

Tradehold Limited

(Registration number: 1970/009054/06)

Incorporated in the Republic of South Africa

JSE Ordinary Share code: TDH ISIN: ZAE000152658

JSE B Preference Share code: TDHBP ISIN: ZAE000253050

("Tradehold" or "the Group")

Audited summary consolidated financial statements and cash dividend declaration for the year to 28 February 2022

Key information

- Total assets: £830 million (2021: £817 million)
- Headline earnings per share: 6.1 pence (2021: loss 1.9 pence)
- Revenue: £79.2 million (2021: £74.3 million)
- Ordinary shareholders' equity: £240.2 million (2021: £225.2 million)
- Net profit attributable to ordinary shareholders: £20.3 million (2021: net loss £39.7 million)
- Tangible net asset value per share: 101.3 pence R20.96 (2021: 94 pence R19.75)
- Final dividend of 30 cents per ordinary share declared.

Tradehold Group

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 Collins Property Group. In the UK it holds 100% of Moorgarth Property Group, including a 90% stake in Boutique, a provider of flexible office accommodation.

Collins Group

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. 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.

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.

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). This results in 82% of total debt being hedged against interest rate movements, either directly or indirectly. In the year to February, Collins reported a profit before minorities of R574 million. Collins' contribution to the group's net profit after minorities was £16.7 million (2021: loss of £6.9 million).

Moorgarth

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.

Moorgarth managed to collect more than 90% of all rent due across the portfolio. It continued servicing all its debt in full for the reporting period and contributed £4.3 million to the group's net profit.

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 the portfolio including joint ventures. The balance comprises mostly commercial properties.

The pending sale of its major co-owned retail complex in Reading near London 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.

Boutique

Boutique provides flexible office accommodation in 33 buildings in London, Oxford and Birmingham, five of which are owned by Moorgarth, who are seeking to acquire more properties suited to Boutique's needs. It ended the year with a loss of £697 000.

Management's positive outlook for the future is supported also by the noticeable shift in the number of existing clients looking to expand the space they occupy at present.

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.

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 its portfolio and repurpose assets to adapt to the changing market.

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.

Ordinary share cash dividend

The board of directors of Tradehold (the "Board") declared a gross cash dividend of 30 cents per ordinary share on 23 May 2022. The cash used for this purpose is Tradehold's share of the distributions made by the Collins Group every six months in terms of the agreement with its minority shareholders. The dividend will reduce Tradehold's stated capital.

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

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

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

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

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

The salient dates for the dividend are as follows:

Declaration date	Monday, 23 May 2022
Last date to trade cum dividend	Tuesday, 7 June 2022
Date trading commences ex dividend	Wednesday, 8 June 2022
Record date	Friday, 10 June 2022
Date of payment to shareholders	Monday, 13 June 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 June 2022, and Friday, 10 June 2022, both days inclusive.

CH Wiese	KL Nordier
Chairman	Director

23 May 2022

FULL ANNOUNCEMENT

The contents of this announcement is the responsibility of the directors of Tradehold Limited. It is only a summary of the information contained in the complete audited summary consolidated financial statements for the year to 28 February 2022 ("Full Announcement"). Any investment decisions by investors and shareholders should be based on consideration of the Full Announcement published on SENS on Monday, 23 May 2022 which is available at the following link: <https://senspdf.jse.co.za/documents/2022/jse/isse/tdh/YE2022.pdf> and on Tradehold's website at www.tradehold.co.za. Copies of the Full Announcement are available for inspection and may be requested at no charge from Tradehold's registered office at Leinster Hall, 7 Weltevreden Street, Gardens 8005, or from that of its sponsor, Questco Corporate Advisory (Pty) Ltd, Ground Floor, Block C, Investment Place, 10th Road, Hyde Park, 2196 at no charge, from Monday to Friday during office hours.

These annual results have been audited by the Company's auditors, PricewaterhouseCoopers Inc. who expressed an unmodified audit opinion thereon. That report also includes communication of key audit matters. This opinion is available, along with the annual financial statements on the Company's website at www.tradehold.co.za.

DIRECTORS AND ADMINISTRATION

Executive directors: TA Vaughan, FH Esterhuyse, KL Nordier

Non-executive directors: CH Wiese (alternate JD Wiese), HRW Troskie,
MJ Roberts, KR Collins, LL Porter, PJ Roelofse

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

Company secretary: PJ Janse van Rensburg

Transfer secretary: Computershare Investor Services (Pty) Ltd

Sponsor: Questco Corporate Advisory (Pty) Ltd