		
			Opening balance	2 667	2 103
			Repurchased during the year	7	564
			Closing balance	2 674	2 667
			The company acquired 16 870 (2021: 1 410 737) of its own shares through purchases on the JSE by its wholly owned subsidiary, Imbali Props 21 (Pty) Limited during the year, and now holds a total of 4 383 460 own shares. The total amount paid to acquire the shares was £6 556 (R137 563) and has been deducted from shareholders's equity.		
		16.2	**Non-distributable reserves**	(24 346)	(26 701)
			Foreign currency translation reserve	(25 373)	(27 295)
			Cash flow hedging reserve – refer note 16.4	167	(159)
			Revaluation reserve	634	634
			Share based payment reserve	226	119
		16.3	**Distributable reserve**		
(152 893)	(160 253)		(Accumulated loss)/retained earnings	62 388	42 110
(152 893)	(160 253)			38 042	15 409
			During the year dividends of £7 614 521 (2021: £7 498 353) were declared and paid out of share premium as approved by the board of directors. The Rand equivalent of these declarations were R156 807 942 (2021: R156 807 942).		
		16.4	**Cash flow hedging reserve**		
			Balance at beginning of the year	(159)	(234)
			Other comprehensive income for the year	326	75
				167	(159)

17 Non-controlling interest

		GROUP			
		Ownership interest held by non-controlling interest		2022	2021
Name of entity	Place of business	2022	2021	£'000	£'000
The Boutique Workplace Company Ltd	United Kingdom	10.0%	10.0%	(207)	(77)
Collins Property Projects (Pty) Ltd	South Africa	25.7%	25.7%	41 897	34 431
Dimopoint (Pty) Ltd	South Africa	30.0%	30.0%	11 724	11 512
Applemint 24 (Pty) Ltd	South Africa	31.1%	31.1%	311	320
Atterbury Matola Mauritius Limited	Mozambique	25.0%	25.0%	455	228
TC Mozambique Properties Ltd	Mozambique	25.0%	25.0%	(662)	(662)
Atterbury Pemba Properties Limited	Mozambique	25.0%	25.0%	(1 599)	(1 220)
Other Tradehold Africa group subsidiaries	Mozambique	25.0%	25.0%	(31)	(35)
Other Collins South Africa group subsidiaries	South Africa	10% – 50%	10% – 50%	(34)	14
				51 854	44 511

17.1 Summarised information on subsidiaries with material non-controlling interests

Set out below is the summarised financial information for each subsidiary that has non-controlling interests that are material to the group.

	Collins Property Projects (Pty) Ltd		Dimopoint (Pty) Ltd		The Boutique Workplace Company Ltd	
Summarised balance sheet	2022 £'000	2021 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Current						
Assets	36 787	21 997	1 434	6 025	7 290	10 928
Liabilities	(23 492)	(16 189)	(2 418)	(1 836)	(2 322)	(9 488)
Total current net assets	13 295	5 808	(984)	4 190	4 969	1 440
Non-current						
Assets	478 403	451 779	75 351	71 869	56 194	65 694
Liabilities	(320 080)	(314 984)	(41 979)	(44 095)	(64 427)	(67 535)
Total non-current net assets	158 323	136 796	33 371	27 774	(8 233)	(1 841)
Net assets	171 618	142 604	32 387	31 963	(3 264)	(401)
Summarised income statement						
Revenue	46 678	42 335	8 554	7 911	18 075	18 546
Profit/(loss) before taxation	41 204	(6 386)	10 373	1 382	(697)	(875)
Taxation	(10 483)	(1 971)	(2 510)	(173)		169
Other comprehensive income/(loss)	(539)	(68)		–	(1 226)	
Total comprehensive income/(loss)	30 181	(8 425)	7 863	1 208	(1 923)	(706)
Total comprehensive income/(loss) allocated to non-controlling interests	9 776	(1 796)	2 359	363	(123)	
Distributions paid to non-controlling partners	(2 379)	(2 714)	(2 356)		–	

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

17 Non-controlling interest (continued)

17.1 Summarised information on subsidiaries with material non-controlling interests (continued).

	Collins Property Projects (Pty) Ltd		Dimopoint (Pty) Ltd		The Boutique Workplace Company Ltd	
Summarised cash flows	**2022 £'000**	**2021 £'000**	**2022 £'000**	**2021 £'000**	**2022 £'000**	**2021 £'000**
Net cash (used in)/generated from operating activities	13 427	4 332	(4 345)	2 453	(4 152)	5 214
Net cash (used in)/generated from investing activities	(6 690)	(3 791)	2 906	2 882	(315)	(207)
Net cash (used in)/generated from financing activities	(5 755)	1 351	(3 390)	(1 807)	(905)	(640)
Net increase in cash and cash equivalents	981	1 892	(4 830)	3 528	(5 371)	4 367
Cash and cash equivalents at beginning of the year	9 458	7 913	5 473	2 034	7 335	2 968
Effect of changes in exchange rate	122	(347)	72	(89)	–	–
Cash and cash equivalents at end of the year	10 561	9 458	715	5 473	1 964	7 335

The amounts shown above are before inter-company eliminations.

18 Preference share liability

18.1 Authorised:

131 750 000 (2021: 131 750 000) non-convertible, non-participating, non-transferable redeemable preference shares of no par value

65 000 000 (2021: 65 000 000) cumulative, redeemable "A" preference shares of no par value

10 000 000 (2021: 10 000 000) "B" unspecified preference shares of no par value

10 000 000 (2021: 10 000 000) "C" unspecified preference shares of no par value

10 000 000 (2021: 10 000 000) "D" unspecified preference shares of no par value

10 000 000 (2021: 10 000 000) "E" unspecified preference shares of no par value

Due to an error identified in the current financial year, the prior year authorised B, C, D and E unspecified preference shares have been restated.

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		18.2	**Issued**		
1 082	1 082		108 243 720 (2021: 108 243 720) non-convertible, non-participating, non-transferable redeemable preference shares of no par value – Titan Global Investments (Pty) Ltd – refer note 18.3	52	52
1 039 017	1 015 469		1 003 488 (2021: 1 028 454) cumulative redeemable "B" preference shares of R1 000 each – issued to FirstRand Bank Ltd acting through its Rand Merchant Bank division – refer note 18.4 and 34.9	49 081	49 574
1 040 099	1 016 551			49 133	49 626

18.3 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.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

18 Preference share liability (continued)

18.4 The 1 003 488 cumulative redeemable "B" preference shares were issued to FirstRand Bank Ltd acting through its Rand Merchant Bank division 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 of approximately 1% of the subscription amount is likely to be redeemed semi-annually, with the remaining balance redeemable on 20 June 2022. Subsequent to the year end, the final redemption date was extended until 31 August 2023.

COMPANY 2021 R'000	COMPANY 2022 R'000		GROUP 2022 £'000	GROUP 2021 £'000
1 110 855	1 039 017	Balance at beginning of the year	49 574	55 435
(67 749)	(24 966)	Repaid during the year	(1 226)	(3 178)
—	—	Foreign exchange movement	663	(2 492)
1 617	1 280	Deferred finance charges	63	76
67 014	57 745	Interest accrued	2 835	3 144
(72 720)	(57 607)	Interest paid	(2 828)	(3 411)
1 039 017	1 015 469	Balance at end of the year	49 081	49 574
1 039 017	1 015 469	Short term portion (due for redemption on 20 June 2022)	49 081	49 574

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 fixed interest. The derivative financial instrument is adjusted for fair value movements in the hedged risk – refer note 20.3

The group is in breach of the group net asset value covenant, as well as further Moorgarth entity specific loan to value, interest cover ratio and vacancy ratio covenants measured at the reporting date (2021: breach of the group net asset value covenant, Moorgarth entity specific loan to value, interest cover ratio and vacancy ratio covenants). The lender has waived all non-compliance, as well as extended the facility up to 31 August 2023 subsequent to the reporting date – refer note 34.8 and 38.

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

		GROUP	
		2022 £'000	2021 £'000
			Restated
19	**Long-term borrowings**		
19.1	**Consisting of:**		
	Financial liabilities at amortised cost – non-current portion	349 267	357 852
	Prior year – originally reported		348 139
	Prior year restatement – reallocation of loan to Nedbank from long term borrowings – refer note 8.5		9 713
	Prior year – after restatement		357 852

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.

		2022 £'000	2021 £'000
19.1.1	**HSBC loan (The Boutique Workplace Company Limited) – secured**		
	Balance at beginning of the year	5 830	6 681
	Repaid during the year	(905)	(948)
	Interest	243	97
	Balance at end of the year	5 168	5 830

On 1 December 2015 The Boutique Workplace Company Limited (a subsidiary of Moorgarth Holdings (Luxembourg) S.à r.l.) entered into a 5 year term loan facility of £6.400,000 to finance the acquistion of Ventia Group Limited and subsidiaries, a Serviced Office operator in London. The loan was refinanced for £7.000,000 on 23 September 2019 and the capital is repayable in quarterly instalments of £160.000, and the balance on 23 September 2024.

Interest is calculated at an annual rate of 3.5% + UK SONIA and payable quarterly.

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.

The loan is subject to the following loan covenants:
Interest cover ratio more than 400% (Adjusted EBITDA) ; debt service cover ratio more than 125% (Adjusted EBITDA)

Covenants were breached throughout the year due to the trading lossess of the entity; waivers were provided for both ratios both forward and backwards looking for the first 3 quarters of the year. By completion of the fourth quarter the covenant ratios returned to being compliant forward looking, though still in breach looking backwards. Full waivers were given by HSBC in relation to all breaches and assurances were given that any further breaches would also be waived. Boutique continued to meet all repayment obligations in full during the period and cashflow forecasts show no signs of any repayment issues moving forward.

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
19	**Long-term borrowings (continued)**		
19.1	**Consisting of (continued):**		
19.1.2	**Canada Life**		
	Balance at beginning of the year	30 711	32 197
	Repaid during the year	(1 697)	(1 697)
	Interest	1 298	211
	Balance at end of the year	30 312	30 711

On 19 October 2017 Moorgarth Property (Luxembourg) S.à r.l., Wandle Point Management Ltd, Inception Living S.à r.l. 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 utilised to refinance the borrowers' loans with HSBC.

Interest on the loan facility is fixed at 3.41% per annum over the term of the loan and is payable quarterly.

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 repayable on 18 October 2027.

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

Loan covenants are: loan to value less than 65%, actual and projected interest cover ratio more than 190%

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

		GROUP 2022 £'000	GROUP 2021 £'000
19.1.3	**Shandon Investments Ltd – Unsecured.**		
	Balance at beginning of the year	140	151
	Repaid during the year	(5)	(5)
	Interest	16	(6)
	Balance at end of the year	151	140

On 1 July 2015 Wandle Point Management Ltd 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% + UK SONIA and accrues over the term of the loan with all accrued interest and capital repayable on demand.

The loan is an unsecured loan from a development partner, and has been classified as current.

		GROUP	
		2022 £'000	2021 £'000
19.1.4	**HSBC (Moorgarth Living Ltd) – secured**		
	Balance at beginning of the year	9 645	9 779
	Repaid during the year	(527)	(323)
	Interest	327	188
	Balance at end of the year	9 445	9 645

On 12 September 2018 Moorgarth Living Ltd (a subsidiary of Moorgarth Holdings (Luxembourg) S.à r.l.) entered into a 5 year loan facility of £9 720 000 with HSBC, to fund the acquisition and refurbishment of a commercial property, 71-73 Carter Lane, London.

Interest is calculated daily at an annual rate of 2.10% + UK SONIA and payable quarterly, with capital payable quarterly at 1% per annum, and the balance in September 2023.

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.

Loan covenants are: loan to value less than 65%; historic and projected interest cover ratio more than 150%; debt service cover ratio more than 105%

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

		2022 £'000	2021 £'000
19.1.5	**HSBC (Moorgarth Euston Ltd)**		
	Balance at beginning of the year	11 552	11 679
	Repaid during the year	(394)	(345)
	Interest	377	218
	Balance at end of the year	11 535	11 552

On 27 March 2019 the group entered into a 5 year loan facility of £11 640 000 with HSBC, to fund the acquisition of a commercial property known as Connolly Works, 41-43 Chalton Street, London.

Interest is calculated daily at an annual rate of 2.10% + UK SONIA and payable quarterly, with capital payable quarterly after 2 years at 1% per annum, and the balance on 26 March 2024.

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

Loan covenants are: loan to value less than 65%; historic and projected interest cover ratio more than 150%

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
19	**Long-term borrowings (continued)**		
19.1	**Consisting of (continued):**		
19.1.6	**UK Government Bounce Back Loan Scheme/HSBC**		
	Balance at beginning of the year	350	
	Drawn during the year		350
	Repaid during the year	(27)	
	Interest	2	
	Balance at end of the year	325	350

In the prior year the group entered into a 6 year loan facility of £350.000 with HSBC, for purposes of UK government backed Covid-19 lending support.

Interest is calculated daily at an annual rate of 2.5% and payable monthly in years 2 to 6, and capital is repayable in 2026.

The loan is unsecured.

		GROUP 2022 £'000	GROUP 2021 £'000
19.1.7	**Standard Bank – secured**		
	Balance at beginning of the year	4 046	4 818
	Repaid during the year	(612)	(599)
	Interest	225	288
	Foreign currency translation differences	230	(461)
	Balance at end of the year	3 889	4 046

On 11 September 2017 Pemba Investment Company Limitada drew down on an USD11.000,000 facility with Standard Bank for the development of a shopping mall in Pemba, Mozambique.

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 USD11 million provided by Tradegro Holdings (Pty) Limited.

Loan covenants are: net asset value of Tradegro Holdings (Pty) Ltd must not be less than GBP 75M; loan to value ratio must be less than 45%; interest cover ratio may not be less than 1.05 times; debt service cover ratio may not be less than 1.8 times; the vacancy ratio may not be more than 10%

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

	GROUP 2022 £'000	GROUP 2021 £'000
19.1.8 RMB (First National Bank South Africa) – secured		
Balance at beginning of the year	3 133	3 811
Repaid during the year	(330)	(617)
Interest	255	308
Foreign currency translation differences	178	(369)
Balance at end of the year	3 236	3 133

On 7 September 2016 Atterbury Matola Limitada entered into a 5 year term loan of up to USD6 000 000 to puchase a property in Maputo.

Interest is calculated at an annual fixed rate of 7.756847% LIB01 NACM on USD5.5 million and an annual fixed rate of 8.226% LIB01 NACM on the balance and payable monthly, and the final outstanding capital amount was due for settlement at the end of the 5 year term, in September 2021.

Terms have been agreed with RMB to extend this facility for a further 4 year term on similar terms. As agreements have not yet been signed for the refinance, the loan has been classified as current.

The loan is secured by corporate guarantees provided by group entities.
Loan covenants are: loan to value ratio will not exceed 80%

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

	GROUP 2022 £'000	GROUP 2021 £'000
19.1.9 Nedbank South Africa – secured		
Balance at beginning of the year	14 333	16 029
Drawn during the year	13 745	
Repaid during the year	(13 505)	(2 090)
Interest	889	1 079
Foreign currency translation differences	(1 882)	(685)
Balance at end of the year	13 580	14 333

Interest is calculated at variable rates of 3 month JIBAR plus a gross margin of 3.01% and 3 month JIBAR plus a gross margin of 2.90%, and is payable monthly.

Capital of N$ 8 million is payable within 12 months and the remaining balance in similar annual instalments, with a final repayment date of 13 April 2026.
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.

Loan covenants are: Nguni Property Fund Ltd to remain a 100% subsidiary of Tradegro Holdings (Pty) Ltd and, in turn, Tradegro Holdings Ltd to remain a 100% subsidiary of Tradehold Ltd for the duration of the loan.

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
19	**Long-term borrowings (continued)**		
19.1	**Consisting of (continued):**		
19.1.10	**Investec Bank Ltd – secured**		
	Balance at beginning of the year	4 932	5 704
	Repaid during the year	(340)	(887)
	Interest	377	359
	Foreign currency translation differences	58	(244)
	Balance at end of the year	5 027	4 932

Interest is calculated at a variable rate of Investec Prime and is payable monthly. On 16 March 2021 the loan was extended for a further 5 year term.

Capital is repayable in monthly instalments, with a final repayment date on 16 March 2026.

The loan is wholly secured by the investment property in Gobabis, Namibia.

		2022	Restated 2021
19.1.11	**Nedbank South Africa**		
	Opening balance – originally reported	—	206 102
	Opening balance – restatement – reallocation of deposits at Nedbank to loans receivable – refer note 8.5	197 098	—
	Prior year restatement – reallocation of deposits at Nedbank to loans receivable – refer note 8.5	—	9 712
	Drawn during the year	6 439	86 851
	Repaid during the year	(26 441)	(115 573)
	Interest	17 264	18 732
	Foreign currency translation differences	2 296	(8 726)
	Balance at end of the year	196 656	197 098

Interest is calculated monthly across multiple facilities at the following variable rates (i) South African prime rate less 0.75% to plus 3% (ii) South African 3-month JIBAR plus 2.17% to plus 2.20%. In addition certain facilities are at fixed rates ranging from 7.68% to 11.79%. All interest is payable monthly.

Capital of ZAR154.4 million is payable within 12 months and the remaining balance in similar annual instalments, with the final repayment dates ranging from 2022 to 2030.

The liability is wholly secured by:
- the investment properties within South Africa; and
- execution of limited joint and several suretyships and guarantees from Tradegro Holdings (Pty) Ltd.

Loan covenants are: Imbali Props 21 (Pty) Ltd net asset value to exceed R 1 billion.

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

In July 2020 a group entity Saddle Path Props 69 (Pty) Ltd advanced a deposit to Nedbank South Africa of R200 million, which was ceded as a cash guarantee to Nedbank as security for the Nedbank borrowings of a felllow subsidiary Dimopoint (Pty) Ltd, and disclosed in error as a reduction in the borrowings shown above.

In January 2021 a group entity Imbali 21 (Pty) Ltd advanced a deposit to Nedbank South Africa of R27 million, as security enhancement for the refinancing of the Nedbank borrowings relating to the Nampak property portfolio, and disclosed in error as a reduction in the borrowings shown above.

During the current financial year it was identified that legal set-off against the Nedbank borrowings was not permissible, and consequently these two receivables have been reallocated to loans receivable, requiring prior year restatements of the related borrowings and loans receivable – refer note 8.5.

	GROUP	
	2022 £'000	2021 £'000
19.1.12 RMB (First National Bank South Africa) preference shares		
Balance at beginning of the year	17 220	
Drawn during the year		17 033
Repaid during the year	(790)	(342)
Interest	816	520
Foreign currency translation differences	211	9
Balance at end of the year	17 457	17 220

Interest is calculated at South African 3-month JIBAR plus 1.97% and paid quarterly.

The capital is repayable in June 2023.

The liability is wholly secured by:
Existing registered bond over property and cession of lease agreement, insurance and related rights over the property.

Loan covenants are: group – loan to value is not more than 65%, interest cover ratio is not less than 1.45 times; net asset value is not less than R1.5 billion; property – loan to value is not more than 85%; interest cover ratio is not less than 1.5 times.

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

	GROUP	
	2022 £'000	2021 £'000
19.1.13 Investec Bank Limited South Africa		
Balance at beginning of the year	57 683	35 754
Drawn during the year	34 432	46 255
Repaid during the year	(43 377)	(27 073)
Interest	4 896	4 244
Foreign currency translation differences	675	(1 497)
Balance at end of the year	54 309	57 683

Interest is calculated monthly across multiple facilities at variable rates of South African prime rate less 0.5%, and at fixed rates of 6.98% to 10.40%. All interest is payable monthly.

Capital of ZAR148.6 million is payable within 12 months and the remaining balance in similar annual instalments, with the final repayment dates ranging from 2022 to 2027.

The loans are wholly secured by:
- investment properties within South Africa,
- execution of limited joint and several suretyships and guarantees from Tradegro Holdings (Pty) Ltd.

Loan covenants are: Imbali Props 21 (Pty) Ltd and Applemint 24 (Pty) Ltd to maintain a loan to value of 80%.

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP	
		2022 £'000	2021 £'000
19	**Long-term borrowings (continued)**		
19.1	**Consisting of (continued):**		
19.1.14	**Sanlam South Africa**		
	Balance at beginning of the year	1 992	2 473
	Repaid during the year	(2 132)	(580)
	Interest	116	204
	Foreign currency translation differences	24	(105)
	Balance at end of the year	–	1 992

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

The loan was settled in April 2021.

		2022 £'000	2021 £'000
19.1.15	**Absa Bank South Africa**		
	Balance at beginning of the year	18	27
	Drawn during the year	3	
	Repaid during the year	(22)	(9)
	Interest	1	1
	Foreign currency translation differences	–	(1)
	Balance at end of the year	–	18

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

The loan was settled in February 2022.

		2022 £'000	2021 £'000
19.1.16	**Rand Merchant Bank South Africa**		
	Balance at beginning of the year	2 625	19 989
	Drawn during the year	944	2 795
	Repaid during the year	(697)	(20 191)
	Interest	275	894
	Foreign currency translation differences	30	(862)
	Balance at end of the year	3 177	2 625

Interest is calculated at rates varying between South African prime, Jibar 3 month rate plus 2.5% and a fixed rate of 9.99%, and all interest is payable monthly.

The capital is repayable between October 2022 and April 2025.

The loan is wholly secured by:
- investment property within South Africa, and
- execution of limited joint and several suretyships and guarantees from Tradegro Holdings (Pty) Ltd, in favour of Rand Merchant Bank.

Loan covenants are: Saddle Path Props 69 (Pty) Ltd net asset value to exceed R 600 million.

The entity has complied with the financial covenants of its borrowing facilities during the 2022 and 2021 reporting period.

		GROUP	
		2022 £'000	2021 £'000
19.1.17	**Raiffeisen-Landesbank Oberösterreich AG (Austria)**		
	Balance at beginning of the year	9 434	
	Acquisition on 26 February 2021		9 434
	Drawn during the year	13 009	
	Repaid during the year	(9 099)	
	Interest	231	
	Foreign currency translation differences	(869)	
	Balance at end of the year	12 706	9 434

The borrowing was acquired as part of the acquisition on 26 February 2021 of a retail property portfolio located in Austria comprising 6 separate properties each with single tenanted long dated leases, and refinanced during the year.

Interest is calculated at a variable rate of 3-month EURIBOR plus 2.20% per annum, adjusted quarterly.

Interest and capital are payable quarterly, with a final repayment date in June 2026.

The liability is wholly secured by investment property within Austria

		GROUP	
		2022 £'000	2021 £'000
19.1.18	**Salzburger Landes-Hypothekenbank AG (Austria)**		
	Balance at beginning of the year	2 867	
	Acquisition on 26 February 2021		2 867
	Repaid during the year	(3 156)	
	Interest	41	
	Foreign currency translation differences	248	
	Balance at end of the year	–	2 867

The borrowing was acquired as part of the acquisition on 26 February 2021 of a retail property portfolio located in Austria comprising 6 separate properties each with single tenanted long dated leases.

Interest is calculated at the following rates: variable of 6-month EURIBOR plus 2.25% per annum, adjusted bi-annually and fixed of 3.25% per annum.

The loan was settled in June 2021.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP	
		2022 £'000	2021 £'000
19	**Long-term borrowings (continued)**		
19.1	**Consisting of (continued):**		
19.1.19	**Waldviertler Sparkasse Bank AG (Austria)**		
	Balance at beginning of the year	1 470	
	Acquisition on 26 February 2021		1 470
	Repaid during the year	(1 603)	
	Interest	17	
	Foreign currency translation differences	116	
	Balance at end of the year	–	1 470

The borrowing was acquired as part of the acquisition on 26 February 2021, of a retail property portfolio located in Austria comprising 6 separate properties each with single tenanted long dated leases.

Interest is calculated at the following rates: variable of 3-month EURIBOR plus 2.00% per annum, adjusted quarterly and fixed of 3.00% per annum.

The loan was settled in June 2021.

		2022 £'000	2021 £'000
19.1.20	**Supernova Invest GmbH**		
	Balance at beginning of the year	4 418	
	Drawn during the year	446	4 418
	Repaid during the year	(1 168)	
	Interest	97	
	Foreign currency translation differences	(172)	
	Balance at end of the year	3 621	4 418

The loan comprises financial assistance from the seller for the acquisition on 26 February 2021 of a retail property portfolio located in Austria comprising 6 separate properties each with single tenanted long dated leases.

Interest is calculated at 3 month EURIBOR rate plus 2.5% per annum, with a minimum interest rate of 2.5% per annum and payable quarterly.

Capital is repayable as follows: Facility A – repay in equal instalments of EUR 146.625 on last day of each calendar quarter starting on 30 June 2021. Facility B – repay in equal instalments of EUR 25.875 on last day of each calendar quarter starting on 30 June 2021. Facility C & D – repaid on 28 February 2026 in full. Any outstanding amounts repayable on 28 February 2026.

The liability is wholly secured by:
Rights cession of shares in issue and any future share issues by Collins Aus Holdings GMBH and Collins Aus Investments GMBH in favour of the lender.

		2022 £'000	2021 £'000
19.2	**The group has access to the following undrawn borrowing facilities at the end of the reporting period:**		
	Expiring beyond one year:		
	Canada Life	2 508	2 508
	RMB (First National Bank South Africa)	1 715	1 625
		4 223	4 133
19.3	**Analysis of long-term borrowings:**		
	Non-current	349 267	357 852
	Current – refer note 23.1	21 328	21 644
		370 595	379 496

		GROUP	
		2022 £'000	2021 £'000
20	**Derivative financial instruments**		
20.1	**Consisting of:**		
	Designated as a cash flow hedge – refer note 20.2	(88)	347
	Fair value through profit and loss – held for trading – refer note 20.3	6 732	7 731
	Fair value through profit and loss – held for trading – refer note 20.5	2 017	
		8 661	8 078

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as non-current assets or liabilities to the extent they are expected to be settled in more than 12 months after the end of the reporting period. The group's accounting policy for its cash flow hedges is set out in Accounting policies note 20. Further information about the derivatives used by the group is provided below.

		2022 £'000	2021 £'000
20.2	**HSBC – secured**		
	Market to market value of interest rate swap	(88)	347
	Balance at beginning of the year	347	374
	Mark-to-market adjustments – recognised through other comprehensive income	(435)	(27)
	Balance at end of the year	(88)	347

On 21 January 2019 Moorgarth Living Ltd entered into an interest rate swap, whereby the interest rate on a loan amount of £5 300 000 was fixed. HSBC performed a mark to market valuation at 28 February 2022 which showed a potential gain of £4 033. The swap matures on 20 October 2023.

On 23 April 2019 Moorgarth Euston Ltd entered into an interest rate swap, whereby the interest rate on a loan amount of £5 700 000 was fixed. HSBC performed a mark to market valuation at 28 February 2021 which showed a potential gain of £83 923. The swap matures on 22 March 2024.

The group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, the economic relationship was 100% effective.

Hedge ineffectiveness for interest rate swaps may occur due to:
- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

There was no ineffectiveness during 2022 or 2021 in relation to the interest rate swaps.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
20	**Derivative financial instruments (continued)**		
20.3	**Rand Merchant Bank GBP ZAR cross currency interest rate swap**		
	Fair value at end of the year – refer note 34.9	6 732	7 731
	Balance at beginning of the year	7 731	5 900
	Interest	(1 759)	(1 979)
	Settled in cash during the year	1 548	1 824
	Fair value adjustment through profit and loss	(788)	1 986
	Balance at end of the year	6 732	7 731

The cross currency interest rate swap 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 a capital value of the liability of £62.968,000 and a total cost of funds of [GBP LIBOR + 1.66%].

The swap matured on 20 December 2021, and was settled through a new cross currency interest rate swap entered into with Rand Merchant Bank, on the same exchange rate and Rand dividend rate as the above, but at a fixed GBP interest rate of 2.535%, maturing on 3 August 2022. The swap is unsecured.

Rand Merchant Bank performed a mark to market valuation at year end, which shows a potential loss of £6.731,826 on the swap, resulting from the aggregate of the ZAR depreciation against the £ since the inception date (with the profit reflected in the preference share liability), and the margin earned by Rand Merchant Bank on the derivative.

During May 2022 the lender extended the B preference share facility until 31 August 2023. The holder intends to extend the derivative on similar terms as the existing derivative, to correspond to the final maturity date of the B preference share facility – refer note 18.4.

		GROUP 2022 £'000	GROUP 2021 £'000
20.4	**Nedbank/Rand Merchant Bank CPI hedge**		
	Fair value at end of the year		–
	Balance at beginning of the year		12 927
	Fair value adjustment through profit and loss		(1 155)
	Settlement of derivative		(10 729)
	Disposal		(219)
	Loss on disposal		(52)
	Foreign currency translation differences		(772)
	Balance at end of the year		–

		GROUP	
		2022 £'000	2021 £'000
20.5	**Nedbank/Rand Merchant Bank Interest rate hedge**		
	Fair value at end of the year	2 017	—
	Balance at beginning of the year	—	
	Interest	372	
	Settled in cash during the year	(372)	
	Fair value adjustment through profit and loss	2 049	
	Foreign currency translation differences	(32)	
	Balance at end of the year	2 017	

On 1 April 2021 Saddle Path Props 69 (Pty) Ltd entered into an interest rate swap with Nedbank Limited, whereby the interest rate of 3M JIBAR on a loan amount of ZAR619 000 000 was fixed at 5.2% nacq. Nedbank performed a mark to market valuation at 28 February 2022 which showed a potential loss of ZAR12 581 374. Interest is reset and paid quarterly, and the swap matures on 1 April 2025.

On 5 June 2020 and 5 March 2021 Imbali Props 21 (Pty) Ltd entered into an interest rate swap with RMB (FirstRand Bank Limited), whereby the interest rate of 3M JIBAR on a loan amount of ZAR307 000 000 and ZAR50 000 000 was fixed at 8.74% and 4.98% nacq respectively. RMB performed a mark to market valuation at 28 February 2022 which showed a potential loss of ZAR 29 155 808. Interest is reset and paid quarterly and the swap matures on 5 May 2024.

		2022 £'000	2021 £'000
20.6	**Analysis of derivative financial instruments:**		
	Non-current	1 929	347
	Current	6 732	7 731
		8 661	8 078

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.

21 Deferred revenue

		2022 £'000	2021 £'000
21.1	**Consisting of:**		
	Rent received in advance	5 685	6 500
21.2	**Movements in deferred revenue**		
	Opening balance	6 500	6 683
	Additions	5 875	6 478
	Transferred to profit or loss	(6 559)	(6 674)
	Foreign currency translation differences and forex losses	(131)	13
	Closing balance	5 685	6 500

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		22	**Trade and other payables**		
			Trade payables	2 947	4 699
1 278	1 420		Other payables and accrued expenses	4 178	5 860
			Dilapidations provision	3 430	3 490
			Deposits held	2 887	2 759
			Lease guarantee liability	24	96
			Deferred income	2 188	1 149
			Social security and other taxes	1 173	1 724
1 278	1 420			16 827	19 776
			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.		
		22.1	**The carrying amount of trade and other payables are denominated in the following currencies:**		
			Pound Sterling	7 726	11 689
1 278	1 420		South African Rand	4 248	3 178
			United States Dollar	3 427	3 204
			Namibian dollar	386	410
			Other – Swiss franc/Euro/Zambian Kwacha	1 040	1 295
1 278	1 420			16 827	19 776
		23	**Short-term borrowings**		
		23.1	**Consisting of:**		
			Short term portion of long-term loans – refer note 19.3	21 328	21 644
			Demashuwa Property Developers (Pty) Limited – refer note 23.2	979	1 315
			Springlea Limited	—	30
			Other – secured and unsecured	751	828
				23 058	23 817
		23.2	**Demashuwa Property Developers (Pty) Limited**		
			Balance at beginning of the year	1 315	1 608
			Interest		112
			Repaid during the year	(353)	(337)
			Foreign currency translation differences	17	(68)
			Balance at end of the year	979	1 315

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

The loan is interest free, is unsecured and has no terms of repayment.

	GROUP	
	2022 £'000	2021 £'000

24 Revenue

	2022 £'000	2021 £'000
Rental income		
Rental income – Industrial	38 441	36 284
Rental income – Retail	17 152	11 495
Rental income – Offices	6 592	8 645
Rental income – Leisure	636	735
Rental income – Residential	549	598
Boutique serviced office revenues	17 911	18 485
Total rental income	81 281	76 242
Property management	948	963
Deduct: rental income from group companies	(2 990)	(2 931)
Revenue from external customers	79 239	74 274

Timing of revenue recognition	2022 Over time	2022 Total	2021 Over time	2021 Total
Rental income	59 511	59 511	52 571	52 571
Rental income – straightline leases	869	869	2 254	2 254
Boutique serviced office revenues	17 911	17 911	18 485	18 485
Property management	948	948	964	964
	79 239	79 239	74 274	74 274

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		25	**Other operating income**		
	11		Management fees received from associates	318	328
			Boutique rent concessions		145
			Insurance proceeds	1 441	17
			Sundry income	976	703
–	11			2 735	1 193
		26	**Operating profit/(loss)**		
		26.1	**Determined after taking into account the following:**		
50	66		Employee benefits expenses	6 521	5 903
50	66		Salaries, wages and service benefits	6 516	5 897
			Retirement benefit contributions	5	6
			Net foreign exchange losses	(384)	(579)
2 417	2		Foreign exchange rate losses – realised		353
			Foreign exchange rate losses – unrealised	436	–
	(695)		Foreign exchange rate profits – unrealised	(1)	(932)
			Foreign exchange rate profits – realised	(819)	
1 694	1 848		Auditors' remuneration	322	351
1 465	1 772		Audit fees – for this year	318	340
229	76		– under provided in the previous year	4	11
4 178	4 305		Fees paid for outside services	457	571
1 729	1 628		Administrative	261	416
			Accounting fees	33	28
382	407		Secretarial	52	40
2 067	2 271		Management and director	111	87
			Net impairment losses on financial assets relating to:	(378)	9 587
			Loss allowance on trade receivables	(765)	937
			Loss allowance on other receivables	19	420
			Loss allowance on loans receivable	–	
			Loss allowance on loans to associates	(354)	26
			Loss allowance on loans to joint venture	722	8 204
			Loss relating to civil unrest	1 416	–
96	209		Operating leases – buildings	28	24
			(Profit)/Loss on disposal of investment properties	(1 640)	817
			Profit on disposal and scrapping of property, plant and equipment	(1)	(4)
11	268		Travel and office costs	395	322
			Advertising cost	128	167
			Repairs and maintenance	2 441	609
			Boutique operating costs	5 366	5 479
452	440		Professional and letting fees	458	843
			Legal and professional fees	622	632
			Unrecovered rates	2 088	1 768
			Unrecovered property costs	824	479
			Unrecovered service charge	1 112	2 363

	GROUP 2022 £'000	GROUP 2021 £'000
26.2 Directors' and prescribed officers remuneration		
26.2.1 Non-executive directors	137	144
Executive directors	803	855
Prescribed officers	545	419
	1 485	1 419

	Consulting fees £'000	Director fees £'000	Total £'000	Total £'000
26.2.2 Non-executive directors				
KR Collins	21	21	42	44
LL Porter	—	17	17	18
MJ Roberts	—	10	10	11
HRW Troskie	—	26	26	27
CH Wiese	—	42	42	44
	21	116	137	142

	Basic remuneration £'000	Variable remuneration £'000	Total £'000	Total £'000
26.2.3 Executive directors				
FH Esterhuyse	156	67	223	140
DA Harrop	—	—	—	90
KL Nordier	217	30	247	292
TA Vaughan	313	20	333	333
	686	117	803	856
Prescribed officers				
KA Searle	156	131	287	245
D Coleman	140	118	258	174
	296	249	545	419

26.2.4 Basic remuneration for 2022 comprises the following:

Executive directors	Salary £'000	Pension scheme contributions £'000	Other £'000	Total £'000
FH Esterhuyse	137	8	11	156
DA Harrop	—	—	—	—
KL Nordier	208	5	4	217
TA Vaughan	306	7		313
	651	20	15	686
Prescribed officers				
KA Searle	137	16	3	156
D Coleman	130	8	2	140
	267	24	5	296

26.2.5 Variable remuneration for 2022 comprises bonuses and performance related payments.

26.2.6 There were no share options granted to directors and prescribed officers during the year – refer note 36.1.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
					Restated
		27	**Finance income and cost**		
	—		Finance cost on short-term borrowings	9	560
			Finance cost on long-term borrowings – refer note 19.1.11	26 646	27 569
			Finance cost fixed interest derivatives	372	10 729
67 014	57 745		Dividends on preference shares classifed as debt	2 835	3 144
			Interest expense on lease liabilities	1 714	1 973
1 617	1 280		Deferred finance charge	730	834
643			Other finance cost	76	12
			Finance cost expensed	32 382	44 821
			Amount capitalised	873	597
69 274	59 025		Total finance cost	33 255	45 418
(80)	(121)		Interest income on short-term bank deposits	(275)	(437)
			Interest received from UReit	(447)	(682)
(67 015)	(57 726)		Interest received from Nedbank – prior year restated – refer note 80.2	(666)	(336)
			Interest received from associates	(138)	(49)
			Interest received from joint ventures	(1 144)	(1 252)
			Finance charge received on derivative	(1 768)	(2 230)
	(830)		Other finance income	(150)	(660)
(67 095)	(58 677)		Total finance income	(4 588)	(5 646)
2 179	348		Finance cost – net	28 668	39 773

The capitalised long term borrowings costs of £873 000 (2021: £597 000) have been capitalised to investment property.

				GROUP 2022 £'000	GROUP 2021 £'000
		28	**Taxation**		
		28.1	**Classification:**		
			South African normal taxation	10 465	2 546
			Foreign taxation	(1 177)	(1 713)
				9 288	833
		28.2	**Consisting of:**		
			Current taxation on profits for the year	4 042	1 500
			Under/(over) provision in prior periods	235	(268)
			Total current tax expense	4 277	1 232
			Deferred income tax – refer note 9	5 011	(400)
			(Increase)/decrease in deferred tax assets	(922)	2 046
			Increase/(decrease) in deferred tax liabilities	5 933	(2 445)
				9 288	833

COMPANY			GROUP			
2021 R'000	2022 R'000		2022 %	2022 £'000	2021 %	2021 £'000
		28.3 Reconciliation of tax payable at normal rate to income tax expense:				
28	28	South African normal tax rate/tax expense	28.0%	10 938	28.0%	(11 509)
(28)	(28)	Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	-4.2%	(1 650)	-30.0%	12 340
		Fair value adjustment on investment property tax rate differential	-0.1%	(53)	-8.9%	3 653
		Utilisation of tax losses not previously recognised to reduce deferred tax expense	0.9%	346	-1.5%	603
		Utilisation of tax losses not previously recognised to reduce current tax expense	6.3%	2 465	0.0%	4
		Non-deductible expenses – loss on disposal of investment property			-1.3%	548
		Non-deductible expenses – fair value of shares/investments	1.7%	665	-9.3%	3 808
(35)	(35)	Other non-deductible expenses	-1.7%	(682)	0.0%	11
		Exempt income – lease smoothing	0.2%	78	0.1%	(46)
		Exempt income – dividends received	-2.5%	(984)	8.0%	(3 286)
		Exempt income – fair value of hedge/investments	0.0%		0.0%	
		Losses from joint ventures/associates	-0.1%	(56)	-5.6%	2 322
		Exempt income – Covid-19 rent concessions	0.0%		0.4%	(145)
		Other exempt income	2.2%	879	0.7%	(306)
		Foreign wealth tax/withholding tax	0.3%	114	-0.7%	290
		Change in tax rate	-6.4%	(2 505)		
7	7	Foreign tax rate differential	-5.6%	(2 191)	-12.6%	5 198
		Adjustments for current tax of prior periods	0.7%	274	0.8%	(312)
—	—	Effective tax rate/Income tax expense	23.8%	9 288	-2.0%	833

On 23 February 2022, the Finance Minister in South Africa announced in the Budget Speech that there will be a reduction in the corporate income tax rate from 28% to 27% for years of assessment ending on or after 31 March 2023. For SA operations, the change in the tax rate is considered to have been substantively enacted at the date of issue of the annual financial statements. The reduction in the corporate tax rate has impacted the measurement of the deferred tax balances and consequently, deferred tax balances for SA operations have been measured at a rate of 27% as most of these temporary differences are expected to reverse after 31 March 2023.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

		GROUP 2022 £'000	GROUP 2021 £'000
28	**Taxation (continued)**		
28.4	**Tax losses**		
	Unused tax losses for which no deferred tax asset has been recognised	6 850	4 270
	Potential tax benefit at 28.0%	1 918	1 196
29	**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.		
29.1	Profit attributable to ordinary equity holders	20 278	(39 709)
29.1.1	Weighted average number of ordinary shares in issue ('000)	256 963	257 701
	The weighted average number of ordinary shares in issue in the current year has been adjusted to take into account the 16 870 treasury shares acquired during the year. The weighted average effect of the adjustments on the number of shares in issue is 92.		
	Basic earnings/(loss) per share (pence) attributable to ordinary equity holders	7.9	(15.4)
29.1.2	Diluted number of ordinary shares ('000)	257 267	260 658
	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)	256 963	257 701
	Share options granted under employee share option scheme allocation – refer note 36.1	304	2 957
		257 267	260 659
	Diluted earnings per share (pence) attributable to ordinary equity holders	7.9	(15.2)
29.2	**Headline earnings:**		
	Basic headline earnings/(loss) per share (pence)	6.1	(1.9)
	Diluted headline earnings/(loss) per share (pence)	6.1	(1.9)

	2022 Gross	2022 Net	2021 Gross	2021 Net
Based on headline profit of		15 674		(4 963)
Profit attributable to equity holders of the company		20 278		(39 709)
Net (profit)/loss from fair value adjustment on investment property	(10 142)	(2 762)	38 662	30 020
Fair value adjustments from equity-accounted investments		(482)		3 612
(Profit)/Loss on disposal of investment properties	(1 640)	(1 027)	817	1 056
(Gain)/Loss on disposal of financial assets		(332)		62
Gain on disposal of property, plant and equipment		(1)		(4)
and the weighted average number of ordinary shares in issue of ('000)		256 963		257 701
and the diluted number of ordinary shares ('000)		257 267		260 658

COMPANY 2021 R'000	COMPANY 2022 R'000			GROUP 2022 £'000	GROUP 2021 £'000
		30	**Cash flow information**		
		30.1	**Non-cash items**		
			Depreciation charge on property, plant and equipment	1 757	2 350
			(Profit)/Loss on disposal of investment properties	(1 640)	817
			Gain on disposal of property, plant and equipment	(1)	(4)
			Fair value adjustment on right-of-use assets	5 563	5 604
			Fair value adjustment on investment properties	(15 705)	33 058
			Fair value loss on financial assets at fair value through profit or loss	1 617	2 171
			Straight line lease adjustment	(869)	(2 212)
			Impairment losses on financial assets	(378)	9 587
			Unrealised foreign exchange gains	(2)	(931)
			Provision for share-based payment expense	107	82
–	–		(Gain)/Loss on disposal of financial assets	(332)	62
	–			(9 883)	50 584
		30.2	**Changes in working capital**		
–	2 200		Trade and other receivables	3 650	7 323
(1 294)	143		Trade and other payables	(3 915)	2 935
(1 294)	2 343			(265)	10 258
		30.3	**Taxation paid**		
			Taxation per profit or loss	(9 288)	(833)
			Taxation payable at beginning of year	(1 050)	(1 136)
			Taxation (receivable)/payable at end of year	1 850	1 050
			Change in deferred taxation	5 012	(399)
				(3 476)	(1 318)

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

30 Cash flow information (continued)

30.4 Reconciliation of liabilities arising from financing activities

		Cash flows			Non-cash changes			
For the year ending 28 February 2022	Opening	Drawn/ issued during the year	Capital repaid during the year	Interest repaid/ (received) during the year	Acquired through change in control and other non-cash changes	Interest charged	Foreign currency translation differences/ deferred finance charges/ other non-cash changes	Closing
Long-term borrowings (including short term portion)	379 496	69 016	(79 385)	(27 441)		27 441	1 468	370 595
Short-term borrowings (excluding short term portion of long term borrowings)	2 174	400	(877)	(9)		9	33	1 730
Preference share liability	49 626	—	(1 226)	(2 828)	—	2 835	726	49 133
Lease liabilities	40 575		(5 400)	(1 714)	—	1 714	1 943	37 118
Derivative financial instruments held to hedge liabilities	7 731		(146)	1 695		(1 759)	(789)	6 732
	479 602	69 416	(87 034)	(30 297)		30 240	3 381	465 308
Finance charges paid (loan arrangement fees)				(77)				
Interest paid per cash flow statement				(30 374)				

Restated		Cash flows			Non-cash changes			
For the year ending 28 February 2021	Opening	Drawn/ issued during the year	Capital repaid during the year	Interest repaid/ (received) during the year	Acquired through change in control and other non-cash changes	Interest charged	Foreign currency translation differences/ deferred finance charges/ other non-cash changes	Closing
Long-term borrowings (including short term portion)	353 572	153 284	(142 627)	(28 649)	18 190	28 313	(2 587)	379 496
Short-term borrowings (excluding short term portion of long term borrowings)	15 805	571	(12 217)	(611)	134	611	(2 119)	2 174
Preference share liability	55 490	—	(3 178)	(3 411)	—	3 144	(2 419)	49 626
Lease liabilities	48 954		(5 464)	(1 973)		1 973	(2 915)	40 575
Derivative financial instruments held to hedge liabilities	5 900		(415)	2 239		(1 979)	1 986	7 731
	479 721	153 855	(163 901)	(32 406)	18 324	32 062	(8 054)	479 602
Finance charges paid (loan arrangement fees)				(11)				
Interest paid per cash flow statement				(32 417)				

		GROUP	
		2022 £'000	2021 £'000
31	**Commitments**		
31.1	**Capital commitments**		
	Significant capital expenditure contracted for at the year end but not recongnised as liabilities is as follows:		
	South Africa		
	Inanda Spar: development by Colkru Investments (Pty) Ltd to be funded by Rand Merchant Bank Ltd.	803	1 446
	Uitzicht: development by Colkru Investments (Pty) Ltd to be funded by Investec.	913	—
	Tenant installation: improvement to existing and additional rental units for an existing tenant of Imbali Props 21 (Pty) Ltd, and the works are expected to be self-funded or via bank funding. This will be done over the course of the next financial period.	610	—
	Professional fees for the Vergelegen (Mzuri) property development, to be funded via group loans.	464	
31.2	**Repairs and maintenance investment property**		
	South Africa		
	Sprinkler replacement program – requirement of the insurers in order to maintain the insurance cover in place over various properties and the works are expected to be self-funded. This will be done over the course of the next financial period.	694	379

31.3 Non-cancellable operating leases – refer note 3.1.2

32 Contingent liabilities

South Africa

Acquisition of Austrian investment and property companies – the adjustment account between sellers and the Group is still to be concluded, with the anticipated date of completion for this process is on or after 31 May 2022. As a result, there is an anticipated but unquantified amount which will need to be adjusted for on the acquisition date accounts for the finalisation of accounts, the outcome of the finalisation is expected to result in a receivable for the group against the seller.

33 Borrowing powers

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

The group is also subject to certain financial covenants with the strictest being a 65% loan-to-value covenant on its bank borrowings.

Borrowings are disclosed in notes 18.4, 19, 23

The group's loan-to-value ratio is disclosed in note 34.8

The group has undrawn borrowings of £4.2 million available.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

34 Financial risk management

34.1 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, liquidity risk and capital management 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.

34.2 Market risk – Foreign currency exchange risk

The group operates internationally in the United Kingdom, South Africa, Mozambique, Namibia, and Zambia, and recent acquired operations in Austria 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 South African Rand, Namibian Dollar, United States Dollar, Swiss Franc, Euro and Zambian Kwacha.

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.

	GROUP 2022 £'000	GROUP 2021 £'000
34.2.1 Sensitivity analysis		
The sensitivity analysis below details the group's sensitivity to a change in exchange rate between Pound Sterling and South African Rand, and Pound Sterling and US Dollar. 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 15% against £, profit for the year would increase/(decrease) by	(3 582)	1 258
If US$ depreciated 15% against £, profit for the year would increase/(decrease) by	(198)	(203)

34.2.2 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:

	GROUP			
	2022 Average rate	2022 Closing rate	2021 Average rate	2021 Closing rate
South African Rand	ZAR20.3717	ZAR20.6898	ZAR21.3179	ZAR20.9588
Swiss Franc	Fr. 1.2610	Fr. 1.2371	Fr. 1.1970	Fr. 1.2818
United States Dollar	$1.3726	$1.3404	$1.2948	$1.4148
Euro	€1.1734	€1.1969	€1.1163	€1.1573
Namibian Dollar	N$ 20.3717	N$ 20.6898	N$ 21.3179	N$ 20.9588
Zambian Kwacha	ZMW 26.5943	ZMW 23.8510	ZMW 25.1892	ZMW 30.8023
Mozambique New Metical	MZN87.4936	MZN85.7584	MZN92.4863	MZN106.0924

34.2.3 Uncovered foreign assets and liabilities

The group had the following uncovered foreign assets and liabilities:

	GROUP			
	2022 Foreign currency '000	2022 Pound equivalent £'000	2021 Foreign currency '000	2021 Pound equivalent £'000
Assets				
South African Rand	10 479 461	506 504	9 266 890	442 148
Namibian Dollar	903 699	43 678	924 858	44 127
United States Dollar	40 044	29 875	36 876	26 064
Zambian Kwacha			92 004	2 987
Euro	35 280	29 476	35 265	30 472
Swiss Franc	35	29	35	27
Liabilities				
South African Rand	7 044 256	340 470	6 586 983	314 282
Namibian Dollar	474 009	22 910	495 219	23 628
United States Dollar	16 956	12 650	16 759	11 845
Zambian Kwacha			1 567	51
Euro	17 689	14 779	17 689	15 284
Swiss Franc	163	132	161	125

Notes (continued)

34 Financial risk management (continued)

34.3 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 2022 and 2021, the group's borrowings at variable rate were denominated in South African Rand, UK pound, United States Dollar and Namibian Dollar.

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.

Instruments used by the group – refer note 20

	GROUP	
Sensitivity	**2022 £'000**	**2021 £'000**
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	(3 419)	(3 362)
whilst a 100 basis point reduction in interest rates would have resulted in an increase in the net profit of the group of	3 419	3 362

The group's various GBP LIBOR-linked loans and derivatives were replaced with GBP SONIA as the reference rate during the year under the IBOR reform.

Refer notes 19.1.1, 19.1.3, 19.1.4, 19.1.5 and 20.3

34.4 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.

Refer note 10.2 for a sensitivity analysis.

34.5 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, favourable derivative financial instruments, deposits with banks and financial institutions and outstanding receivables, including rental, trade and other outstanding receivables, and loans receivable.

34.5.1 Trade and other receivables

Risk management

The letting operations are concentrated throughout the United Kingdom, with the relevant properties held in Pound Sterling, and throughout South Africa, with the relevant properties held in South African Rand. The group also has letting operations in Mozambique, Zambia and Namibia, as well as in Austria.

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.

COMPANY 2021 R'000	COMPANY 2022 R'000		GROUP 2022 £'000	GROUP 2021 £'000
		34.5.2 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:		
		Bank rating (as per Fitch Ratings)		
—	—	F1 +	9 131	15 684
—	—	F2		—
3.6	8.7	F3	11 093	9 724
3.6	8.7	Total	20 224	25 408
		The maximum amount of credit risk that the group is exposed to is and has been calculated as follows:	63 200	55 229
		Trade and other receivables	5 953	6 293
		Loans receivable	21 035	17 879
3 756	3 567	Loans to subsidiaries	—	—
		Loans to associates	6 009	5 468
		Loans to joint ventures	9 979	9 894
3.6	8.7	Cash and cash equivalents	20 224	25 408

34.5.3 Impairment

The financial assets of the group that are subject to the expected credit loss model are trade receivables for rentals and service charges receivable from lessees, loan receivables and receivables in respect of property management contracts. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

For the measurement of credit losses of trade and other receivables – refer note 12.4

34.6 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.

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

34 Financial risk management (continued)

34.6 Liquidity risk (continued)

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 2022	Less than 6 months £'000	6 – 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total contractual cash flows £'000	Carrying amount liabilities £'000
1	—	Trade and other payables including taxation	16 253	192	290	1 382	1 845	19 962	18 678
		Preference shares	49 081	—	—	52	—	49 133	49 133
1 015	1	Borrowings	17 816	18 748	109 446	242 533	92 457	481 000	372 325
		Lease liabilities	3 904	3 905	6 907	17 316	22 466	54 498	29 735
		Total non-derivatives	87 054	22 845	116 643	261 283	116 768	604 593	469 871
		Derivatives	268	268	7 621	923	—	9 080	8 661
			87 322	23 113	124 264	262 206	116 768	613 673	478 532

COMPANY			GROUP						
Less than 1 year R'million	Between 1 and 5 years R'million	At 28 February 2021	Less than 6 months £'000	6 – 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000	Total contractual cash flows £'000	Carrying amount liabilities £'000
1	—	Trade and other payables including taxation	13 417	3 627	318	—	3 500	20 862	20 826
1 039	1	Borrowings including preference shares	26 587	46 472	102 493	224 729	83 148	483 430	421 582
		Lease liabilities	3 843	3 844	7 596	17 884	25 519	58 686	40 575
		Total non-derivatives	43 848	53 944	110 407	242 613	112 167	562 979	482 983
		Derivatives	71	71	7 872	137	—	8 151	8 078
			43 919	54 014	118 280	242 750	112 167	571 129	491 062

34.7 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 2022	GROUP				
Assets (£'million)	**Carrying value**	**Net (losses)/ gains**	**Total interest income**	**Total interest expense**	**Impairment**
Financial asset at fair value through profit or loss	4.5	0.4	–	—	–
Derivatives	—	2.0	–	—	–
Loans to joint venture	10.0	—	1.1	—	(0.7)
Loans to associates	6.0	—	—	—	—
Loans receivable	21.0	—	1.2	—	—
Trade and other receivables	6.0	—	–	—	—
Other assets	8.2	—			–
Cash and cash equivalents	20.2	—		—	–
Liabilities (£'million)					
Long-term borrowings	349.3	—	–	(27.4)	–
Derivatives	8.7	0.8	–	(0.1)	–
Preference shares	49.1	—	–	(2.8)	–
Deferred revenue	5.7		–	—	–
Short-term borrowings	23.1	—	–	—	–
Trade and other payables	16.8	—	–	—	–

28 February 2021	GROUP				
Assets (£'million)	**Restated Carrying value**	**Net (losses)/ gains**	**Restated Total interest income**	**Restated Total interest expense**	**Impairment**
Financial asset at fair value through profit or loss	4.1	(3.6)	–	—	–
Derivatives	0.0	(1.2)	–	—	–
Loans to joint venture	9.9	—	1.3	—	(8.2)
Loans to associates	5.5	—	—	—	—
Loans receivable	17.9	—	1.0	—	–
Trade and other receivables	6.3	—	–	—	—
Other assets	10.9	—			–
Cash and cash equivalents	25.4	—		—	–
Liabilities (£'million)					
Long-term borrowings	357.8	—	–	(28.6)	–
Derivatives	8.1	(2.0)	–	0.3	–
Preference shares	49.6	—	–	(3.4)	–
Deferred revenue	6.5		–	—	–
Short-term borrowings	23.8	1.6	–	(0.6)	–
Bank overdrafts	—	—	–	—	–
Trade and other payables	19.8	—	–	—	–

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 20

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

34 Financial risk management (continued)

34.8 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.

The capital structure of the group consists of debt, which includes the borrowings disclosed in notes 18 and 19, cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

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, *inter alia*, the following financial covenants:

- the consolidated intrinsic net asset value of the group before tax 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 on UK properties may not be more than 15%

The group has complied with its loan covenants throughout the reporting period, with the exception of the following borrowings:

RMB – refer note 18.4

The group is in breach of the group net asset value covenant at the year end date by £14.3 million, as well as further Moorgarth entity specific loan to value and vacancy ratio covenants. RMB have provided covenant waivers after the reporting date. The borrower has serviced all debt and amortisation payments, and will continue to do so. As the facility is due to expire in June 2022, the liability has been disclosed as a short term liability.The facility was extended with RMB after the reporting date to 31 August 2023.

34.8.1 South Africa, Namibia and Africa operations

There has been no difficulty to maintain any covenants and none have been breached.

Borrowings reaching maturity – Africa operations

The RMB loan funding the BAT property was repayable on 1 September 2021, and the refinance of the borrowings has been agreed with RMB, but the facility agreements have not been signed to date. BAT rentals have been received in advance and are more than sufficient to cover the repayments on the facility. No difficulties are foreseen in the continued servicing of the borrowings or in finalising the facility refinance. The borrowing is disclosed in note 19.1.8

34.8.2 United Kingdom operations

HSBC have banked Moorgarth group for 10 years, and have advanced over £100m during that period. HSBC have been strongly supportive of Moorgarth in word and deed during the Covid-19 period. Management are very confident that this support will continue as the economy now picks up.

The following HSBC borrowing facilities are expected to require further support in the new financial year:

Boutique: although Boutique is forecast to breach covenant ratios on backwards looking compliance for the first three quarters of the next financial year, HSBC have provided assurances that waivers will be provided and cashflow projections show that all repayment obligations will be met; this is therefore not considered a going concern risk. Boutique has enjoyed strong support from HSBC since funding its acquisition in 2015 and Boutique's forecast show that all debt service and amortisation payments will be made in the next 18 months – refer note 19.1.1

Waverley JV: the HSBC facility required and received a formal covenant waiver at April 2021, and HSBC formally reduced covenants for the subsequent two quarters to facilitate compliance. All covenants have been fully complied with since January 2022 and compliance is forecast to continue. The loan is held in a JV therefore not consolidated. The JV is disclosed in note 6.

Borrowings reaching maturity
The HSBC facility for the JV Inception Reading Sarl is due to expire in May 2022. Heads of Terms have been agreed with HSBC to extend this for a further six months to November 2022 to facilitate the period of the sale process. The loan is held in a JV therefore not consolidated. The JV is disclosed in note 6

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	
	2022 £'000	2021 £'000
The LTV ratios were as follows:		
Total borrowings (including preference shares)	428 631	437 525
Less: Short-term bank borrowings secured by cash deposits		
Net bank debt	428 631	437 525
Investment property, owner-occupied properties and property financial asset	691 611	671 357
LTV ratio	62.0%	65.2%

34.9 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 and non-financial assets and liabilities that are measured at fair value at 28 February 2022:

Assets	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Equity securities	–	–	4 514
Derivatives used for hedging			
Interest rate contracts		88	
Non-financial assets at fair value through profit or loss			
Investment properties	–	–	703 791
Total assets		88	708 305

Liabilities	Level 1	Level 2	Level 3
Financial liabilities at fair value through profit or loss			
Trading derivatives			
Cross currency and interest rate swap		8 749	
Derivatives used for hedging			
Interest rate contracts	–		
Financial liabilities at amortised cost			
Preference shares		49 081	52
Borrowings	–		372 325
Total liabilities		57 830	372 377

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

34 Financial risk management (continued)

34.9 Fair value estimation (continued)

The following table presents the group's financial and non-financial assets and liabilities that are measured at fair value at 28 February 2021:

Assets	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Equity securities			4 081
Trading derivatives			
South Africa CPI hedge			
Non-financial assets at fair value through profit or loss			
Investment properties			703 506
Total assets			707 587

Liabilities			Restated
Financial liabilities at fair value through profit or loss			
Trading derivatives			
Cross currency and interest rate swap		7 731	
Derivatives used for hedging			
Interest rate contracts		347	
Financial liabilities at amortised cost			
Preference shares		49 574	52
Borrowings			381 669
Total liabilities		57 652	381 721

The fair value of financial instruments traded in active markets is based on quoted market prices at the year-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. The key observable inputs are rental yields and vacancy rates.

Refer note 2.3 for a sensitivity analysis.

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:
Investment Properties – refer note 2.2
Financial assets – refer note 10.1.1

35 Related parties

Group

Related party relationships exist between the company, its subsidiaries and the directors of the company. See page 141 for details of major shareholders and directors' interest and page 129 for its subsidiaries.

Non-executive director K R Collins received property consulting fees of £21 252 from Tradegro S.à r.l. during the year. These fees are disclosed in note 26.2.2

Chairman and non-executive director CH Wiese is also a significant shareholder in Shoprite Holdings Ltd, and a director and significant shareholder in Brait PLC, which lease properties from the group.

Related party loans include a loan of £258 471 (2021:£255 154) from Africol Property Investments (Pty) Limited, being sellers or affiliated to the sellers of the Namibia properties acquired in terms of the Collins group property acquisition in 2016. The loan is disclosed in note 23.1

	GROUP	
	2022 £'000	2021 £'000
Loans receivable include the following related party loans receivable/(payable) include the following loans to companies whose directors or shareholders also serve on the board of Nguni Property Fund Ltd:		
Loan to Nguni Property Services (Pty) Ltd	71	70
The loan is disclosed in note 8.6		
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	979	1 315
The loan payable is disclosed in note 23.2		
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	897	933
Eastwick Road Ltd (D Wheble) – 10% of The Boutique Workplace Company Ltd	880	859
The loans are disclosed in note 8.3		
All joint venture arrangements and joint operations and loans receivable from/payable to joint ventures are disclosed in note 6		
All associates and loans receivable from/payable to associates are disclosed in note 7		
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 5		
Details of the directors shareholding are disclosed elsewhere in the annual financial statements.		
Details of directors remuneration is disclosed in note 26.2		
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	1 348	1 274
Key management compensation was paid to:		
Executive directors and prescribed officers	1 348	1 274

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

35 Related parties (continued)

Company

Related party relationships exist between the company, its subsidiaries and the directors of the company. The following significant operating transactions, which were carried out principally with related parties within the group, have a material effect on the operating results and financial position of the company:

	COMPANY 2022 R'000	COMPANY 2021 R'000
Directors' emoluments	2 268	2 491
Interest income from loans to subsidiary – refer note 27	57 726	67 015

Dividend distributions to shareholders are disclosed in note 16.3
Year-end balances with related parties are disclosed in note 5.2

36 Share based payments

36.1 An employee share option scheme, the Tradehold Limited Employee Share Trust ("ESOP"), was adopted in the 2017 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.

36.2 There were no share options awarded to employees of the group in terms of the ESOP during the year (2021: 1 419 209)
Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price (ZAR)	Number of options at 28 February 2022 and 28 February 2021
Sep-18	Sep-22	15.10	6 952
	Sep-23	15.10	6 952
	Sep-24	15.10	6 950
Nov-18	Nov-22	15.10	114 921
	Nov-23	15.10	114 921
	Nov-24	15.10	114 917
Aug-19	Aug-23	11.56	390 459
	Aug-24	11.56	390 459
	Aug-25	11.56	390 457
Aug-20	Aug-24	8.07	473 070
	Aug-25	8.07	473 070
	Aug-26	8.07	473 069
			2 956 197

	GROUP 2022 £'000
No options lapsed during the year (2021: nil).	
For the year ended 28 February 2022, Tradehold has recognised a share-based payment expense in the statement of changes in equity of	107

At 28 February 2022, there are 4 850 447 (2021: 4 850 447) shares available for utilisation under the ESOP.

37 Going concern

The group has prepared financial forecasts based on detailed operational cash flow forecasts, for the 18 months to 31 August 2023. After servicing all interest and amortisation on borrowings, the forecasts show sufficient cash levels as a buffer against unforeseen events.

Despite the adverse effect of the Covid-19 pandemic, group cash balances have remained healthy at £20.2 million (down by 20.4% from 2021 but only down by 13.9% from 2020 levels).

The group results have shown considerable improvement since the previous year, when the Covid-19 pandemic first adversely impacted the group results:

- revenue has increased by 6.7% (2021: decreased by 21%);
- investment properties were valued upwards by £15.7 million (2021: devalued by £33 million);
- net profit has increased to £20.3 million compare to the prior year loss of £39.7 million (or loss of £29 million after adjusting for the Collins once-off breakage fees in 2021);
- earnings from joint venture have increased from a loss of £11.4 million in 2021 (of which £8.2 million is disclosed as an impairment loss on loans to JV's) to a profit of £290 000 (after an impairment loss on JV loans of £722 000);
- the current ratio is still in a net current liability position, with a deficit of £54.3 million at the year end, but this is due to the reclassification of former long-term borrowings refinanced successfully after the year end;
- the loan to value ratio has improved to 62% from 64% in 2021, thus allowing for more headroom on borrowing covenants.

Debt covenants are compliant throughout the group, with the exception of the RMB B listed preference shares debt (£55.7 million) and the HSBC facility of Boutique (£5.2 million). Full covenant waivers have since been obtained for both facilities. The Waverley HSBC facility (£14.3 million) was in breach for part of the year, but is now compliant.

RMB preference shares

Three (2021: four) out of six RMB B preference shares covenants were in breach at the reporting date as presented below:

RMB covenants – group

1. Issuer Loan to Value not more than 65%	61.98% compliant (2021: 63.99% compliant)
2. Interest Cover Ratio not less than 1.3 times	2.58 compliant (2021: 2.34 compliant)
3. Intrinsic NAV not less than £300 million	£285.6 million, breach of £14.4 million (2021: £269 million, breach of £31 million)

RMB covenants – entity

4. Loan to Value portfolio properties not more than 65%	85.1% breach – cure required £13.1 million (2021: 80.30% breach – cure required £10.9 million)
5. Interest Cover Ratio portfolio properties not less than 2.25	2.94 compliant (2021: 1.61 breach)
6. Vacancy Rate portfolio properties not less than 85%	62.4% breach (2021: 80.70% breach)

The main reason for the covenant 3. Intrinsic NAV breach is the investment property devaluations on the United Kingdom properties in the prior year.

The main reason for the remaining covenant breaches is the adverse performance of the main funded asset, Market Place Bolton, due to a loss of anchor tenants during the pandemic in the previous financial year, exacerbated by government enforced closures for most of the previous financial year. The RMB facility funds several Moorgarth assets, and the debt has continued to be serviced through Moorgarth operational cash.

Subsequent to the reporting date, RMB has waived all covenant breaches, and the B Preference Share facility has been formally extended until 31 August 2023.

Notes (continued)

37 Going concern (continued)

Management is comfortable that the group will have sufficient liquidity at its disposal to service as well as repay/refinance this debt to long term through the following strategies:

- sufficient liquidity available in the Collins Group, which is forecast to increase;
- proceeds from the disposal of three assets already earmarked for sale in the United Kingdom (including the liquidation of an interest in a property fund); and
- proceeds from the disposal of assets in Africa outside South Africa.

In addition, management believes significant progress will be made in the coming months on letting the voids at Market Place Bolton which are expected to have a positive effect on valuations.

Boutique

All Boutique look back covenants have been waived during the period. EBITDA based Interest Cover Ratio (ICR) calculations have been hit hard by the impact Covid-19 had on trading. EBITDA is recovering strongly but it will take time for that recovery to be reflected in look back testing covenant calculations. HSBC are supportive whilst the business recovers and have waived covenants in the year as required. HSBC have provided verbal assurance that waivers will be provided against any future covenant breaches, although these will be granted as and when required, as is the nature of HSBC's operations and consistent with the way in which covenant waivers have been issued to date. Boutique has fully serviced its interest and debt repayments over the Covid-19 affected period and holds cash reserves of £2 million at 28 February 2022. Boutique's cash flow forecasts show the continued service of interest and capital and a positive cash position throughout the period to August 2023. Forecasts show that all forward looking covenant tests will pass during the following financial year and look back tests will approach compliance by the final quarter of the 2023 financial year. This information has been shared with HSBC and HSBC have indicated continued support of waivers required. A summary of the waivers granted to date is set out below:

	Quarter to 20.7.21	Quarter to 20.10.21	Quarter to 20.1.22	Quarter to 20.4.22
Historic ICR (looking back)	-0.625	-1.291	-5.856	-8.82
Test	4.0	4.0	4.0	4.0
Historic Debt Service Cover Ratio (looking back)	-0.171	-0.341	-1.526	-2.277
Test	1.25	1.25	1.25	1.25
Status	waived	waived	waived	waived

The directors of Boutique believe it is appropriate for Boutique to be considered a going concern for the following reasons:

- Covenant breaches which may be considered an area of risk were caused by impacts of trading through Covid-19, this was a factor that impacted the whole economy and was not reflective of Boutique's trading performance of ability to continue to trade.
- Boutique has made a recovery from this situation and is forecasting profits for the next financial year
- The breaches in question have either been formally waived by HSBC, thus pose no risk, or for future breaches assurance has been obtained of the ongoing support of HSBC to waive these, it is simply an internal process of HSBC that waivers are only issued in 6 monthly instalments.
- Breaches within its future forecasting are purely in relation to look back periods, Boutique has already successfully traded through these periods, so these periods' results are not reflective of the going concern of the business moving forward.
- Throughout the period of covenant breach Boutique continued to meet its financing obligations; breaches were purely a reporting issue and did not impact the operational and financial cash flow performance of the business.
- Future cashflow projections show that Boutique is able to meet future financial obligations; the only cashflow restrictions shown in the forecast are caused by future expansion, which will only go ahead if provided with group financing support. Should such support be unavailable, the planned expansion projects will be put on hold and operational cashflows will support the liabilities to HSBC.
- HSBC is not the only source of financing for Boutique; if HSBC were to withdraw its funding, Boutique is confident of its ability to draw on intergroup funding to bridge the financing gap until another lender is identified.

Waverley

Although Waverley Market in Edinburgh (held in a joint venture and thus not consolidated) required Interest Cover Ratio (ICR) covenant waivers during the year due to the enforced Covid-19 closure period, its HSBC facility is now fully covenant compliant. This facility is secured by the property, and as such, not guaranteed by any Tradehold group company.

HSBC have continued to be supportive, and a formal covenant waiver for the breach at April 2021 was obtained. As collections take time to recover to historic levels, HSBC addressed subsequent ICR tests at risk, by reducing the required ICR and Debt Service Cover Ratios(DSCR) for July and October 2021. Since then Covid-19 restrictions have been lifted by the Scottish government, rent recoveries have improved and new lettings are now generating substantially greater income. As a result of the positive improvements in rent collections all covenants are now fully compliant.

Following the letting of substantial space to the Department for Work and Pensions, covenants are expected to be met throughout the 2023 financial year.

A summary of the covenant tests for the year is set out below:

	Quarter to 20.4.21	Quarter to 20.7.21	Quarter to 20.10.21	Quarter to 20.1.22	Quarter to 20.4.22
Historic ICR (looking back)	124.7%	186.7%	254.3%	275.7%	305.7%
Test	200%	175%	175%	200%	200%
Historic DSCR (looking back)	78.5	116.7%	158.7%	171.9%	193.4%
Test	125%	110%	110%	125%	125%
Status	waived	reduced	reduced	compliant	compliant

Net current ratio

Although the group is reporting a net current liability position, the reason is mainly due to the following adjustments which, once reclassified to long-term in the coming financial year, are expected to restore the group to a comfortable net current asset position:

(i) reclassification of the RMB preference share borrowings of £49 million and the related derivative of £6.7 million to current borrowing, due to the scheduled repayment date of June 2022. This facility has been formally extended after the reporting date, by 14 months until 31 August 2023.

(ii) reclassification of Africa operations borrowings of £3.2 million secured by a property with a long lease to BAT in the process of being refinanced for a further 5 year term, to current borrowings. The refinance process is advanced but not yet completed at the reporting date.

Management is confident that the borrowings will be successfully refinanced, and that the group's significant net current liability position will return to a net current asset position by the next reporting date.

The group has strong operational and financial capacity to continue operations throughout the going concern period and beyond, sound banking relationships with its funders, as well as strategies and opportunities to release cash for liquidity if required. The directors therefore consider the going concern assumption to be appropriate in the presentation of the financial statements as at 28 February 2022.

Notes (continued)

38 Events after the reporting period

The entity is in breach of several of its financial covenants measured at the reporting date on its redeemable listed B preference shares issued to FirstRand Bank Ltd (RMB), and RMB has, subsequent to the reporting date, waived all non-compliance as well as extended the facility, which is redeemable on 20 June 2022, up to 31 August 2023 – refer note 18.4

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.

Assets held for sale as shown in note 11 are highly probable to have all unconditional sale terms fulfilled after the reporting period.

The recent floods in parts of KwaZulu-Natal have affected nine Collins group investment properties. Management currently estimates the cost of the flood damage at around R100 million, against which the business is adequately insured. Clearance of the flooded sites is underway, and the full extent of the damage can only be assessed once this process has been completed.

Subsequent to the year end an offer to acquire all the assets and liabilities of the United Kingdom operations Moorgarth and Boutique was received. The offer is subject to a number of conditions including vendor finance and shareholder approval. The Board has agreed to progress the proposed disposal and the legal and regulatory process to give effect thereto has commenced. A cautionary announcement in this regard was published on SENS on 23 May 2022.

39 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 (Moorgarth)
Property – South Africa (Collins group)
Property – Austria (Collins group)
Property – Namibia (Nguni group)
Property – rest of Africa
Serviced Office – United Kingdom (Boutique)
Other

There have been no amendments to the operating segments since the previous Integrated Report.

The "rest of Africa" segment comprises properties in Zambia and Mozambique, which have been aggregated into one reportable segment as they share similar operations, and the CODM monitors them as one segment.

The operating segments derive their revenue primarily from rental income from lessees and revenue from serviced office. 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 operating profit.

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 operating segments, reconciliations of operating segments' assets to total assets, and of operating segments' liabilities to total liabilities, are not presented.

The segment information provided to the CODM for the operating segments for the year ended 28 February 2022 is as follows (in £'000):

	Property						Serviced Office		
	United Kingdom including Joint Ventures	United Kingdom IFRS and consolidation adjustments	South Africa	Austria	Namibia	Rest of Africa	United Kingdom	Other	Group total
	Moorgarth		Collins		Nguni	Tradehold Africa	Boutique		
Condensed statement of comprehensive income									
Total segment revenue (external customers)	12 382	(6 424)	46 565	3 366	2 975	2 218	18 157		79 239
Intersegment revenue/(costs)		2 990					(2 990)		
Other income	535	(183)	2 336	4	71	29		(57)	2 735
Foreign exchange gains and losses	—	—	539	(538)	—	217	—	166	384
Provision for bad debts	420	(89)	(198)		328		(83)		378
Unrecovered property costs	(2 321)	693	(2 035)			(69)			(3 732)
Other operating costs	(4 589)	8 553	(6 699)	(1 495)	(656)	(472)	(15 783)	(759)	(21 898)
EBITDA	6 427	5 540	40 508	1 337	2 718	1 923	(699)	(650)	57 106
Depreciation, impairment and amortisation	(77)	20	(420)			(4)	(1 274)		(1 757)
Trading profit per entity	6 350	5 560	40 088	1 337	2 718	1 919	(1 973)	(649)	55 349
Profit on disposal of investment property			1 640						1 640
Fair value adjustment on investment property	(1 372)	(9)	14 867	2 648	(494)	65			15 705
Fair value adjustment on right of use assets		(5 563)							(5 563)
Profit on disposal PPE			1						1
Profit on disposal of financial assets	307		20	13				(8)	332
Fair value gain/(loss) on financial assets	431		(1 745)					(303)	(1 617)
Operating profit/(loss)	5 716	(13)	54 871	3 998	2 224	1 984	(1 973)	(961)	65 846
Finance income	1 166	(22)	1 468	—	138	—	21	1 817	4 588
Finance cost – lease liabilities		(2 409)	(26)				721		(1 714)
Finance cost (notional interest allocation per segment based on debt utilisation)	(5 274)	2 278	(22 932)	(405)	(1 307)	(488)	(244)	(2 296)	(30 668)
Loss from joint venture	—	1 012	—		—	—	—	—	1 012
Loss from associated companies	—	—	—			—	—	—	
Profit before taxation	1 608	846	33 381	3 593	1 055	1 496	(1 475)	(1 440)	39 064
Income tax expense	1 979	(128)	(10 466)	(17)	(326)	(129)		(201)	(9 288)
Profit before non-controlling interest	3 587	718	22 915	3 576	729	1 367	(1 475)	(1 641)	29 776
Non-controlling interest	—	—	(9 776)		(7)	155	130	—	(9 498)
Net profit for the year	3 587	718	13 139	3 576	722	1 522	(1 345)	(1 641)	20 278

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

39 Segment information (continued)

The segment information provided to the CODM for the operating segments for the year ended 28 February 2022 is as follows (in £'000):

	Property						Serviced Office		
	United Kingdom including Joint Ventures	United Kingdom IFRS and consolidation adjustments	South Africa	Austria	Namibia	Rest of Africa	United Kingdom	Other	Group total
	Moorgarth		Collins		Nguni	Tradehold Africa	Boutique		
Condensed statement of financial position									
Investment properties	195 904	(49 407)	433 067	30 164	34 780	22 099			666 607
Property plant and equipment	3 652	(12)	2 170			29	2 047		7 886
Right-of-use assets		(9 133)	296				46 020		37 184
Intangible assets		(37)					8 068		8 031
Financial assets	4 458		2 139	90	56			(2 229)	4 514
Investment in joint ventures	21 255	(2 152)			979				20 082
Investment in associates	—	—	—		6 009	—	—	—	6 009
Deferred taxation	2 701	307	709		1 198	2 654			7 569
Cash	5 077	(1 272)	9 087	1 475	213	1 989	1 976	1 679	20 224
Assets held for sale	15 521		1 515						17 036
Other receivables	9 274	(6 148)	22 604		443	2 110	6 092	896	35 273
Total assets	257 842	(67 851)	471 586	31 729	43 678	28 881	64 203	347	830 415
Borrowings (notional allocation per segment based on debt utilisation)	152 031	(44 582)	276 929	13 285	19 892	7 301	5 168	182	430 207
Lease liabilities		(9 428)	230		—	—	46 316	—	37 118
Deferred revenue	—	3 892	906		—	888		—	5 686
Deferred tax	—	—	43 527		2 616	471	—	—	46 614
Other payables	5 087	(7 418)	2 354	3 992	403	3 991	10 042	227	18 676
Total liabilities	157 118	(57 536)	323 947	17 276	22 911	12 651	61 526	408	538 301
Non-controlling interest	—	126	53 898	—	(24)	(1 813)	(333)	—	51 854
Group borrowings	75 545	(14 670)	(18 547)	12 870	13 477	12 182	6 001	(86 858)	—
Shareholders equity	25 179	4 227	112 288	1 583	7 316	5 861	(2 991)	86 797	240 260
Total equity	100 724	(10 315)	147 639	14 453	20 767	16 230	2 677	(61)	292 114
Total assets include additions to the following non-current assets:									
Additions to property, plant and equipment	371		119						490
Additions to investment properties	501		4 649						5 150

The segment information provided to the CODM for the operating segments for the year ended 28 February 2021 is as follows (in £'000):

	Property						Serviced Office		
	United Kingdom including Joint Ventures	United Kingdom IFRS and consolidation adjustments	South Africa	Austria	Namibia	Rest of Africa	United Kingdom	Other	Group total
	Moorgarth		Collins		Nguni	Tradehold Africa	Boutique		
Condensed statement of comprehensive income									
Total segment revenue (external customers)	11 906	(5 291)	43 937		3 001	2 319	18 401		74 274
Intersegment revenue/(costs)		2 931					(2 931)		
Other income	1 844	(1 513)	437		239	45	145	(5)	1 193
Foreign exchange gains and losses	—	—	—		—	780	—	(181)	599
Provision for bad debts	(1 660)	(7 813)	(88)		(26)				(9 587)
Unrecovered property costs	(2 471)	696				(194)			(1 969)
Other operating costs	(3 803)	(2 029)	(5 104)		(848)	(518)	(5 619)	(764)	(18 685)
EBITDA	5 816	(13 019)	39 182	—	2 366	2 432	9 996	(950)	45 825
Depreciation, impairment and amortisation	(227)	20	(394)		(11)	(4)	(1 734)		(2 350)
Trading profit per entity	5 589	(12 999)	38 788	—	2 355	2 428	8 262	(950)	43 475
Profit on disposal of investment property			(817)						(817)
Fair value adjustment on investment property	(33 516)	11 925	(10 825)		(453)	(189)			(33 058)
Fair value adjustment on right of use assets	(28)	1 687					(7 263)		(5 604)
Profit on disposal PPE			4						4
Loss on disposal of financial assets	(10)		(52)						(62)
Impairment of goodwill									
Fair value gain/(loss) on financial assets	(610)		(1 376)					(185)	(2 171)
Operating profit/(loss)	(28 575)	613	25 722	—	1 902	2 239	999	(1 135)	1 765
Finance income	570	574	1 798		162	—	—	2 207	5 310
Finance cost – lease liabilities	(356)	780	(29)				(2 368)		(1 973)
Finance cost (notional interest allocation per segment based on debt utilisation)	(4 987)	1 729	(34 248)		(1 553)	(630)	(279)	(2 546)	(42 512)
Loss from joint venture	—	(3 219)	—		—	—	—	—	(3 219)
Loss from associated companies	—	—	—		(474)	—	—	—	(474)
Profit before taxation	(33 348)	477	(6 757)	—	37	1 609	(1 648)	(1 474)	(41 103)
Income tax expense	2 175	(477)	(1 971)		(41)	(333)	133	(319)	(833)
Profit before non-controlling interest	(31 173)		(8 728)	—	(4)	1 276	(1 515)	(1 793)	(41 936)
Non-controlling interest	—	—	1 796		27	284	120	—	2 227
Net profit for the year	(31 173)		(6 932)	—	23	1 560	(1 395)	(1 793)	(39 709)

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Notes (continued)

39 Segment information (continued)

The segment information provided to the CODM for the operating segments for the year ended 28 February 2021 is as follows (in £'000):

	Property						Serviced Office		
	United Kingdom including Joint Ventures	United Kingdom IFRS and consolidation adjustments	South Africa	Austria	Namibia	Rest of Africa	United Kingdom	Other	Group total
	Moorgarth		Collins		Nguni	Tradehold Africa	Boutique		
Condensed statement of financial position									
Investment properties	213 241	(50 343)	415 417	28 826	34 841	20 883			662 866
Property plant and equipment	3 672	(31)	2 502		2	31	3 006		9 181
Right-of-use assets	5 833	(17 567)	301				52 073		40 640
Intangible assets		(37)					8 068		8 031
Financial assets	4 028	—	1 919		53			(1 919)	4 081
Investments carried at fair value through profit and loss									
Investment in joint ventures	20 325	(2 654)			1 315				18 985
Investment in associates	—	—	—		5 468	—	—	—	5 468
Deferred taxation	795	432	1 952		1 207	2 158	23		6 567
Cash	4 993	(963)	8 336	1 122	241	3 211	7 334	1 134	25 408
Assets held for sale			954						954
Other receivables	10 491	(3 795)	19 438	604	519	2 044	4 345	1 437	35 082
Total assets	263 378	(74 958)	450 819	30 552	43 646	28 327	74 849	652	817 263
Borrowings (notional allocation per segment based on debt utilisation)	154 943	(45 044)	281 407	13 772	20 911	7 321	5 973	89	439 373
Lease liabilities	5 833	(17 567)	236		—	—	52 073	—	40 575
Deferred revenue	—	—	1 136		—	798	4 566	—	6 500
Deferred tax	—	—	37 752		2 289	188	—	—	40 229
Other payables	6 141	(2 310)	3 351	1 570	428	3 589	7 740	318	20 826
Total liabilities	166 917	(64 921)	323 882	15 342	23 628	11 896	70 352	407	547 503
Non-controlling interest	—	—	46 277		(31)	(1 658)	(77)	—	44 511
Group borrowings	93 731	(10 163)	(200)		12 484	14 519	6 000	(116 371)	—
Shareholders equity	2 730	126	80 860	15 210	7 565	3 570	(1 426)	116 616	225 249
Total equity	96 461	(10 037)	126 937	15 210	20 018	16 431	4 497	245	269 760
Total assets include additions to the following non-current assets:									
Additions to property, plant and equipment	160		252						413
Additions to investment properties	3 744		44 817		7				48 567
Additions to goodwill	10								10

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Interest in subsidiaries

Name of entity	Place of business/ country of incorporation	Issued Share Capital	Percentage shares held by group 2022 %	2021 %	Principal activities
Tradegro Holdings (Pty) Ltd	Malta/South Africa	ZAR7 877 752	100	100	Investment holding
Tradegro S.à r.l.	Luxembourg/ Switzerland	£108 217 462	100	100	Investment holding and treasury
Tradegro (UK) Ltd	United Kingdom	£2	100	100	Dormant
United Kingdom subsidiaries					
Moorgarth Holdings (Luxembourg) S.à r.l.	Luxembourg	£27 275	100	100	Investment holding
Moorgarth Group Ltd	United Kingdom	£215	100	100	Investment holding and treasury
Inception Holdings S.à r.l.	Luxembourg	£12 500	100	100	Property investment
Moorgarth Properties (Luxembourg) S.à r.l.	Luxembourg	£15 156 067	100	100	Property investment
London Office S.à r.l.	Luxembourg	£3 599 150	100	100	Property investment
Inception Living S.à r.l.	Luxembourg	£47 174	100	100	Property investment
The Boutique Workplace Company Ltd	United Kingdom	£1	90	90	Serviced office provider
Ventia Ltd	United Kingdom	£1 050	90	90	Serviced office provider
Queen Street Business Centre Ltd	United Kingdom	£1	90	90	Serviced office provider
Golden Square Business Centre Ltd	United Kingdom	£1	90	90	Serviced office provider
St John Street Busines Centre Ltd	United Kingdom	£1	90	90	Serviced office provider
Thomas Street Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Margaret Street Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
John Street Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Queen Street (City) Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Farringdon Street Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Bedford Square Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Christopher Street Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Whitefriars Street Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Southampton Place Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Wimbledon Business Centre Ltd	United Kingdom	£100	90	90	Serviced office provider
Wandle Point Management Ltd	United Kingdom	£100	100	100	Property investment
Moorgarth Maple Ltd (formerly Cairnduff Developments Rutherglen)	United Kingdom	£1	100	100	Property investment
RSP Investments Ltd	United Kingdom	£1	100	100	Financial investment holding
PM and U Ltd (formerly 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
The Boutique Retail Company Ltd (formerly Moorgarth Leisure Ltd)	United Kingdom	£1	100	100	Dormant
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
Moorgarth Euston Ltd	United Kingdom	£1	100	100	Property investment
Moorgarth Maple (Luxembourg) S.à r.l.	Luxembourg	£1 100 000	100	100	Investment holding
Africa subsidiaries					
Tradehold Africa Ltd	Mauritius	USD100	100	100	Investment holding
TC Mozambique Properties Ltd	Mauritius	USD100	75	75	Investment holding
Tete Hollow Limitada	Mozambique	MZN50 000	100	100	Property letting
Tradehold Mozambique Limitada	Mozambique	MZN50 000	75	75	Property letting
Danbury Properties Ltd	Mauritius	USD100	100	100	Investment holding
First Properties (Pty) Ltd	Zambia	ZMW 500 000	100	100	Property letting
Tete Hollow Mauritius Ltd	Mauritius	USD100	100	100	Investment holding
TC Tete Properties Ltd	Mauritius	USD100	75	75	Investment holding

Tradehold Limited and its subsidiaries for the year ended 28 February 2022

Interest in subsidiaries (continued)

Name of entity	Place of business/ country of incorporation	Issued Share Capital	Percentage shares held by group 2022 %	2021 %	Principal activities
United Kingdom subsidiaries (continued)					
Tradehold API Ltd	Mauritius	USD200	75	75	Investment holding
Atterbury Matola Mauritius Ltd	Mauritius	USD100	75	75	Investment holding
Atterbury Pemba Properties Ltd	Mauritius	USD12	75	75	Investment holding
Atterbury Pemba Mauritius Ltd	Mauritius	USD2	67	67	Investment holding
Pemba Investment Company Lda	Mozambique	MZN110 000	68	68	Property letting
Atterbury Matola Lda	Mozambique	MZN20 000	75	75	Property letting
South Africa subsidiaries					
Collins Property Projects (Pty) Ltd	South Africa	ZAR2 452 186.792	74.3	74.3	Property management services
Imbali Props 21 (Pty) Ltd	South Africa	ZAR434 647 036	100	100	Property letting
Saddle Path Props 69 (Pty) Ltd	South Africa	ZAR28 384 131	100	100	Property letting
Dimopoint (Pty) Ltd	South Africa	ZAR233 545 200	70	70	Property letting
Applemint 24 (Pty) Ltd	South Africa	ZAR100	68.9	68.9	Property letting
Seculotte Trading 7 (Pty) Ltd	South Africa	ZAR240	50	50.0	Property letting
Colkru Investments (Pty) Ltd	South Africa	ZAR100	90	90.0	Property letting
Colkru Developments (Pty) Ltd	South Africa	ZAR100	75	75.0	Property development
Ifana Investments (Pty) Ltd	South Africa	ZAR260	50	50	Property letting
Colltrade West (Pty) Ltd	South Africa	ZAR100	100	—	Property development
Vergelegen Property Investment (Pty) Ltd	South Africa	ZAR100	90	—	Property development
Austria subsidiaries					
Collins AUS Holdings GmbH	Austria	EUR 17.500	100	100	Investment holding
Collins AUS Investments GmbH	Austria	EUR 17.500	100	100	Investment holding
BM 521 RIE GmbH	Austria	EUR 35.000	100	100	Property letting
BM 778 SAL L GmbH	Austria	EUR 35.001	100	100	Property letting
BM 549 SAL M GmbH	Austria	EUR 35.002	100	100	Property letting
BM 547 WEL GmbH	Austria	EUR 35.003	100	100	Property letting
BM 791 ZWE GmbH	Austria	EUR 35.004	100	100	Property letting
BM 620 LIN D GmbH	Austria	EUR 35.005	100	100	Property letting
SN CCC Vermögensverwaltung GmbH	Austria	EUR 17.501	99.8	-	Investment holding
Namibia subsidiaries					
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
TradeCol Investment Holdings (Pty) Ltd	Namibia	NAM $ 200	87.5	87.5	Property development
Probo (Pty) Ltd	Namibia	NAM $ 100	87.5	87.5	Property letting

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.

As at 28 February 2022

Property portfolio analysis

Property schedule

Location	Effective date of acquisition	Purchase price	Date of last profession-al valuation	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)	(%)	(£)	(%)	(%)	(%)
					Industrial: total	1 355 686	80.72%	2.37	6.50%	59.08%	2.11%
United Kingdom											
Wilmington Grove, Leeds – car park	May-06	3 470	Feb-22	1 150	Industrial	9 793					
Mozambique											
Maputo 1	Jan-17	8 431	Jun-21	9 885	Industrial	12 006					
South Africa											
Kensington, Western Cape	Dec-16	451	Feb-20	416	Industrial	1 410					
Prospecton 1, KwaZulu-Natal	Dec-16	16 805	Feb-22	13 180	Industrial	35 193					
Pinetown 1, KwaZulu-Natal	Dec-16	2 611	Feb-21	2 020	Industrial	9 266					
Westmead 1, KwaZulu-Natal	Dec-16	1 537	Feb-21	1 493	Industrial	4 970					
Westmead 2, KwaZulu-Natal	Dec-16	1 005	Feb-21	971	Industrial	2 781					
Brakpan 1, Gauteng	Dec-16	38	Feb-20	99	Industrial	13 017					
Brakpan 2, Gauteng	Dec-16	2 834	Feb-20	3 001	Industrial	18 551					
Blackheath, Western Cape	Dec-16	2 324	Feb-22	2 679	Industrial	12 430					
Mobeni 1, KwaZulu-Natal	Dec-16	8 746	Feb-22	8 797	Industrial	25 724					
De Aar, Northern Cape	Dec-16	304	Feb-20	191	Industrial	4 408					
Paarl, Western Cape	Dec-16	7 203	Feb-21	6 989	Industrial	32 462					
Isando 1, Gauteng	Dec-16	6 848	Feb-20	6 457	Industrial	23 279					
Rosslyn 1, Gauteng	Dec-16	9 564	Feb-21	9 033	Industrial	43 556					
Longmeadow 1, Gauteng	Dec-16	1 197	Feb-21	1 329	Industrial	3 179					
Springs, Gauteng	Dec-16	17 059	Feb-21	15 307	Industrial	69 452					
Mkondeni 1, KwaZulu-Natal	Dec-16	329	Feb-22	242	Industrial	1 631					
Pomona, Gauteng	Dec-16	5 275	Feb-22	3 567	Industrial	11 094					
Roodekop 1, Gauteng	Dec-16	6 825	Feb-21	7 023	Industrial	20 192					
Prospecton 2, KwaZulu-Natal	Dec-16	32 125	Feb-21	30 856	Industrial	69 866					
Richards Bay, KwaZulu-Natal	Dec-16	877	Feb-22	918	Industrial	17 110					
Epping, Western Cape	Dec-16	9 918	Feb-20	9 686	Industrial	38 035					
Westmead 3, KwaZulu-Natal	Dec-16	1 167	Feb-22	1 324	Industrial	2 682					
Germiston 1, Gauteng	Dec-16	39 909	Feb-20	44 621	Industrial	70 273					
Germiston 2, Gauteng	Dec-16	7 617	Feb-21	11 097	Industrial	18 907					
Wadeville, Gauteng	Dec-16	941	Feb-20	1 425	Industrial	5 376					
Isando 2, Gauteng	Dec-16	4 090	Feb-22	1 571	Industrial	6 046					
Prospecton 3, KwaZulu-Natal	Dec-16	2 098	Feb-22	2 615	Industrial	7 407					
Prospecton 4, KwaZulu-Natal	Dec-16	1 229	Feb-20	1 063	Industrial	2 799					
Prospecton 5, KwaZulu-Natal	Dec-16	2 632	Feb-22	3 664	Industrial	9 767					
Alrode 1, Gauteng	Dec-16	1 833	Feb-20	2 156	Industrial	13 012					
Rosslyn 2, Gauteng	Dec-16	1 029	Feb-22	1 323	Industrial	7 054					
Riverhorse Valley, KwaZulu-Natal	Dec-16	1 650	Feb-22	1 421	Industrial	4 203					
Boksburg, Gauteng	Dec-16	1 187	Feb-20	1 192	Industrial	6 687					
Roodepoort 1, Gauteng	Dec-16	782	Feb-22	358	Industrial	4 279					
Roodekop 2, Gauteng	Dec-16	2 372	Feb-21	3 616	Industrial	15 526					
Roodekop 3, Gauteng	Dec-16	4 116	Feb-21	4 717	Industrial	18 757					
Roodekop 4, Gauteng	Dec-16	10 754	Feb-21	12 542	Industrial	68 498					
Parkhaven, Gauteng	Dec-16	4 635	Feb-22	5 123	Industrial	5 992					
Hammarsdale, KwaZulu-Natal	Dec-16	10 030	Feb-21	11 329	Industrial	57 796					
Mkondeni 2, KwaZulu-Natal	Dec-16	22 078	Feb-21	23 089	Industrial	46 207					
Vereeniging, Gauteng	Dec-16	10 356	Feb-21	9 338	Industrial	84 406					
New Germany, KwaZulu-Natal	Feb-21	5 775		6 757	Industrial	30 790					
Alrode 2, Gauteng	Dec-16	5 937	Feb-22	6 153	Industrial	33 787					
Germiston 3, Gauteng	Dec-16	1 996	Feb-22	1 911	Industrial	12 598					
Prospecton 6, KwaZulu-Natal	Dec-16	3 102	Feb-22	2 726	Industrial	8 420					

As at 28 February 2022

Property portfolio analysis (continued)

Property schedule (continued)

Location	Effective date of acquisition	Purchase price	Date of last profession-al valuation	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)	(%)	(£)	(%)	(%)	(%)
South Africa (continued)											
Westonaria 1, Gauteng	Dec-16	426	Feb-20	367	Industrial	2 296					
Mobeni 2, KwaZulu-Natal	Dec-16	11 958	Feb-21	11 605	Industrial	33 845					
Midrand 1, Gauteng	Dec-16	2 778	Feb-21	3 548	Industrial	8 596					
Midrand 2, Gauteng	Dec-16	3 232	Feb-22	4 089	Industrial	15 544					
Roodekop 5, Gauteng	Dec-16	2 033	Feb-20	1 450	Industrial	38 426					
Roodekop 6, Gauteng	Dec-16	8 716	Feb-22	8 896	Industrial	51 680					
Pinetown 5, KwaZulu-Natal	Dec-16	2 962	Feb-21	3 233	Industrial	11 767					
Clayville, Gauteng	Dec-16	6 085	Feb-22	5 607	Industrial	25 085					
Eastgate, Gauteng	Dec-16	1 114	Feb-22	904	Industrial	3 428					
Steeledale, Gauteng	Dec-16	1 314	Feb-22	962	Industrial	7 877					
Meyerton, Gauteng	Dec-16	1 357	Feb-20	1 220	Industrial	9 138					
Port Elizabeth, Eastern Cape	Dec-16	4 898	Feb-22	5 561	Industrial	30 193					
Westonaria 2, Gauteng	Dec-16	1 209	Feb-20	1 182	Industrial	13 020					
Mkondeni 3, KwaZulu-Natal	Dec-16	1 432	Feb-21	1 189	Industrial	12 713					
Tongaat 1, KwaZulu-Natal	Dec-16	6 453	Feb-20	8 777	Industrial	56 719					
Tongaat 2, KwaZulu-Natal	Dec-16	2 529	Feb-22	2 982	Industrial	10 159					
Pietermaritzburg 19, KwaZulu-Natal	Dec-16	426	Feb-21	401	Industrial	1 548					
Waterfall, KwaZulu-Natal	Dec-16	498	Feb-22	860	Industrial	2 977					
Pontac Park, Western Cape	May-18			94	Industrial under construction						
					Leisure: total	11 021	0.66%	5.86	0.00%	1.01%	16.88%
United Kingdom											
Cookridge Street, Leeds	Sep-06	2 752	Feb-22	2 877	Leisure	617					
Bolton – Ikon	Dec-15	247			Leisure						
Market Place, Bolton	Nov-13				Leisure	7 569					
Ogden Road Industrial Estate, Doncaster	Dec-06	3 465	Feb-22	3 146	Leisure	2 835					
					Offices: total	39 216	2.34%	11.76	2.61%	10.36%	15.31%
United Kingdom											
Cookridge Street, Leeds					Offices	585					
Grays Inn, London	Jun-14	6 628	Feb-22	10 100	Offices	672					
Tagwright House	Dec-14	13 370	Mar-21	17 520	Offices	619					
Park Place, Leeds	Apr-15	786	Feb-22	1 398	Offices	541					
Central House, Leeds (disclosed in Property, plant and equipment)	Dec-14	1 603			Offices						
Wigmore Street, London	Apr-14	5 360	Feb-22	7 000	Offices	418					
Westbourne Centre, Barrhead	Oct-05				Offices	1 304					
Carter Lane, London	Feb-17	11 661	Feb-22	16 200	Offices	1 301					
Connolly Works, London	Oct-17	13 350	Feb-22	22 000	Offices	1 586					

Location	Effective date of acquisition	Purchase price	Date of last professional valuation	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)	(%)	(£)	(%)	(%)	(%)
South Africa											
Fort Beaufort, Eastern Cape	Dec-16	532	Feb-20	266	Offices	863					
Pietermaritzburg 1, KwaZulu-Natal	Dec-16	893	Feb-21	565	Offices	1 399					
Pietermaritzburg 2, KwaZulu-Natal	Dec-16	1 171	Feb-20	822	Offices	1 000					
Hilton 1, KwaZulu-Natal	Dec-16	3 316	Feb-21	1 537	Offices	2 398					
Pinetown 6, KwaZulu-Natal	Dec-16	1 708	Feb-20	691	Offices	3 736					
Hilton 2, KwaZulu-Natal	Dec-16	2 268	Feb-20	1 315	Offices	1 998					
Hilton 3, KwaZulu-Natal	Dec-16	1 335	Feb-22	718	Offices	1 774					
Hilton 4, KwaZulu-Natal	Feb-19	109	Feb-21	105	Offices						
Longmeadow 2, Gauteng	Dec-16	3 021	Feb-22	3 301	Offices	3 888					
Umhlanga Ridge, KwaZulu-Natal	Dec-16	6 509	Feb-21	3 678	Offices	3 902					
Hilton 5, KwaZulu-Natal	Dec-16	2 010	Feb-22	1 658	Offices	2 910					
Hilton 6, KwaZulu-Natal	Dec-16	983	Feb-20	1 353	Offices	1 774					
De Tijger 1, Western Cape	Jan-18	4 830	Feb-20	1 851	Offices	1 125					
De Tijger 2, Western Cape	Jan-18	11	Feb-20	3 073	Offices	4 323					
Wilgeheuwel, Gauteng	Aug-19	2 243		2 243	Offices	1 101					
					Retail: total	271 656	16.18%	5.74	3.53%	28.63%	15.13%
United Kingdom											
Westbourne Centre, Barrhead	Oct-05	4 050	Feb-22	1 394	Retail	2 001					
Bitterne, Southampton	Sep-04	1 756	Feb-22	2 136	Retail	1 563					
High Street, Bromsgrove	Sep-04	1 272	Feb-22	497	Retail	1 703					
St Catherine's Perth	Jun-11	12 132	Feb-22	10 429	Retail	5 912					
Market Place, Bolton	Nov-13	24 860	Feb-22	35 346	Retail	30 346					
Rutherglen	May-12	7 700	Feb-22	10 005	Retail	9 633					
Ogden Road Industrial Estate, Doncaster	Dec-06				Retail	3 351					
Zambia											
Lusaka 1	Mar-15	2 454	Feb-22	1 507	Retail	5 412					
Lusaka 2	Mar-15	1 416	Feb-22	1 007	Retail	1 640					
Mozambique											
Pemba 1	Jan-17		Jun-21	9 700	Retail	6 041					
Namibia											
Rundu 1	Mar-15	11 271	Feb-20	10 483	Retail	13 595					
Klein Kuppe 1	Mar-15	7 934	Feb-20	9 522	Retail	17 684					
Windhoek 1	Mar-15	14 480	Mar-21	7 472	Retail	16 223					
Ondangwa 1	Mar-15	660	Feb-20	657	Retail	2 128					
Gobabis 1	Mar-18	1 123	Feb-21	6 645	Retail	10 215					
South Africa											
Pietermaritzburg 3, KwaZulu-Natal	Dec-16	665	Feb-20	70	Retail	887					
Pietermaritzburg 4, KwaZulu-Natal	Dec-16	262	Feb-20	54	Retail	973					
Pietermaritzburg 5, KwaZulu-Natal	Dec-16	480	Feb-21	85	Retail	623					
Pietermaritzburg 7, KwaZulu-Natal	Dec-16	285	Feb-21	77	Retail	605					
Pietermaritzburg 8, KwaZulu-Natal	Dec-16	471	Feb-20	92	Retail	310					
Pietermaritzburg 9, KwaZulu-Natal	Dec-16	935	Feb-21	681	Retail	1 200					
Pietermaritzburg 10, KwaZulu-Natal	Dec-16	690	Feb-22	425	Retail	496					
Pietermaritzburg 11, KwaZulu-Natal	Dec-16	512	Feb-22	592	Retail	801					
Pietermaritzburg 13, KwaZulu-Natal	Dec-16	329	Feb-21	580	Retail	678					
Madadeni, KwaZulu-Natal	Nov-19	3 726	Feb-22	3 626	Retail	7 498					
Ulundi 1, KwaZulu-Natal	Dec-16	1 871	Feb-20	1 890	Retail	4 476					
Pietermaritzburg 14, KwaZulu-Natal	Dec-16	300	Feb-22	406	Retail	1 316					

As at 28 February 2022

Property portfolio analysis (continued)

Property schedule (continued)

Location	Effective date of acquisition	Purchase price (£'000)	Date of last profession-al valuation	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 (continued)											
Pietermaritzburg 15, KwaZulu-Natal	Dec-16	1 159	Feb-21	918	Retail	3 033					
Pietermaritzburg 16, KwaZulu-Natal	Dec-16	131	Feb-20	184	Retail	485					
Durban North 1, KwaZulu-Natal	Dec-16	1 758	Feb-22	1 402	Retail	959					
Durban North 2, KwaZulu-Natal	Dec-16	1 488	Feb-20	1 145	Retail	1 360					
Durban North 3, KwaZulu-Natal	Dec-16	841	Feb-20	749	Retail	630					
Durban North 4, KwaZulu-Natal	Dec-16	2 021	Feb-21	2 093	Retail	2 489					
Nongoma, KwaZulu-Natal	Dec-16	1 427	Feb-22	1 682	Retail	3 729					
Matatiele 1, Eastern Cape	Dec-16	4 525	Feb-21	5 186	Retail	6 743					
Matatiele 2, Eastern Cape	Dec-16	1 971	Feb-20	2 136	Retail	3 146					
Mpumalanga West, KwaZulu-Natal	Dec-16	1 044	Feb-20	1 319	Retail	2 467					
Ulundi 2, KwaZulu-Natal	Dec-16	2 185	Feb-21	2 755	Retail	3 966					
Nongoma 2, KwaZulu-Natal	Feb-20	2 445		3 146	Retail	5 575					
Nquthu 1, KwaZulu-Natal	Dec-16	2 617	Feb-22	2 707	Retail	4 895					
Roodepoort 2, Gauteng	Dec-16	1 299	Feb-20	1 672	Retail	6 222					
Ulundi 3, KwaZulu-Natal	Dec-16	1 822	Feb-20	1 740	Retail	2 772					
Pietermaritzburg 17, KwaZulu-Natal	Dec-16	669	Feb-20	488	Retail	2 210					
Pietermaritzburg 18, KwaZulu-Natal	Dec-16	3 714	Feb-22	2 765	Retail	6 849					
Durban 1, KwaZulu-Natal	Nov-20	1 915		5 824	Retail	6 736					
Durban 2, KwaZulu-Natal	Nov-20	2 991		1 521	Retail	2 093					
Langa, Western Cape	Apr-19	1 273	Feb-21	1 450	Retail	2 277					
Nkandla, KwaZulu-Natal	Apr-18	739	Feb-21	836	Retail	1 514					
Nquthu 2, KwaZulu-Natal	Oct-19	1 712		1 682	Retail	3 147					
Inanda, KwaZulu-Natal	Feb-20			1 128	Retail under construction						
Uitzicht, Western Cape				1 378	Retail under construction						
Austria											
Linz Dornach, Austria	Feb-21	10 814		11 030	Retail	12 120					
Salzburg Maxglen, Austria	Feb-21	3 492		3 844	Retail	12 368					
Ried, Austria	Feb-21	6 769		6 852	Retail	6 505					
Salzburg Lengf, Austria	Feb-21	2 621		2 674	Retail	3 608					
Zwettl, Austria	Feb-21	3 237		3 509	Retail	4 520					
Wels, Austria	Feb-21	1 892		2 256	Retail	11 929					
					Residential: total	1 813	0.11%	27.28	0.00%	0.93%	10.86%
United Kingdom											
Tagwright House	Dec-14	13 370	Jan-00		Residential	1 086					
119-125 Marygate, Berwick upon Tweed	Oct-03	387	Feb-22	100	Residential	197					
Avonview Apartments, London	Jul-16	5 134	Feb-22	5 200	Residential	530					
South Africa											
Mzuri Residential, Somerset West, Western Cape				7 089	Residential under construction						
				666 607		1 679 392	100%			100%	4.63%
The average annualised gross rental yield of the above properties amounts to				9.76%							

Tenant profile	%
A – Large nationals, large listeds,and major franchisees	38.4%
B – Government	2.6%
C – Nationals, listeds, franchisees	7.2%
D – Medium to large professional firms	17.7%
E – Private commerial tenants	30.6%
F – Private residential tenants	3.5%
	100%

Lease expiry profile based on revenue	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	There-after (%)
Industrial	1.1%	3.5%	10.3%	43.8%
Leisure	0.1%	0.0%	0.0%	0.9%
Offices	1.0%	1.3%	1.9%	6.6%
Retail	2.9%	4.0%	4.5%	16.9%
Residential	0.8%	0.1%	0.0%	0.0%
	6.1%	8.9%	16.7%	68.3%

Lease expiry profile based on gross lettable area	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	There-after (%)
Industrial	3.6%	6.9%	9.1%	61.0%
Leisure	0.2%	0.0%	0.0%	0.5%
Offices	0.7%	0.3%	0.4%	1.1%
Retail	2.7%	1.6%	2.0%	9.8%
Residential	0.1%	0.0%	0.0%	0.0%
	7.3%	8.8%	11.5%	72.4%

As at 28 February 2021

Property portfolio analysis (continued)

Property schedule (continued)

Location	Effective date of acquisition	Purchase price	Date of last professional valuation	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)	(%)	(£)	(%)	(%)	(%)
					Industrial: total	1 402 450	81.18%	2.19	6.06%	62.72%	1.80%
United Kingdom											
Wilmington Grove, Leeds – car park	May-06	3 470	Feb-21	1 150	Industrial	9 793					
Ogden Road Industrial Estate, Doncaster	Dec-06	3 465	Feb-21	3 130	Industrial	3 351					
Mozambique											
Maputo 1	Jan-17	8 431	Dec-19	8 595	Industrial	12 006					
South Africa											
Kensington, Western Cape	Dec-16	451	Feb-20	491	Industrial	1 410					
Prospecton 1, KwaZulu-Natal	Dec-16	16 805	Feb-21	11 069	Industrial	35 193					
Pinetown 1, KwaZulu-Natal	Dec-16	2 611	Feb-21	2 004	Industrial	9 266					
Westmead 1, KwaZulu-Natal	Dec-16	1 537	Feb-21	1 350	Industrial	4 970					
Westmead 2, KwaZulu-Natal	Dec-16	1 005	Feb-21	897	Industrial	2 781					
Brakpan 1, Gauteng	Dec-16	38	Feb-20	58	Industrial	13 017					
Brakpan 2, Gauteng	Dec-16	2 834	Feb-20	2 782	Industrial	18 551					
Blackheath, Western Cape	Dec-16	2 324	Feb-21	2 344	Industrial	12 430					
Mobeni 1, KwaZulu-Natal	Dec-16	8 746	Feb-20	7 896	Industrial	25 724					
De Aar, Northern Cape	Dec-16	304	Feb-20	242	Industrial	4 408					
Paarl, Western Cape	Dec-16	7 203	Feb-21	6 589	Industrial	32 462					
Isando 1, Gauteng	Dec-16	6 848	Feb-20	6 188	Industrial	23 279					
Rosslyn 1, Gauteng	Dec-16	9 564	Feb-21	8 445	Industrial	43 556					
Longmeadow 1, Gauteng	Dec-16	1 197	Feb-21	1 131	Industrial	3 179					
Springs, Gauteng	Dec-16	17 059	Feb-21	14 075	Industrial	69 452					
Mkondeni 1, KwaZulu-Natal	Dec-16	329	Feb-19	334	Industrial	1 631					
Pomona, Gauteng	Dec-16	5 275	Feb-19	4 051	Industrial	11 094					
Springfield, KwaZulu-Natal	Dec-16	1 258	Feb-20	1 350	Industrial	4 100					
Roodekop 1, Gauteng	Dec-16	6 825	Feb-21	6 742	Industrial	20 192					
Prospecton 2, KwaZulu-Natal	Dec-16	32 125	Feb-21	28 193	Industrial	69 866					
Richards Bay, KwaZulu-Natal	Dec-16	877	Feb-20	873	Industrial	17 110					
Epping, Western Cape	Dec-16	9 918	Feb-20	8 999	Industrial	38 035					
Westmead 3, KwaZulu-Natal	Dec-16	1 167	Feb-19	1 064	Industrial	2 682					
Germiston 1, Gauteng	Dec-16	39 909	Feb-20	43 185	Industrial	70 273					
Germiston 2, Gauteng	Dec-16	7 617	Feb-21	9 590	Industrial	18 907					
Pinetown 2, KwaZulu-Natal	Dec-16	2 438	Feb-19	1 021	Industrial	6 072					
Wadeville, Gauteng	Dec-16	941	Feb-20	1 379	Industrial	5 376					
Isando 2, Gauteng	Dec-16	4 090	Feb-19	1 560	Industrial	6 046					
Prospecton 3, KwaZulu-Natal	Dec-16	2 098	Feb-20	2 405	Industrial	7 407					
Prospecton 4, KwaZulu-Natal	Dec-16	1 229	Feb-20	892	Industrial	2 799					
Prospecton 5, KwaZulu-Natal	Dec-16	2 632	Feb-21	2 655	Industrial	9 767					
Alrode 1, Gauteng	Dec-16	1 833	Feb-20	2 020	Industrial	13 012					
Rosslyn 2, Gauteng	Dec-16	1 029	Feb-21	1 179	Industrial	7 054					
Riverhorse Valley, KwaZulu-Natal	Dec-16	1 650	Feb-19	1 088	Industrial	4 203					
George, Western Cape	Dec-16	221	Feb-20	231	Industrial	1 518					
Boksburg, Gauteng	Dec-16	1 187	Feb-20	1 410	Industrial	6 687					
Roodepoort 1, Gauteng	Dec-16	782	Feb-20	448	Industrial	6 069					
Pinetown 3, KwaZulu-Natal	Dec-16	1 942	Feb-21	1 699	Industrial	7 145					
Roodekop 2, Gauteng	Dec-16	2 372	Feb-21	3 033	Industrial	15 526					
Roodekop 3, Gauteng	Dec-16	4 116	Feb-21	4 483	Industrial	18 757					
Roodekop 4, Gauteng	Dec-16	10 754	Feb-21	11 855	Industrial	68 498					
Parkhaven, Gauteng	Dec-16	4 635	Feb-21	3 932	Industrial	5 992					
Bloemfontein, Free State	Dec-16	186	Feb-19	128	Industrial	2 547					

Location	Effective date of acquisition	Purchase price	Date of last professional valuation	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)	(%)	(£)	(%)	(%)	(%)
South Africa (continued)											
Hammarsdale, KwaZulu-Natal	Dec-16	10 030	Feb-21	11 465	Industrial	57 275					
Mkondeni 2, KwaZulu-Natal	Dec-16	22 078	Feb-21	22 363	Industrial	59 071					
Pinetown 4, KwaZulu-Natal	Dec-16	1 419	Feb-21	1 314	Industrial	6 234					
Vereeniging, Gauteng	Dec-16	10 356	Feb-21	8 040	Industrial	84 406					
New Germany, KwaZulu-Natal	Feb-21	5 701		6 050	Industrial	30 790					
Alrode 2, Gauteng	Dec-16	5 937	Feb-21	6 156	Industrial	33 787					
Germiston 3, Gauteng	Dec-16	1 996	Feb-20	1 865	Industrial	12 598					
Prospecton 6, KwaZulu-Natal	Dec-16	3 102	Feb-20	3 015	Industrial	8 420					
Westonaria 1, Gauteng	Dec-16	426	Feb-20	448	Industrial	2 296					
White River, Nelspruit	Dec-16	168	Feb-19	124	Industrial	1 614					
Mobeni 2, KwaZulu-Natal	Dec-16	11 958	Feb-21	9 209	Industrial	33 845					
Midrand 1, Gauteng	Dec-16	2 778	Feb-21	2 992	Industrial	8 596					
Midrand 2, Gauteng	Dec-16	3 232	Feb-21	3 372	Industrial	15 544					
Roodekop 5, Gauteng	Dec-16	2 033	Feb-20	1 603	Industrial	38 426					
Roodekop 6, Gauteng	Dec-16	8 716	Feb-21	9 107	Industrial	51 680					
Pinetown 5, KwaZulu-Natal	Dec-16	2 962	Feb-21	3 106	Industrial	11 767					
Clayville, Gauteng	Dec-16	6 085	Feb-20	5 372	Industrial	25 085					
Eastgate, Gauteng	Dec-16	1 114	Feb-19	1 050	Industrial	3 428					
Steeledale, Gauteng	Dec-16	1 314	Feb-21	788	Industrial	7 877					
Meyerton, Gauteng	Dec-16	1 357	Feb-20	1 073	Industrial	9 138					
Port Elizabeth, Eastern Cape	Dec-16	4 898	Feb-21	4 591	Industrial	30 193					
Westonaria 2, Gauteng	Dec-16	1 209	Feb-20	1 248	Industrial	13 020					
Mkondeni 3, KwaZulu-Natal	Dec-16	1 432	Feb-21	1 484	Industrial	12 713					
Tongaat 1, KwaZulu-Natal	Dec-16	6 453	Feb-20	8 250	Industrial	56 769					
Tongaat 2, KwaZulu-Natal	Dec-16	2 529	Feb-20	2 829	Industrial	10 159					
Pietermaritzburg 19, KwaZulu-Natal	Dec-16	426	Feb-21	348	Industrial	1 548					
Waterfall, KwaZulu-Natal	Dec-16	498	Feb-20	511	Industrial	2 977					
Pontac Park, Western Cape	May-18			93	Industrial under construction						
					Leisure: total	10 511	0.61%	6.17	0.00%	1.35%	12.71%
United Kingdom											
Cookridge Street, Leeds	Sep-06	2 752	Feb-21	2 918	Leisure	617					
Bolton – Ikon	Dec-15	247			Leisure						
Market Place, Bolton					Leisure	6 926					
25 Lime St, London					Leisure	133					
Ogden Road Industrial Estate, Doncaster					Leisure	2 835					
					Offices: total	43 178	2.50%	12.39	2.50%	11.74%	15.17%
United Kingdom											
Cookridge Street, Leeds	Sep-06				Offices	585					
Grays Inn, London	Jun-14	6 628	Feb-21	10 100	Offices	672					
Tagwright House	Dec-14				Offices	619					
25 Lime St, London	Dec-14	6 424	Feb-21	10 623	Offices	841					
24 Lime St, London	Apr-14	5 758	Feb-21	10 065	Offices	619					
Park Place, Leeds	Apr-15	786	Feb-21	1 395	Offices	541					
Central House, Leeds (disclosed in Property, plant and equipment)	Dec-14	1 603			Offices	942					
Wigmore Street, London	Apr-14	5 360	Feb-21	7 000	Offices	418					
Westbourne Centre, Barrhead	Oct-05				Offices	1 304					
Carter Lane, London	Feb-17	11 661	Sep-18	16 200	Offices	1 301					
Connolly Works, London	Oct-17	13 350	Feb-19	19 400	Offices	1 586					

As at 28 February 2021

Property portfolio analysis (continued)

Property schedule (continued)

Location	Effective date of acquisition	Purchase price	Date of last profession-al valuation	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)	(%)	(£)	(%)	(%)	(%)
South Africa											
Fort Beaufort, Eastern Cape	Dec-16	532	Feb-20	262	Offices	863					
Pietermaritzburg 1, KwaZulu-Natal	Dec-16	893	Feb-21	710	Offices	1 399					
Pietermaritzburg 2, KwaZulu-Natal	Dec-16	1 171	Feb-20	816	Offices	1 000					
Hilton 1, KwaZulu-Natal	Dec-16	3 316	Feb-21	1 813	Offices	2 587					
Pinetown 6, KwaZulu-Natal	Dec-16	1 708	Feb-20	1 035	Offices	3 736					
Hilton 2, KwaZulu-Natal	Dec-16	2 268	Feb-20	1 336	Offices	1 998					
Hilton 3, KwaZulu-Natal	Dec-16	1 335	Feb-19	654	Offices	1 774					
Hilton 4, KwaZulu-Natal	Feb-19	109	Feb-21	389	Offices						
Longmeadow 2, Gauteng	Dec-16	3 021	Feb-19	3 330	Offices	3 888					
Umhlanga Ridge, KwaZulu-Natal	Dec-16	6 509	Feb-21	4 618	Offices	3 901					
Hilton 5, KwaZulu-Natal	Dec-16	2 010	Feb-19	2 047	Offices	2 910					
Hilton 6, KwaZulu-Natal	Dec-16	983	Feb-20	1 245	Offices	1 774					
Vryheid, KwaZulu-Natal	Dec-16	711	Feb-21	188	Offices	1 372					
De Tijger 1, Western Cape	Jan-18	4 830	Feb-20	4 342	Offices	1 125					
De Tijger 2, Western Cape	Jan-18	11	Feb-20	205	Offices	4 323					
Wilgeheuwel, Gauteng	Aug-19	1 899		1 899	Offices	1 101					
					Retail: total	269 628	15.61%	5.66	3.31%	23.09%	9.50%
United Kingdom											
Westbourne Centre, Barrhead	Oct-05	4 050	Feb-21	1 389	Retail	2 001					
Bitterne, Southampton	Sep-04	1 756	Feb-21	2 131	Retail	1 563					
High Street, Bromsgrove	Sep-04	1 272	Feb-21	494	Retail	1 703					
24 Lime St, London	Dec-14				Retail	244					
25 Lime St, London	Apr-14				Retail	17					
St Catherine's Perth	Jun-11	12 132	Feb-21	8 931	Retail	5 912					
Market Place, Bolton	Nov-13	24 860	Feb-21	35 649	Retail	30 147					
Rutherglen	May-12	7 700	Feb-21	9 528	Retail	9 633					
Zambia											
Lusaka 1	Mar-15	2 454		2 469	Retail	5 412					
Lusaka 2	Mar-15	1 416		5	Retail	1 640					
Mozambique											
Pemba 1	Jan-17		Jun-19	9 814	Retail	6 041					
Namibia											
Rundu 1	Mar-15	11 271	Feb-20	10 355	Retail	13 595					
Klein Kuppe 1	Mar-15	7 934	Feb-20	8 712	Retail	17 684					
Windhoek 1	Mar-15	14 480	Mar-21	8 709	Retail	16 223					
Ondangwa 1	Mar-15	660	Feb-20	592	Retail	2 128					
Gobabis 1	Mar-18	1 123	Feb-21	6 474	Retail	10 215					
South Africa											
Pietermaritzburg 3, KwaZulu-Natal	Dec-16	665	Feb-20	401	Retail	887					
Pietermaritzburg 4, KwaZulu-Natal	Dec-16	262	Feb-20	530	Retail	973					
Pietermaritzburg 5, KwaZulu-Natal	Dec-16	480	Feb-21	491	Retail	623					
Pietermaritzburg 6, KwaZulu-Natal	Dec-16	475	Feb-21	501	Retail	1 108					
Pietermaritzburg 7, KwaZulu-Natal	Dec-16	285	Feb-21	86	Retail	605					
Pietermaritzburg 8, KwaZulu-Natal	Dec-16	471	Feb-20	143	Retail	310					
Pietermaritzburg 9, KwaZulu-Natal	Dec-16	935	Feb-21	806	Retail	1 200					
Pietermaritzburg 10, KwaZulu-Natal	Dec-16	690	Feb-20	439	Retail	496					
Pietermaritzburg 11, KwaZulu-Natal	Dec-16	512	Feb-19	534	Retail	801					

Location	Effective date of acquisition	Purchase price	Date of last profession-al valuation	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)	(%)	(£)	(%)	(%)	(%)
South Africa (continued)											
Pietermaritzburg 12, KwaZulu-Natal	Dec-16	236	Feb-20	239	Retail	1 256					
Pietermaritzburg 13, KwaZulu-Natal	Dec-16	329	Feb-21	575	Retail	678					
Mkuze, KwaZulu-Natal	Dec-16	1 015	Feb-20	286	Retail	3 026					
Madadeni, KwaZulu-Natal	Nov-19	3 726		3 672	Retail	7 498					
Ulundi 1, KwaZulu-Natal	Dec-16	1 871	Feb-20	1 675	Retail	4 476					
Pietermaritzburg 14, KwaZulu-Natal	Dec-16	300	Feb-20	296	Retail	1 316					
Pietermaritzburg 15, KwaZulu-Natal	Dec-16	1 159	Feb-21	1 074	Retail	3 033					
Pietermaritzburg 16, KwaZulu-Natal	Dec-16	131	Feb-20	177	Retail	485					
Durban North 1, KwaZulu-Natal	Dec-16	1 758	Feb-19	1 298	Retail	959					
Durban North 2, KwaZulu-Natal	Dec-16	1 488	Feb-20	1 231	Retail	1 365					
Durban North 3, KwaZulu-Natal	Dec-16	841	Feb-20	735	Retail	630					
Durban North 4, KwaZulu-Natal	Dec-16	2 021	Feb-21	2 013	Retail	2 489					
Nongoma, KwaZulu-Natal	Dec-16	1 427	Feb-20	1 450	Retail	3 729					
Matatiele 1, Eastern Cape	Dec-16	4 525	Feb-21	4 433	Retail	6 743					
Matatiele 2, Eastern Cape	Dec-16	1 971	Feb-20	1 899	Retail	3 146					
Mpumalanga West, KwaZulu-Natal	Dec-16	1 044	Feb-20	1 074	Retail	2 467					
Ulundi 2, KwaZulu-Natal	Dec-16	2 185	Feb-21	2 786	Retail	3 966					
Nongoma 2, KwaZulu-Natal	Feb-20	2 445		2 462	Retail	4 161					
Nquthu 1, KwaZulu-Natal	Dec-16	2 617	Feb-20	2 486	Retail	4 895					
Roodepoort 2, Gauteng	Dec-16	1 299	Feb-20	1 555	Retail	6 222					
Ulundi 3, KwaZulu-Natal	Dec-16	1 822	Feb-20	1 624	Retail	2 772					
Pietermaritzburg 17, KwaZulu-Natal	Dec-16	669	Feb-20	534	Retail	2 210					
Pietermaritzburg 18, KwaZulu-Natal	Dec-16	3 714	Feb-20	2 099	Retail	6 720					
Durban 1, KwaZulu-Natal	Nov-20	1 915		5 716	Retail	4 145					
Durban 2, KwaZulu-Natal	Nov-20	2 991		1 501	Retail	2 093					
Langa, Western Cape	Apr-19	1 273	Feb-21	1 431	Retail	2 277					
Nkandla, KwaZulu-Natal	Apr-18	739	Feb-21	701	Retail	1 514					
Nquthu 2, KwaZulu-Natal	Oct-19	1 712		1 671	Retail	3 147					
Mamelodi, Gauteng	Sep-17			55	Retail under construction						
Inanda, KwaZulu-Natal	Feb-20			448	Retail under construction						
Austria											
Linz Dornach, Austria	Feb-21	10 814		10 814	Retail	12 120					
Salzburg Maxglen, Austria	Feb-21	3 492		3 492	Retail	12 368					
Ried, Austria	Feb-21	6 769		6 769	Retail	6 505					
Salzburg Lengf, Austria	Feb-21	2 621		2 621	Retail	3 608					
Zwettl, Austria	Feb-21	3 237		3 237	Retail	4 520					
Wels, Austria	Feb-21	1 892		1 892	Retail	11 929					
					Residential: total	1 813	0.10%	28.64	0.00%	1.09%	18.74%
United Kingdom											
Tagwright House	Dec-14	13 370	Mar-21	17 520	Residential	1 086					
119-125 Marygate, Berwick upon Tweed	Oct-03	387	Feb-21	75	Residential	197					
Avonview Apartments, London	Jul-16	5 134	Feb-21	5 200	Residential	530					
South Africa											
Mzuri Residential, Somerset West, Western Cape				10 171	Residential under construction						
				662 866		1 727 581	100%			100%	3.42%

The average annualised gross rental yield of the above properties amounts to 9.68%

As at 28 February 2021

Property portfolio analysis (continued)

Tenant profile	%
A – Large nationals, large listeds,and major franchisees	39.0%
B – Government	2.7%
C – Nationals, listeds, franchisees	7.1%
D – Medium to large professional firms	16.8%
E – Private commerial tenants	31.4%
F – Private residential tenants	3.0%
	100%

Lease expiry profile based on revenue	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	There-after (%)
Industrial	1.5%	5.2%	3.8%	52.1%
Leisure	0.1%	0.0%	0.0%	1.3%
Offices	0.4%	1.4%	0.8%	9.1%
Retail	3.8%	2.8%	2.8%	13.8%
Residential	1.1%	0.0%	0.0%	0.0%
	6.9%	9.4%	7.4%	76.3%

Lease expiry profile based on gross lettable area	Within 1 year (%)	Within 2 years (%)	Within 3 years (%)	There-after (%)
Industrial	4.8%	9.3%	5.5%	61.4%
Leisure	0.1%	0.0%	0.0%	0.5%
Offices	0.6%	0.4%	0.2%	1.3%
Retail	1.7%	0.9%	1.2%	8.9%
Residential	1.0%	0.1%	0.1%	2.0%
	8.1%	10.8%	7.0%	74.1%

Tradehold Limited and its subsidiaries at 28 February 2022

Shareholders' profile

	Number of holders	Percentage of shareholders	Number of shares held	Percentage holding
Distibution of shareholders				
Non-public shareholders				
Directors – direct	3	0.23	708 220	0.27
Directors and associates of directors – indirect	10	0.77	173 266 725	66.30
Prescribed officers – direct and indirect	3	0.23	1 666 350	0.64
Public shareholders	1 290	98.77	85 705 275	32.79
Total	1 306	100.00	261 346 570	100.00

	Number of shares held	Percentage holding
Major shareholders		
Granadino Investments (Pty) Ltd	100 409 386	38.4
Redbill Holdings (Pty) Limited	33 767 103	12.9
Titan Global Investments (Pty) Ltd	31 000 893	11.9
Teez Away Trading (Pty) Limited	29 666 226	11.4
H Collins and Son (Pty) Limited	15 224 977	5.8

Directors' interest

At 28 February 2022 the interest of the directors and prescribed officers in the issued shares in the company were as follows:

	Direct	Indirect including associates	Total 2022	Total 2021
K R Collins	484 865	33 767 103	34 251 968	34 251 968
F H Esterhuyse	—	4 216 799	4 216 799	3 123 412
K L Nordier	209 913	—	209 913	209 913
LL Porter	—	—	—	
M J Roberts	—	—	—	—
K A Searle	9 913	1 656 437	1 666 350	1 664 600
H R W Troskie	—	—	—	—
T A Vaughan	13 442	522 656	536 098	536 098
C H Wiese	—	134 727 425	134 727 425	134 727 425
J D Wiese	—	32 742	32 742	32 742
	718 133	174 923 162	175 641 295	174 546 158

There have been no changes in the interest of the directors between 28 February 2022 and the date of approval of these annual financial statements.

Directorate and Administration

Directorate

C H Wiese (80)†
B A, LL B, D Com (HC)
Chairman

K R Collins (50)+

L L Porter (70)*°
B A, BSc, DPhil, FBCS, CITP

M J Roberts (75)*+°
B A

P Roelofse (44)
B Acc (Cum Laude), B Acc Hons, CA(SA), CFA

H R W Troskie (52)*+
B Juris, LL B, LL M

J D Wiese (41)†
B A, LL B, M Com
alternate to C H Wiese

T A Vaughan (56)#
B Sc Hons, MRICS

F H Esterhuyse (52)#
B Acc Hons, M Com, CA(SA)

K L Nordier (55)#°
B Acc, B Acc Hons, CA (SA)
Financial director

D A Harrop (52)#
B A Hons, ACA
Resigned on 20 May 2021

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
P J Janse van Rensburg
Suite 1603 Portside Building
4 Bree Street
Cape Town 8001

Sponsor
Questco Corporate Advisory (Pty) Ltd
Ground Floor
Block C
Investment Place
10th Road
Hyde Park 2196

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
Leinster Hall
7 Weltevreden Street
Gardens
Cape Town 8005
PO Box 6100
Parow East 7501
Telephone: +27 21 020 8920

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

Auditors
PricewaterhouseCoopers Inc

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 Company")

Form of proxy

Where appropriate and applicable, the terms defined in the notice of annual general meeting (the "AGM Notice") to which this proxy form is attached and forms part of shall bear the same meaning in this proxy form.

To be completed by certificated Shareholders and dematerialised Shareholders with "own name" registration only.

For use at the AGM to be held at 11:00 on Tuesday, 30 August 2022.

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 electronic AGM. This must be done in terms of the custody agreement entered into between the shareholder and the CSDP or broker concerned.

Dematerialised Shareholders, other than dematerialised Shareholders with "own-name" registrations, must not return this form of proxy to the Company's transfer secretaries or deliver it to the chairman of the AGM.

I/We (full names and surname in block letters)

of (full address)

as a Shareholder, being the registered holder of ordinary shares in the Company, hereby appoint:

1. or

2. or

3. THE CHAIRMAN OF THE MEETING

as my/our proxy to attend and speak on my/our behalf at the electronic AGM to be held at 11:00 on Tuesday, 30 August 2022 and at any adjournment thereof:

Indicate with an X in the appropriate block:

Ordinary resolutions		In favour of	Against	Abstain
Re-appointment of PricewaterhouseCoopers Inc	1.			
Re-appointment of Dr CH Wiese to the board	2.			
Re-appointment of Mr KR Collins to the board	3.			
Re-appointment of Dr LL Porter to the board	4.			
General authority to directors to issue shares for cash	5.			
General authority to issue unspecified preference shares	6.			
Election of members of audit committee	7.			
Non-binding advisory resolution on the remuneration policy of the Company	1.			
Non-binding advisory resolution on the remuneration implementation report of the Company	2.			
General authority of the directors	8.			
Special resolutions				
Confirmation of the directors' remuneration	1.			
Financial assistance in terms of section 45	2.			
Financial assistance in terms of section 44	3.			
General authority to acquire shares in terms of sections 46 and 48	4.			

Signed at this day of 2022

Signature

Form of proxy (continued)

NOTES:

1. Participants connecting to the AGM will be able to participate in the AGM but will not be able to cast their votes electronically at the AGM. Accordingly, and in order for their votes to be recorded, certificated Shareholders and dematerialised Shareholders with "own name" registration making use of the electronic participation facility must submit their duly completed forms of proxy to the Company's Transfer Secretaries by email to: proxy@computershare.co.za as soon as possible but before commencement of the AGM. Dematerialised Shareholders, other than those with "own name" registration, making use of the electronic participation facility must provide instructions to their duly appointed central securities depository participant ("CSDP") or broker, as soon as possible but before commencement of the AGM.
2. A Shareholder entitled to attend the AGM shall be entitled to appoint one person, who need not be Shareholder, as his proxy to attend and speak in his place. A Shareholder may not appoint more than one person concurrently as proxies, and may not appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder.
3. A proxy may not delegate the proxy's authority to act on behalf of the Shareholder to another person, unless the right to delegate is specifically contained in the proxy form and the delegation occurs by way of a further proxy form which itself complies with the requirements of the Act and the MOI.
4. A proxy form which complies with the Act and the MOI shall, if the AGM is adjourned or postponed, unless the contrary is stated thereon, be valid at the AGM when it resumes after such adjournment or commences after such postponement, even if it had not been lodged timeously for use at the AGM as originally scheduled (prior to the adjournment or postponement).
5. Subject to the provisions of the Act, a proxy instrument may be an instrument created or transmitted by electronic or other means, including electronic mail or facsimile
6. 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.
7. 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 AGM. This must be done in terms of the custody agreement entered into between the Shareholder and the CSDP or stockbroker concerned.
8. Any alteration to the form of proxy must be signed, not initialled.
9. Any one of the joint holders of any share may vote by proxy at the AGM in respect of that share as if he were solely entitled to exercise that vote, and, if more than one of those joint holders is present at the AGM, the joint holder who tenders a vote (including an abstention) and whose name stands in the securities register of the Company before the other joint holders who are present, in person or by proxy, shall be the joint holder who is entitled to vote in respect of the relevant share.
10. The completion and lodging of this form of proxy will not preclude the signatory from attending the electronic AGM and speaking thereat to the exclusion of any proxy appointed in terms hereof should such signatory wish to do so.
11. 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) or email to: proxy@computershare.co.za, so as to arrive by no later than 48 hours before the commencement of the AGM for administration purposes. Clause 23.7 of the MOI grants the board or the chairperson of the AGM 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 AGM.

Summary of rights established by section 58 of the Act, as required in terms of sub-section 58(8)(b)(i):

1. A shareholder may at any time appoint any individual, including a non-shareholder of the company, as a proxy to participate in, speak and vote at a shareholders' meeting on his/her behalf, or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60. [section 58(1)(a) & (b)]
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 below or expires earlier in terms of paragraph 10.4 below. [section 58(2)]
3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder. [section 58(3)(a)]
4. A proxy may delegate his/her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument"). [section 58(3)(b)]
5. A copy of the proxy instrument must be delivered to the company, or to any other person acting on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting and in terms of the MOI. [section 58(3)(c)]
6. Irrespective of the form of instrument used to appoint a proxy:
   - 6.1. the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder; [section 58(4)(a)]
   - 6.2. the appointment is revocable unless the proxy appointment expressly states otherwise; and [section 58(4)(b)]
   - 6.3. if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company. [section 58(4)(c)]
7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above. [section 58(5)]
8. If the proxy instrument has been delivered to a company, as long as that appointment remains in effect, any notice required by the Act or the MOI to be delivered by the company to the shareholder must be delivered by the company to the shareholder, or the proxy or proxies, if the shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so. [section 58(6)(a) & (b)]
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise. [section 58(7)]
10. If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:
    - 10.1. the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised; [section 58(8)(a)]
    - 10.2. the invitation or form of proxy instrument supplied by the company must:
      - 10.2.1. bear a reasonably prominent summary of the rights established in section 58 of the Act; [section 58(8)(b)(i)]
      - 10.2.2. contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder; and [section 58(8)(b)(ii)]
      - 10.2.3. provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting; [section 58(8)(b)(iii)]
    - 10.3. the company must not require that the proxy appointment be made irrevocable; and [section 58(8)(c)]
    - 10.4. the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above. [section 58(8)(d)]

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