

2015

The logo for Tradehold Limited is positioned in the upper right quadrant of the page. It features a stylized 'H' icon composed of two blue squares, one above the other. To the right of the icon, the word 'TRADEHOLD' is written in a bold, blue, sans-serif font. Below this, the word 'LIMITED' is written in a smaller, blue, sans-serif font, with each letter separated by a small gap.

Annual Results for the year ended 28 February 2015

AGENDA

OVERVIEW

PROPERTY – UNITED KINGDOM

PROPERTY DEVELOPMENT – AFRICA









FINANCIAL SERVICES

FINANCIAL REVIEW

LOOKING AHEAD

Q & A



OVERVIEW OF BUSINESS

| | PROPERTY | | FINANCIAL SERVICES | |
|---------------------|--|--|---|--|
| Business |  | TRADEHOLD AFRICA |  |  |
| Countries |  |   |  |  |
| Interest | 95% | 100% | 70% | 100% |
| Asset class | <ul style="list-style-type: none"> – Commercial – Industrial – London residential – Retail – Leisure | Property development: <ul style="list-style-type: none"> – Commercial – Retail – Residential | <ul style="list-style-type: none"> – Secure short-term SME loans – Invoice finance – Trade finance | <ul style="list-style-type: none"> – Corporate finance – Invoice finance – Consumer finance – Credit services – Treasury services – Solar energy |
| Performance metrics | Property division: Capital Growth Fund <ul style="list-style-type: none"> – Emphasis on NAVPS growth – Income re-invested into acquisitions / development pipeline – NAV growth from income / development profit / revaluation / active asset management | | Financial services: Earnings growth <ul style="list-style-type: none"> – Emphasis on earnings growth and ROE | |

TRADEHOLD RESULTS AT A GLANCE

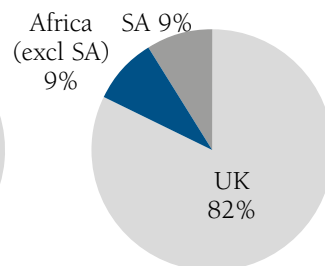
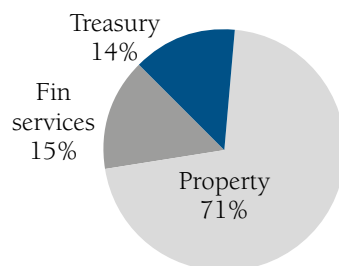
| | Feb 2015 | Feb 2014 | % Change |
|--|----------|----------|----------|
| Net income | £7,8m | £6,4m | 23 |
| Earnings per share (pence) | 5,1 | 4,6 | 11 |
| Core headline earnings per share (pence) | 5,4 | 3,3 | 63 |
| Headline earnings per share (pence) | 3,3 | 4,5 | (25) |
| Total gross assets | £207m | £128m | 62 |
| NAV | £122m | £99m | 23 |
| Current gearing % | 20 | — | |
| Shares in issue | 159,3m | 138,6m | 15 |
| NAVPS – pence | 76,7 | 71,7 | 7 |

TRADEHOLD RESULTS AT A GLANCE (CONTINUED)

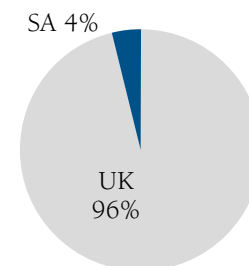
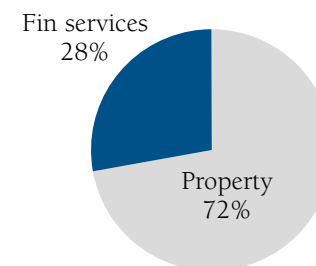
| | PROPERTY | | FINANCIAL SERVICES | |
|----------------------------------|---|------------------|---|---|
| |  | TRADEHOLD AFRICA |  |  |
| Net profit contribution | £7m | (£0,3m) | £2,2m | £0,43m |
| Return on average group capital | 8% | — | 13% | 11% |
| Total gross assets | £129m | £18m | £21,4m | £9m |
| Property portfolio value | £116m | £9m | — | — |
| Number of properties | 25 | 1 | — | — |
| Attributable GLA (sq meters) | 92 527 | — | — | — |
| Development pipeline (sq meters) | — | 131 454 | — | — |

(100% of pipeline)

Gross assets



Net income



PROPERTY

UNITED KINGDOM

UK STRATEGIES AND EXECUTION HIGHLIGHTS

Buoyed by strengthening GDP growth, the UK property market performed well in 2014/15.

Moorgarth focused on making selective acquisitions and actively asset managing the portfolio.

In London

- We opened our new London office at 128 Wigmore Street in the West End.
- We established The Boutique Workplace Company Limited, our newly branded serviced office operation with 2 new London locations in West End and Kings Cross on top of the operations in Glasgow and NW England – in total we now have over 400 workstations.
- Acquired 2 office properties in the City of London close to the historic Lloyds Building and Leadenhall market, with the potential to not only significantly enhance the income in the existing buildings but double the lettable area through wholesale redevelopment.
- We made our first acquisition in central London residential in Shoreditch (London's silicone Valley) comprising 14 units and 950 sq m of offices. We have also exchanged contracts to acquire a further 12 units in Fulham SW London due for completion in June 2016.

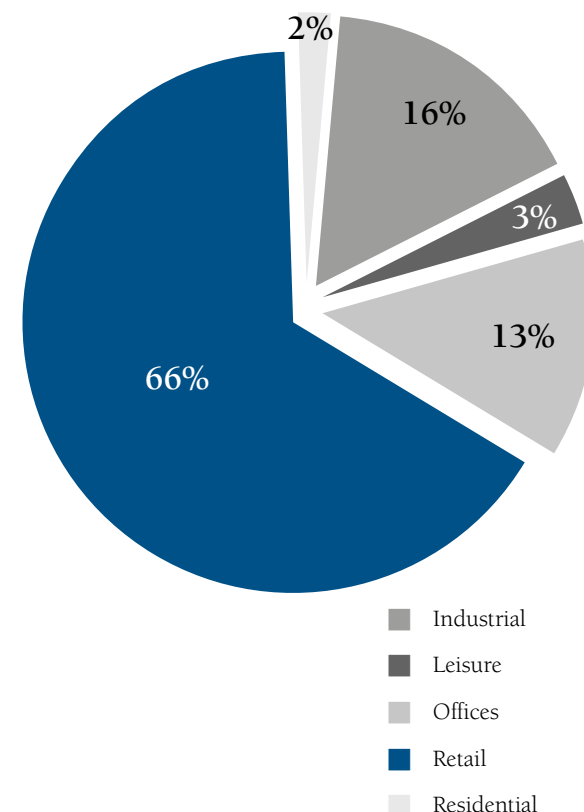
UK STRATEGIES AND EXECUTION HIGHLIGHTS (CONTINUED)

Asset management of existing portfolio

- We commenced the high-profile reconfiguration of our shopping centre in Greater Manchester to create a 1 200 seat cinema and 6 restaurants at a cost of £15m. We have also agreed lettings to organisations such as Next Plc, Boots, H Samuel.
- We secured planning permission and undertaken the development of our sites in Doncaster, Leeds and Glasgow – contributing to the value improvements seen during the year.
- In line with our strategy of disposing of non-core assets within the portfolio we have successfully disposed of assets in Middlesbrough, Harrogate, Berwick-upon-Tweed, Oldham Greater Manchester.
- We agreed to buy the 4 properties within the Collins Group's UK portfolio. Two of these assets have already been sold, one has exchanged contracts for sale and in the case of the other asset we are reviewing the alternative use potential for the site. In addition, the DV4 investment managed by Delancy is beginning to perform well.
- We have completed the refurbishment of the shopping centre in Glasgow.
- Our hotel has transformed its performance through close monitoring and is now a significant contributor to net income.

UNITED KINGDOM PORTFOLIO

| Sector | GLA sq ft | GLA sq m | Value £m | Net ave. yield on book value % | Net ave. yield on book value ERV % | Vacancies % | Number of properties |
|--------------|----------------|---------------|-------------|---|--|----------------|-------------------------|
| Industrial | 164,199 | 15,254 | 5,0 | 12.2 | 11.1 | 0.4 | 3,5 |
| Leisure | 27,637 | 2,568 | 5,7 | 11.5 | 12.9 | 0.0 | 1 |
| Offices | 127,267 | 11,823 | 34,1 | 3.9* | 7.4 | 8.0 | 7 |
| Retail | 661,983 | 61,500 | 62,5 | 11.0 | 11.7 | 12.6 | 1,5 |
| Residential | 14,872 | 1,382 | 8,8 | 1.0** | 1.8 | 0.6 | 2 |
| Total | 995,958 | 92,527 | 116 | 8.3*** | 9.9 | 21.6 | 25 |



* Yield reduced in year as number of office properties bought in the course of the year.

** The yield reduced in the year due to acquisition of Tagwright House in December 2014

*** This differs from the 8.2% disclosed in the Property Portfolio Analysis in the notes to the Tradehold Integrated Report as the figure here includes the net income for Clumber Park Hotel, whilst the note in the accounts excludes it.

MAIN RETAIL ASSETS

| Property | Market Place | Rutherglen | St. Catherine's Retail Park | Ogden Road |
|-------------------------|--------------------|------------|--------------------------------|------------|
| Location | Greater Manchester | Glasgow | Perth | Doncaster |
| Total GLA (sq. meters) | 32,729 | 9,755 | 6,039 | 6,187 |
| Value £ | 29,188,617 | 9,465,000 | 12,600,000 | 3,200,233 |
| Value / GLA £/sq. meter | 891.8 | 970.3 | 2,086.6 | 517.3 |

LONDON OFFICES / BUSINESS CENTRES

| Property | Wigmore Street | 24 Lime Street | 25 Lime Street | Gray's Inn Road |
|-------------------------|------------------|----------------|----------------|-----------------|
| Location | West End, London | City, London | City, London | Kings Cross |
| Total GLA (sq. meters) | 418 | 814 | 992 | 883 |
| Value £ | 7,000,000 | 6,328,000 | 6,424,614 | 6,647,590 |
| Value / GLA £/sq. meter | 16,744 | 5,316 | 6,479 | 7,532 |

TENANT AND LEASE EXPIRY PROFILE

| Tenant profile | % |
|--|---------------|
| A – Large nationals, large listeds, government and major franchisees | 53.50 |
| B – Nationals, listed franchisees and medium to large professional firms | 5.40 |
| C – Other | 41.10 |
| | <u>100.00</u> |

| | Within 1 Year % | Within 2 Years % | Within 3 Years % | Thereafter Years % |
|--|--------------------|---------------------|---------------------|-----------------------|
| Lease expiry profile based on revenue | | | | |
| Industrial | 5.9 | 0.9 | 0.0 | 0.0 |
| Leisure | 0.0 | 0.0 | 0.9 | 0.0 |
| Offices | 11.0 | 1.7 | 1.1 | 1.0 |
| Retail | 22.2 | 3.9 | 4.0 | 46.5 |
| Residential | 1.0 | 0.0 | 0.0 | 0.0 |
| | <u>40.1</u> | <u>6.5</u> | <u>6.0</u> | <u>47.5</u> |

PROPERTY DEVELOPMENTS

AFRICA (EXCLUDING SOUTH AFRICA)

AFRICA STRATEGIES AND EXECUTION HIGHLIGHTS

- Collins Group transaction
- Launched Maputo development (Cognis)
- Development pipeline part of Collins transaction
- Build in-country capacity:
 - Namibia: Safland acquisition
 - Mozambique
- Lease term and covenant focus
- US\$ yields: outside CMA
- Potential separate listing in Namibia
- Looking at various opportunities on African continent (excluding South Africa)

COLINS GROUP TRANSACTION

| Summary of assets acquired | Property value £'000 | Number of properties | Purchase price net of external debt £'000 | Projected net rental income £'000 | Projected contribution to net income £'000 ⁽²⁾ | Average yield % |
|---|-------------------------|-------------------------|---|---|---|----------------------|
| Properties acquired | £49,150 | 13 | £20,820 | £4,536 | £1,582 | 9.23 |
| Botswana | £2,840 | 3 | £2,840 | £249 | £194 | 8.75 |
| Namibia | £30,546 | 3 | £9,140 | £2,781 | £647 | 9.10 |
| Zambia | £4,382 | 3 | £4,382 | £439 | £381 | 10.01 |
| Mozambique | £1,949 | 1 | £1,596 | £125 | £49 | 6.39 ⁽³⁾ |
| United Kingdom | £9,432 | 3 | £2,862 | £943 | £312 | 10.00 |
| Shares in property fund acquired | | | | | | |
| United Kingdom – DV4 | £4,362 | — | £4,362 | £525 | £525 | 12.03 ⁽⁴⁾ |
| Total | £53,512 | 13 | £25,183 ⁽¹⁾ | £5,061 | £2,107 | 9.46 |

Notes:

1. £22m of purchase price to be used to subscribe for TH shares
2. Over a 12-month period
3. Includes development land
4. Income based on 4-year average return

TRADEHOLD AFRICA – DEVELOPMENTS (COMMENCED)

| | Cognis | The Dunes Mall | Virgin Active | Town Lodge | Total |
|---|--|--|--|----------------------|--------|
| Location | Maputo, Mozambique | Walvis Bay, Namibia | Windhoek, Namibia | Windhoek, Namibia | — |
| GLA (m²) | 18,400 | 26,000 | 5,459 | 5,100 | 54,959 |
| Total development cost (£ million) | 30,5 | 27,1 | 6,8 | 5,0 | 69,4 |
| Handover / Opening date | Phase 1 15 Dec 2015 Phase 2 30 June 2016 | 1 Sep 17 | Phase 1 1 Oct 2015 Phase 2 1 March 2016 | 1 Dec 16 | — |
| Anchor tenants | Anadarko Petroleum Corporation, US Government | Shoprite Checkers, Pick n Pay, Woolworths | Phase 1 Virgin Active Phase 2 Regus & Safcoll | City Lodge | — |
| Effective shareholding | 60% | 50% | 25% | 25% | — |

EXISTING PIPELINE (SECURED, NOT COMMENCED)

| | Namibia | Mozambique | Total |
|--------------------------------|---------|------------|--------|
| Total GLA (m ²) | 73,433 | 3,062 | 76,495 |
| Total capital cost (£ million) | 59 | 4.3 | 63.3 |
| Number of buildings | 9 | 1 | 10 |

FINANCIAL SERVICES

Reward Finance Group (“RFG”)

- Increasing regulation in the UK banking market can make it hard for smaller businesses to readily gain access to capital. RFG positions itself in the alternative lending sector, with its strengths being deal initiation through relationships, speed of decision making and ability to deliver flexible solutions under tight controls.
- Increased turnover by 21% to £5.1m (£4.3m in 2013/14).
- Invested in the long-term growth of the business by recruiting experienced operations & risk director (Tim Stafford).
- Expanded geographical reach of the business by opening second office (Manchester) and appointing NW business development director.
- Created third business line platform with incorporation of Reward Trade Finance.
- Budgeting net profit growth of 25% for 2016.

FINANCIAL SERVICES (CONTINUED)

Mettle

- Achieved profit and NAV warranties.
- Organic growth / build on existing platforms.
- Invoice Finance (Mettle Factors), Consumer Finance (Lendcor) and outsourced Credit Services in the asset finance industry (Mettle Credit Services) have good growth potential.
- 2016 Budgeted net profit growth of 46%.
- Mettle Solar (start-up) will start making a meaningful contribution to profit in 2016/17.

FINANCIAL SERVICES (CONTINUED)

Group Treasury

- Raised £35,7m through listed cumulative redeemable preference share programme.
- Allocate capital.
- Sold 212 000 of Tradehold's 636 000 UBS shares post year-end at CHF20,3 (year-end value of CHF16,75).

FINANCIAL

VAULTS

REVIEW

INCOME STATEMENT

| £'000 | Feb 2015 | Feb 2014 | Change | % Change |
|--|---------------|--------------|--------------|------------|
| Net rental income | 6,435 | 4,430 | 2,005 | 45 |
| Gross rental income | 9,173 | 5,539 | 3,634 | 66 |
| Property expenses | (2,738) | (1,109) | (1,629) | 147 |
| Unrecovered property costs | (2,335) | (1,154) | (1,181) | 102 |
| Other net property income / loss ⁽¹⁾ | 746 | (492) | 1,238 | |
| Profit/loss from disposal of properties | 1,231 | — | 1,231 | |
| Fair value gain/loss properties | 2,152 | 222 | 1,930 | |
| Property operating income | 8,229 | 3,006 | 5,223 | 174 |
| Fair value gain/loss (UBS shares) | (886) | 1,741 | (2,627) | |
| Operating income from financial services | 3,612 | 3,137 | 475 | 15 |
| Group operating income | 10,955 | 7,884 | 3,071 | 39 |
| Total comprehensive income for the period | 7,832 | 6,392 | 1,440 | 23 |
| Property expenses/gross rental income | 29.8% | 20.0% | | |

Note: ⁽¹⁾ Hotel, depreciation, provision for bad debts, other income

BALANCE SHEET

| £'000 | Feb 2015 | Feb 2014 | Change | % Change |
|---------------------------|----------|----------|--------|----------|
| Total assets | 207,537 | 128,147 | 79,390 | 62 |
| Non-current assets | 133,399 | 77,873 | 55,526 | |
| Current assets | 74,138 | 50,274 | 23,864 | |
| Total liabilities | 85,208 | 28,208 | 57,000 | 202 |
| Interest bearing debt | 69,558 | 23,981 | 45,577 | |
| Non-interest bearing debt | 15,650 | 4,227 | 11,423 | |
| Total equity | 122,329 | 99,939 | 22,390 | 22 |

TOTAL ASSETS

| £'000 | Feb 2015 | Feb 2014 | Change | % Change |
|-------------------------------|----------|----------|--------|----------|
| Total properties | 127,381 | 77,436 | 49,945 | 64 |
| Completed buildings | 116,018 | 77,436 | | |
| Under construction | 9,334 | — | | |
| Inventory | 2,029 | — | | |
| Intangible assets & goodwill | 2,306 | — | 2,306 | |
| Associates & Investments | 1,544 | — | 1,544 | |
| Cash | 34,348 | 25,192 | 9,156 | 36 |
| Financial assets (UBS shares) | 7,271 | 8,130 | (859) | (11) |
| Loans receivable | 28,339 | 16,952 | 11,387 | 67 |
| Other assets | 6,347 | 437 | 5,910 | |
| | 207,537 | 128,147 | 79,390 | 62 |

DEBT

| £'000 | Feb 2015 | Feb 2014 |
|----------------------------------|----------|----------|
| Total net interest-bearing debt | 35,210 | (1,211) |
| Long-term interest-bearing debt | 56,823 | 17,444 |
| Short-term interest-bearing debt | 12,735 | 6,537 |
| Cash on hand | (34,348) | (25,192) |
| Total assets (less cash) | 173,189 | 102,955 |
| Gearing | 20.3% | 0.0% |

EQUITY

| £'000 | Feb 2015 | Feb 2014 | Change | % Change |
|--------------------------|----------|----------|--------|----------|
| Total equity | 122,329 | 99,939 | 22,390 | 22 |
| Tradehold shareholders | 122,245 | 99,327 | 22,918 | 23 |
| Non-controlling interest | 84 | 612 | (528) | |
| Shares in issue ('000) | 159,333 | 138,567 | | |
| NAVPS (pence) | 76,7 | 71,7 | 5,0 | 7 |



LOOKING AHEAD

LOOKING AHEAD

Property (UK)

- Focusing on two largest retail assets: The Market Place Bolton Greater Manchester and Broad Street Mall, Reading, the recently acquired shopping centre and office complex (50% interest acquired for £32,5m after year-end) which has significant asset management potential
- Realising longstanding asset management objectives for existing portfolio
- Growing representation in Central London office through further acquisitions and asset management of existing portfolio
- Looking at developing Private Rented Sector residential property portfolio.

Property (Africa, excluding South Africa)

- Implementing Safland acquisition
- Unlocking development pipeline
- Possible separate listing in Namibia
- Positive contribution to earnings of Collins Group assets.

Financial services (UK and SA)

- Organic growth
- Product offering (invoice finance and trade finance).