

## FINANCIAL RESULTS

### **Freedom Property Fund Limited and its subsidiaries**

Incorporated in the Republic of South Africa

(Registration number 2012/129186/06)

Share code: FDP

ISIN: ZAE000185260

("Freedom" or "the Group" or "the Company")

The board of directors ("the Board") of the Company is pleased to present the audited annual financial results for the year ended 28 February 2019.

### **SUMMARISED AUDITED ANNUAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2019**

#### **SIGNIFICANT RESULTS COMPARED TO THE PREVIOUS CORRESPONDING PERIOD ENDED 28 FEBRUARY 2018**

- Loss per share increased from 0.41 cents to a loss per share of 1.07 cents;
- Headline loss per share increased from 1.38 cents to 1.76 cents;
- Net asset value per share decreased from 9.20 cents per share to 7.85 cents per share;
- Shares in issue remained at 1,204, 429, 031 shares including treasury shares of 202,026,953;
- Revenue decreased by 7.48% from R26.38 million to R24.40 million;
- Net loss after tax of R4.90 million increased to a loss after tax of R10.75 million;
- Total assets decreased from R312.88 million to R286.98 million.

#### **FINANCIAL OVERVIEW**

##### **Group Financial Performance**

The Group continues to operate in a difficult environment based on the history of the Group and the current economic climate. The Group's going concern has come under scrutiny and remains a significant challenge going forward.

##### **Revenues**

The primary reason for the revenue generated in the Group is due to the sales of plots (serviced stands) through Tower Sky Properties Proprietary Limited and rental income in Kadoma Investments Proprietary Limited.

##### **Borrowings**

Freedom had previously secured facilities with Nedbank Limited ("Nedbank"). The balance on these loans as at 28 February 2019 was R61.45 million (2018 – R72.76 million).

##### **Corporate governance**

The Board remains committed to the principles of the Code of Corporate Practices and Conduct as set out in King IV. The Board acknowledges its responsibility in ensuring that the Group acts with integrity and fairness. As such, it is continually monitoring and investigating methods of improving systems and controls in order to ensure that stakeholder opportunities are maximised.

##### **Auditors**

The summarised consolidated results of the Group for the year ended 28 February 2019 have been audited by the Group's auditors, Moore Cape Town Inc. An extract from the audit report reads as follows:

***"The Impact of the Material Uncertainty related to COVID-19 on Freedom Property Fund Limited's Ability to Continue as a Going Concern***

We draw attention to note 40 in the financial statements, which indicates that the group incurred a net loss of R10,751,000 during the year ended 28 February 2019 and as of that date the group's current liabilities exceeded its current assets by R88,938,000. As stated in note 40, COVID-19 affects the group and this may result in certain material uncertainties for the future financial position, performance and cashflows of the group.

We reassessed our risk assessment on going concern and took into account the additional considerations of the impact of the COVID-19 pandemic on the Group when assessing the going concern conclusion. Management's cashflow forecast was challenged by evaluating the reliability of the underlying data generated to prepare the forecast and determining whether there is adequate support for the assumptions underlying the forecast. The group experienced a decrease in rental recoveries from May 2020 and management expects this trend to continue until December 2020. Management further expects an increase in vacancies due to tenants' inability to meet rental obligations. The current economic conditions as a result of the pandemic is also expected to impact the group's strategy of disposing of non-core assets. The directors have concluded that there are material uncertainties that give rise to significant doubt over the Group's ability to continue as a going concern. We further assessed the appropriateness of the disclosures in the financial statements concerning the impact of COVID-19 on the Group's ability to continue as a going concern.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### 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. In addition to the matter described in **The impact of the material uncertainty related to COVID-19 on Freedom Property Fund Limited's ability to continue as a going concern** section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Valuation of Investment Properties (consolidated)</b></p> <p>The Group holds commercial and residential investment properties, along with vacant land, to the value of R273,664 million at year-end, including the straight-lining accrual and non-current assets held for sale. The movement in these properties' fair value for the year amounts to R6,2 million.</p> <p>Investment property is measured at their fair values based on valuations obtained from external valuers and the directors. The location, zoning, size, exposure, capitalisation rates and occupancy rates are some of the crucial variables which were considered and applied in the valuation of investment properties.</p> <p>For commercial properties the directors and external valuers have used 3 methods namely, the Net Income Capitalisation Method, the Discounted Cash Flow Method and the Comparable Sales Method in determining the fair value.</p> <p>For residential investment properties the directors and external valuers have used the Comparable Sales Method (2018: Net Income Capitalisation Method) in the valuation of the properties.</p>	<p>We have considered whether the valuation methods applied by the directors and external valuers in the valuation of the investment properties, were in line with the criteria prescribed by IFRS. Further consideration was given as to whether the method used is appropriate to those particular properties subject to the valuation, by benchmarking it against valuation methods applied to similar listed property portfolios.</p> <p>In assessing the expertise of the external valuers, we have verified their registration with the South African Council for the Properties Valuers Profession. The considerations surrounding the independence and objectivity of the external valuers were based on the review of the terms of engagement and receipt of a representation from the external valuers' management as to the fee arrangements between the valuers and the group. We found no evidence to suggest that the objectivity of the valuers in their performance of the valuations was compromised.</p> <p>A meeting was held between ourselves and the independent valuers discussing the valuations and the key assumptions used therein. We inspected the valuation reports for all properties valued externally and tested data inputs in the directors' valuations.</p>

<p><i>For vacant land the directors and external valuers have used the Comparable Sales Method in the valuation of the properties.</i></p> <p><i>We consider the valuation of investment properties a matter of most significance to the current year’s audit due to the significance of the estimates and judgements involved and the inherent sensitivity of data whereby a percentage difference in individual yields could result in a material misstatement.</i></p>	<p><i>We assessed the accuracy, reliability and completeness of data inputs which was used in the valuation underpinning the relevant investment property.</i></p> <p><i>We reviewed the appropriateness of supporting documentation and performed a sensitivity analysis on the significant assumptions made to evaluate the extent of the impact on the value calculated, should the assumptions change by a small percentage.</i></p> <p><i>We further assessed the appropriateness of the disclosures in the financial statements concerning the key assumptions to which the valuations are sensitive to.</i></p>
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*The directors are responsible for the other information. The other information comprises the information included in the document titled Consolidated and Separate Financial Statements for the year ended 28 February 2019, which includes the Directors’ Report, the Audit and Risk Committee’s Report and the Company Secretary’s Certificate as required by the Companies Act 71 of 2008 of South Africa, which we obtained prior to the date of this report, the Shareholders Analysis and the Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated and 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 and will not express an audit opinion or any form of assurance conclusion thereon.”*

Statement of Financial Position as at 28 February 2019	Group	
	2019 R'000	2018 R'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Investment properties	268 739	268 187
Operating lease asset	2 682	5 217
Plant and equipment	2 332	2 287
	273 753	275 691
<b>Current Assets</b>		
Operating lease asset	2 243	1 200
Inventories	97	3 197
Trade and other receivables	5 178	15 347
Other financial assets	29	203
Current tax receivable	468	468
Cash and cash equivalents	2 362	9 347
	10 377	29 762
Non-current assets classified as held for sale	2 850	7 430
<b>Total Assets</b>	<b>286 980</b>	<b>312 883</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Stated capital	446 701	446 701
Treasury shares	(23 914)	(18 318)
Accumulated loss	(328 293)	(317 542)
	94 494	110 841
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Loans from shareholders	42 645	43 550
Other financial liabilities	14 922	61 464
Deferred tax	35 604	36 319
	93 171	141 333
<b>Current Liabilities</b>		
Loans from shareholders	1 300	1 300
Other financial liabilities	49 948	14 714
Current tax payable	17 781	15 026
Trade and other payables	30 286	29 188
Provisions	-	481
	99 315	60 709
<b>Total Liabilities</b>	<b>192 486</b>	<b>202 042</b>
<b>Total Equity and Liabilities</b>	<b>286 980</b>	<b>312 883</b>

Statement of Comprehensive Income	Group	
	2019 R '000	2018 R '000
<b>Revenue</b>	<b>24 403</b>	<b>26 377</b>
Cost of sales	(6 250)	(3 349)
<b>Gross profit</b>	<b>18 153</b>	<b>23 028</b>
Other operating income	12 658	11 936
Other operating (losses) gains	3 604	(1 301)
Movement in credit loss allowance	15	281
Other operating expenses	(36 505)	(38 302)
<b>Operating (loss) profit</b>	<b>(2 075)</b>	<b>(4 358)</b>
Investment income	472	191
Finance costs	(12 489)	(13 556)
Fair value adjustments	5 381	17 547
<b>(Loss) profit before taxation</b>	<b>(8 711)</b>	<b>(176)</b>
Taxation	(2 040)	(4 723)
<b>(Loss) profit for the year</b>	<b>(10 751)</b>	<b>(4 899)</b>
<b><u>(Losses) / earnings per share</u></b>		
Basic and diluted (cents)	(1.07)	(0.41)

Statement of Changes in Equity	Stated capital	Treasury shares	Total stated capital	Accumulated loss	Total equity
	R '000	R '000	R '000	R '000	R '000
<b>Balance at 01 March 2017</b>	<b>446 701</b>	<b>(11 802)</b>	<b>434 899</b>	<b>(312 643)</b>	<b>122 256</b>
<i>Total comprehensive loss for the year</i>	-	-	-	(4 899)	(4 899)
<i>Issue of shares</i>	-	(6 516)	(6 516)	-	(6 516)
<i>Total contributions by owners of company recognised directly in equity</i>	-	(6 516)	(6 516)	-	(6 516)
<b>Balance at 28 February 2018</b>	<b>446 701</b>	<b>(18 318)</b>	<b>428 383</b>	<b>(317 542)</b>	<b>110 841</b>
Loss for the year	-	-	-	(10 751)	(10 751)
Movement in treasury shares	-	(5 596)	(5 596)	-	(5 596)
<i>Total contributions by owners of company recognised directly in equity</i>	-	-	-	-	-
<b>Balance at 28 February 2019</b>	<b>446 701</b>	<b>(23 914)</b>	<b>422 787</b>	<b>(328 293)</b>	<b>94 494</b>

Statement of Cash Flows	Group	
	2019 R '000	2018 R '000
<b>Cash flows from operating activities</b>		
Cash generated from operations	2 283	14 865
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(804)	(1 795)
Proceeds on disposal of plant and equipment	116	1 704
Purchase of investment properties	(587)	(138)
Proceeds on disposal of investment properties	13 612	24 564
Other financial assets advanced	(40)	(142)
Interest income	273	191
<b>Net cash generated from financing activities</b>	<b>12 570</b>	<b>24 384</b>
<b>Cash flows from financing activities</b>		
Repayment of other financial liabilities	(11 308)	(9 696)
Repayment of shareholders loans	(1 300)	(1 300)
Finance costs	(9 230)	(10 860)
<b>Net cash used in financing activities</b>	<b>(21 838)</b>	<b>(21 856)</b>
Total cash movement for the year	(6 985)	17 393
Cash at the beginning of the year	9 347	(8 046)
<b>Total cash at end of the year</b>	<b>2 362</b>	<b>9 347</b>

### Segment Reporting

The Group has identified two reportable segments which represent the structure used by the Executive Committee to make key operating decisions and assess performance.

The two reportable segments are:

- Property rental income - Leasing of industrial parks and residential units, with residential units being a small portion
- Development property sales - Sale of stands and undeveloped land

2019	Gross profit			Separately disclosable items							
Segment	Revenue	Cost of sales	Gross profit	Profit / (loss) Loss before tax	Loss on sale of investment properties	Commission paid	Investment income	Finance costs	Fair value gains on investment properties	Fair value losses on non- current assets held for sale	Taxation
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Rental income	19 910	-	19 910	14 364	4 250	(120)	186	(6 772)	4 212	(834)	(2 894)
Property sales	4 493	(6 250)	(1 757)	(2 286)	-	(350)	-	(22)	-	-	400
All other segments	-	-	-	(20 789)	-	(780)	286	(5 695)	2 003	-	454
<b>Total</b>	<b>24 403</b>	<b>(6 250)</b>	<b>18 153</b>	<b>(8 711)</b>	<b>4 250</b>	<b>(1 250)</b>	<b>472</b>	<b>(12 489)</b>	<b>6 215</b>	<b>(834)</b>	<b>(2 040)</b>
2018	Gross profit			Separately disclosable items							
Segment	Revenue	Cost of sales	Gross profit	Profit / (loss) Loss before tax	Loss on sale of investment properties	Commission paid	Investment income	Finance costs	Fair value gains on investment properties	Fair value losses on non- current assets held for sale	Taxation
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Rental income	20 849	-	20 849	31 629	(1 401)	(27)	165	(7 844)	23 472	(200)	(6 557)
Property sales	5 221	(3 349)	1 872	(1 857)	(556)	(514)	-	(18)	-	-	409
All other segments	307	-	307	(29 948)	(404)	(941)	26	(5 694)	-	(5 725)	1
<b>Total</b>	<b>26 377</b>	<b>(3 349)</b>	<b>23 028</b>	<b>(176)</b>	<b>(2 361)</b>	<b>(1 482)</b>	<b>191</b>	<b>(13 556)</b>	<b>23 472</b>	<b>(5 925)</b>	<b>(4 723)</b>

**Segment assets and liabilities**

The amounts provided to the Exco with respect to total assets and liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment. Capital expenditure reflects additions to non-current assets, other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts. The table below provides information on segment assets and liabilities as well as a reconciliation to total assets and liabilities as per the statement of financial position.

2019	Investment properties	Operating lease asset	Investment properties classified as held for sale	Inventories	Other financial liabilities	Total segment assets	Total segment liabilities
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Rental income	220 919	4 925	2 850	-	64 450	237 106	113 990
Property sales	-	-	-	97	-	97	7 595
All other segments	47 820	-	-	-	420	49 777	70 901
<b>Total</b>	<b>268 739</b>	<b>4 925</b>	<b>2 850</b>	<b>97</b>	<b>64 870</b>	<b>286 980</b>	<b>192 486</b>

  

2018	Investment properties	Operating lease asset	Investment properties classified as held for sale	Inventories	Other financial liabilities	Total segment assets	Total segment liabilities
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Rental income	222 883	6 417	5 900	-	75 759	248 263	122 783
Property sales	-	-	-	3 197	-	6 284	8 037
All other segments	45 304	-	1 530	-	419	58 336	71 222
<b>Total</b>	<b>268 187</b>	<b>6 417</b>	<b>7 430</b>	<b>3 197</b>	<b>76 178</b>	<b>312 883</b>	<b>202 042</b>

## COMMENTARY

### BASIS OF PREPARATION

The summarised audited consolidated annual financial statements for the year ended 28 February 2019 (“**Summarised Results**”), have been prepared in accordance with IAS 34: *Interim Financial Reporting*, the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements issued by the Financial Reporting Standards Council. The results comply with the JSE Listings Requirements and the Companies Act, 71 of 2008, of South Africa (the “**Act**”).

These Summarised Results have been extracted from audited financial information, but are not themselves audited. The audited annual financial statements and the unmodified audit report provided by Moore Cape Town Inc. on the audited results are available for inspection at the Company’s registered office. The directors take full responsibility for the preparation of this report and that the financial information has been correctly extracted from the underlying annual financial statements.

The Summarised Results and the detailed audited annual financial statements were prepared under the supervision of the interim Chief Financial Officer, Jonathan George CA (SA).

### ACCOUNTING POLICIES

The accounting policies applied in the preparation of these summarised consolidated annual financial results are in terms of IFRS and are consistent with those prepared in prior periods.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

#### 1. Earnings / (losses) per share

Basic losses per share are based on the losses (attributable to equity holders) below and a weighted average number of ordinary shares of 1,002,402,078 (2018: 1,204,429,031). Diluted (losses) / earnings per share are equal to (losses) / earnings per share because there are no dilutive potential ordinary shares in issue.

Basic headline losses and diluted headline losses are determined by adjusting basic losses and diluted losses by excluding separately identifiable remeasurement items. Basic headline losses and diluted headline losses are presented after tax.

<b>(Losses) / earnings per share</b>	<b>2019</b>	<b>2018</b>
	<b>cents</b>	<b>cents</b>
Basic and diluted losses per share	1.07	0.41
Basic and diluted headline losses per share	1.76	1.38

  

	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Reconciliations between (losses) / earnings and headline (losses) / earnings</b>				
(Loss) / profit attributable to equity holders of the parent		(10 751)		(4 899)
<b>Adjusted for:</b>				
Fair value adjustments on investment properties	(6 215)	(4 475)	(23 472)	(16 900)
Fair value adjustments on non-current assets held for sale	834	600	5 925	4 266
Loss on disposal of investment properties	(4 250)	(3 060)	2 361	1 700
(Profit) / loss on disposal of non-current assets held for sale	634	456	(140)	(101)
(Profit) / loss on disposal of plant and equipment	12	9	(920)	(662)
Basic and diluted headline losses		<b>(17 221)</b>		<b>(16 596)</b>

## 2. Related Parties

### Related party transactions for the years ended 28 February 2019 and 28 February 2018

Interest paid to related party	2019 R'000	2018 R'000
C la Grange/Christo la Grange Familie Trust	2 796	2 877

## 3. Shareholder loans

Dr I Botha	2019	2018
	R'000	R'000
Balance outstanding	1 300	2 600

*The loan is unsecured, bears interest at the prime interest rate and is repayable in three annual instalments, with the first payment paid in the current year.*

Christo la Grange Familie Trust	2019	2018
	R'000	R'000
Balance outstanding	42 645	42 250

*The loan bears interest at the repo rate. A minimum payment of R200, 000 per month is required, but there are no further fixed terms of repayment. The loan is secured by the property described as portion 15 of the farm Tweefontein 360, KT, Limpopo Province.*

## 4. Nedbank bonds

	2019 R'000	2018 R'000
Non-current liabilities	14 922	61 464
Current liabilities	46 528	11 294
	<b>61 450</b>	<b>72 758</b>

## 5. Subsequent Events

The material events subsequent to the reporting date and up to the date of this report are as follows:

### Adjusting

- None

### Non-adjusting

Subsequent to year end, management entered into agreements for the sale of the following properties:

Company/Property	Status	Total consideration (R'000)
Kadoma Investments Proprietary Limited - Erf 1212	Subject to rezoning by municipality expected in the 2020 calendar year	3 452
Ivory Sun Trading 115 Proprietary Limited - Wespark Palms (sold most of the individual units)	15 of the 16 units have been sold and transferred by February 2020	1 324
Kadoma Investments Proprietary Limited - Erf 1188	Proceeds received May 2020	3 800
Zambesa Investments Proprietary Limited - Tubatse homes (Sold 6 houses)	Awaiting municipality to approve transfer and final bond approval for buyers	6 774
Towersky Properties Proprietary Limited (sale of individual erven - all have been sold)	Final property sold in April 2019	143
Sale of property in Hazel Hues (Emfuleni)	Awaiting transfer	7 350
		<b>22 843</b>

#### Expression of interest from the South African Housing Infrastructure Fund ("SAHIF")

The Company has received a non-binding expression of interest ("EOI") from the SAHIF to acquire all of the issued shares of Freedom by way of a scheme of arrangement in terms of section 114 of the Act (the "Scheme"), subject to a due diligence investigation. If implemented, this potential transaction may have a material effect on the price of the Company's securities.

The Board is in the process of engaging with SAHIF and shareholders are advised to exercise caution should they enter into any off-market trade in their Freedom shares until a further announcement is made.

#### Other

The Company was suspended from trading on the main board of the JSE in July 2016 as a result of not releasing its annual results for the year ended 29 February 2016. The suspension remains in place at the date of signing this report.

On 23 August 2019, 169,050,000 shares were withdrawn from listing. This was in accordance with the company's general authority to repurchase its own shares. This reduced the number of shares in issue to 1,035,379,031 no par value shares. The repurchase of the shares was to alleviate the contravention of the Act requirement whereby a Company could not hold more than 10% of its own shares.

Other than as disclosed in this announcement, the Board is not aware of any events, other than those disclosed in this report that have a material impact on the results or disclosures of the Group, which have occurred subsequent to the end of the reporting period.

#### 6. Going Concern

The Group is currently technically solvent with a net asset position of R94.49 million (February 2018: R110.84 million). It is commercially not solvent, as the current liabilities of R99.32 million (February 2018: R60.71 million) exceed the current assets of R10.38 million (February 2018: R29.76 million) by R88.94 million (2018: R30.95 million).

A cash flow forecast for the next 12 months prepared by management has indicated that the Group will continue to have cash flow pressure. As previously reported, the operating cash flows, primarily from Steelpoort Industrial Park, are not enough to sustain the business going forward. The following is to be noted:

- all income-earning properties have been disposed of, except for Steelpoort Industrial Park whose rental recovery rate and vacancy levels are expected to be impacted by the COVID-19 pandemic; and
- there is a general lack of interest by the market in the non-core assets (that the Group has decided to dispose of) and the related operating expenses on these properties. The sale of these properties is difficult in the current environment and may have to be sold at a significant discount.

#### Sale of properties to be concluded

The Group continues to sell its non-core assets. This has become a greater priority for the Group as some of the costs associated with these properties will not be recovered. A key focus will be the following:

- the sale of the remaining houses and serviced stands in Zambesa Investments Proprietary Limited. The remaining 2 houses will be sold for less than current market value to ensure that cash is realised within the next 12 months; and
- the sale of the property known as Sweet Waters Industrial Park. As noted above, this property will be sold for less than fair market value to ensure that the Group receives cash and prevents further costs associated with this property. The property does hold development potential; however, the Group cannot execute on the development of this property based on its current financial position.

#### **EOI from SAHIF**

A material uncertainty exists as to whether the Group will be able to meet its obligations for the next 12 months. The Group is dependent on the sale of these properties and the acquisition by SAHIF of all the issued shares in Freedom Property Fund Limited to continue as a going concern.

As per various announcements released on the JSE's Stock Exchange News Service, SAHIF has issued an EOI to acquire all of the issued shares of the Freedom. Based on discussions with management, SAHIF's financial position would allow it to unlock unrealised value currently sitting in Freedom. If an agreement is reached with SAHIF, further going concern pressures would be alleviated.

### **7. Changes to the Board**

S Naude was appointed as an independent non-executive director on 24 July 2020

<b>Current directors and prescribed officer</b>	<b>Designation</b>	<b>Changes</b>
WS Grobbelaar	Chairman (Independent Non-executive)	Appointed 27 November 2015
S Maritz	Chief Executive Officer	Appointed 15 December 2015
C la Grange	Non-executive	Appointed 14 March 2018
WC Jansen van Rensburg	Executive	Appointed 07 October 2016
HA Lambrechts	Non-executive	Appointed 15 December 2015
CJ Sidego (resigned October 2018)	Independent Non-executive	Appointed 01 September 2016, Resigned 09 October 2018
PD Dexter	Independent Non-executive	Appointed 27 November 2015
J George	Prescribed officer	Appointed 11 July 2016
S Naude	Independent Non-executive	Appointed 24 July 2020

### **8. Litigation**

The Group is involved with various litigation processes relating to the irregularities identified in the Group. This constitutes both civil and criminal matters.

### **9. Dividends**

No dividend was declared in respect of the 12 months ended 28 February 2019

### **10. Reportable Irregularities**

The following reportable irregularities were identified:

<b>No</b>	<b>Reportable irregularity</b>	<b>Financial year affected</b>
1	Annual financial statements not issued within 6 months after year end – with regard to the - 2019 financial statements.	2019
2	Interim financial statements not issued within 3 months after the interim period – with regard to the 2019-2020 financial statements.	2019 -2020

Paarl, Western Cape  
31 August 2020

**Sponsor**

Questco Corporate Advisory Proprietary Limited