TRELLIDOR HOLDINGS LIMITED

INTEGRATED ANNUAL REPORT 2017

TRELLIDOR® THE ULTIMATE CRIME BARRIER

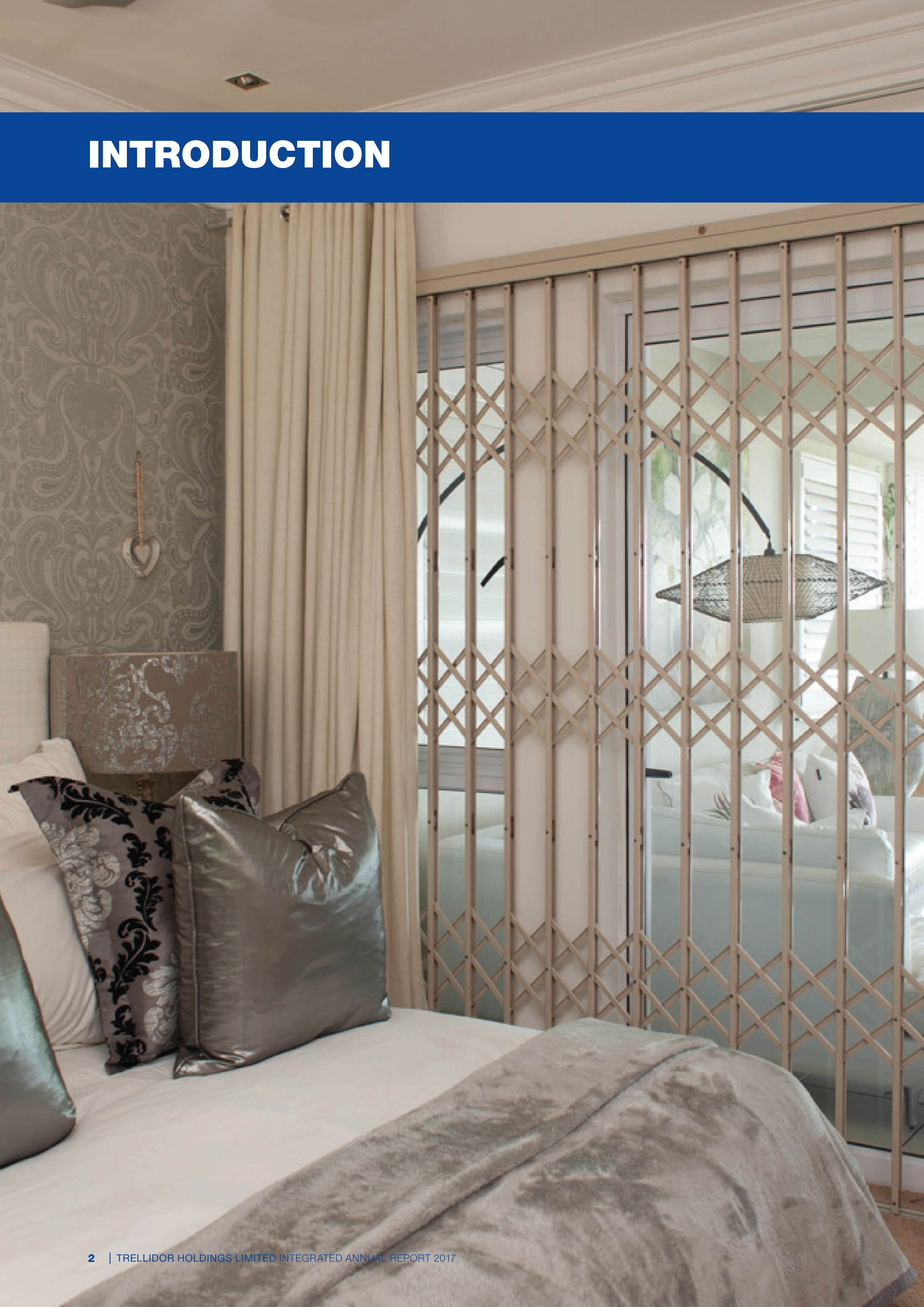
TAYLOR BLINDS & SHUTTERS Est.1959

nmc Decorative Mouldings


TRELL

CONTENTS

INTRODUCTION



ABOUT THIS REPORT

Trellidor Holdings Limited ("Trellidor", "the Company" or "Group")
Registration number: 1970/015401/06
JSE share code: TRL
ISIN: ZAE000209342

This is Trellidor's second integrated annual report since listing on the JSE on 28 October 2015. The report covers the operational activities and financial performance of the Group for the year from 1 July 2016 to 30 June 2017. In the first month of this financial year, Trellidor acquired Taylor.

We endeavour to provide a transparent and balanced appraisal of the material issues that faced our business during the year under review and that impacted our ongoing ability to create value. The report is aimed primarily at our current and potential shareholders and aims to provide an account of our investment strategy and the operational, financial, economic, social and environmental performance of our assets.

Corporate Information

Trellidor's executive directors are CEO, Terry Dennison and CFO, Craig Cunningham. The Group's independent non-executive Chairman is Mark Olivier.

They can be contacted via Trellidor at 20 Aberdare Drive, Phoenix Industrial Park, Durban, Tel: +27 31 508 0800. For additional contact details please see the inside back cover. Trellidor welcomes feedback and any suggestions for the company's future reports. Please forward any comments to investor.relations@trellidor.co.za.

Basis of Preparation

This integrated report was prepared in accordance with the requirements of the South African Companies Act, No 71 of 2008, as amended ("Companies Act"), the JSE Listings Requirements, the principles of the King Report on Corporate Governance (King III) and the International Integrated Reporting Council's International Framework.

The Trellidor integrated report contains a summary extract of the annual financial statements. The integrated report, as well as the comprehensive annual financial statements for the year ended 30 June 2017, are available on the company's website at www.trellidor.co.za.

Assurance

The Company's external auditor, Mazars, has provided assurance on the annual financial statements and expressed an unqualified audit opinion. The financial statements have been prepared under the supervision of Craig Cunningham the CFO of Trellidor.

The content of the integrated annual report has been reviewed by the Board but has not been externally assured.

Forward-looking statements

This report includes forward-looking statements that involve inherent risks and uncertainties and, if one or more of these risks materialise, or should the underlying assumptions prove incorrect, actual results may be different from those anticipated. Words such as believe, anticipate, intend, seek, will, plan, could, may, endeavour, project and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. Forward-looking statements apply only as of the date on which they are made, and Trellidor does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Statement of Responsibility

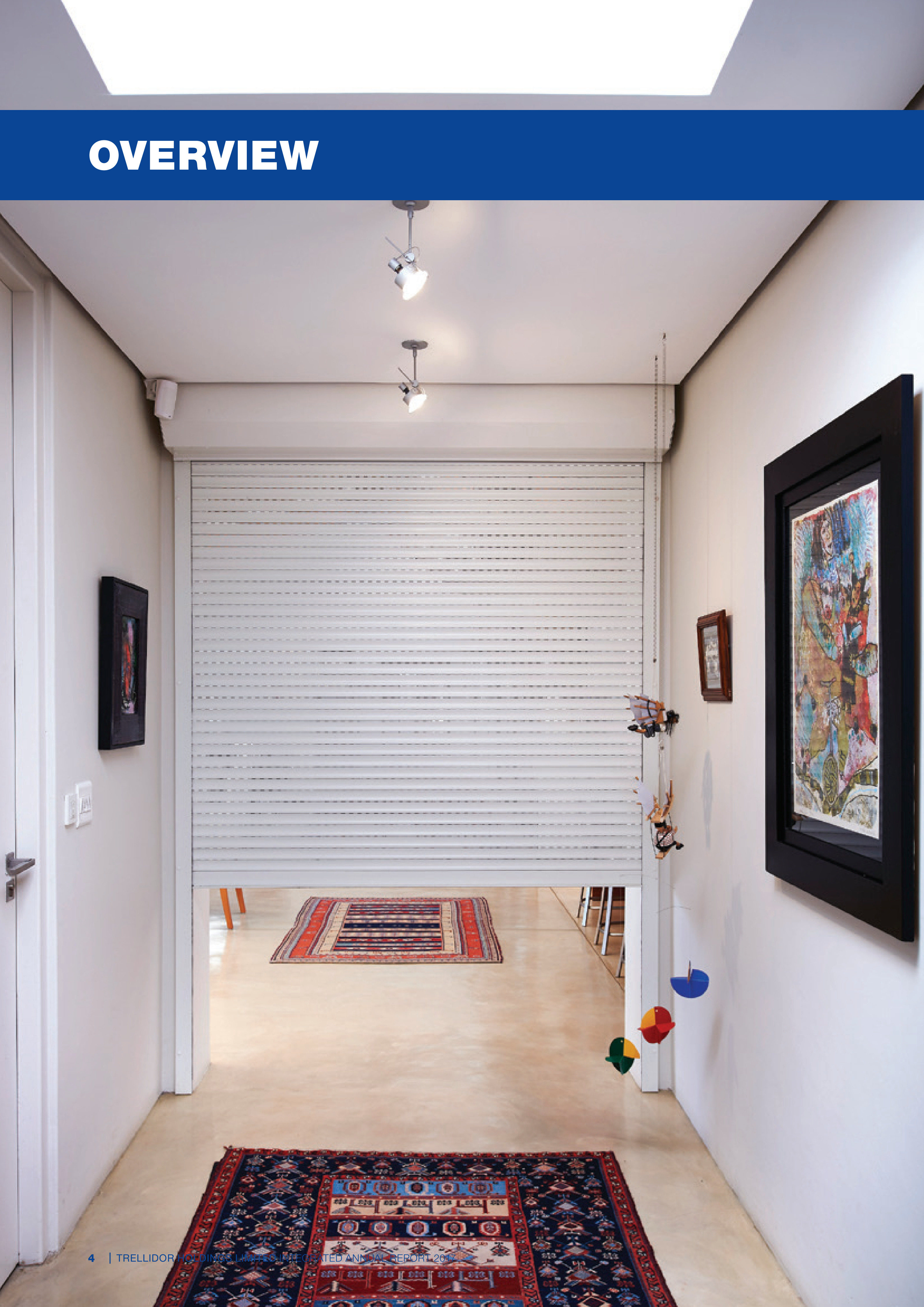
The Audit, Risk and Compliance Committee and the Board acknowledge their responsibility to ensure the integrity of this integrated annual report.

Mark Olivier
Chairman

Terry Dennison
CEO

Ralph Patmore
Chairman Audit, Risk and Compliance Committee

OVERVIEW



WHO IS **TRELLIDOR?**

Trellidor Group comprises, the JSE listed Trellidor Holdings Limited and two main operating segments, Trellidor and Taylor. Trellidor is a leading African manufacturer of custom-made barrier security with an extensive franchisee network. Taylor is a leading manufacturer of custom-made blinds and shutters and a distributor of NMC product in South Africa and parts of Africa.

HIGHLIGHTS

Financial Performance

68%
Revenue

36%
Profit before interest

27%
Diluted core headline earnings per share – 66.0 cents

18%
Headline earnings per share – 59.2 cents

23%
Dividend declared 19.5 cents per share

20%
Cash from operating activities

Key achievements

Acquired **Taylor Blinds and Shutters and NMC** in July 2016

Key growth strategies

Acquisitive growth

- Concluded its first major acquisition, of Taylor, in July 2016
- Taylor has assisted the Group in generating growth, in a weak economic environment (see highlights page 6)

Diversified the security product offering through in-house development

- The Trellidor Security Shutter was launched to the market in June 2016
- This product accounted for 6% of Trellidor segment revenue during the year

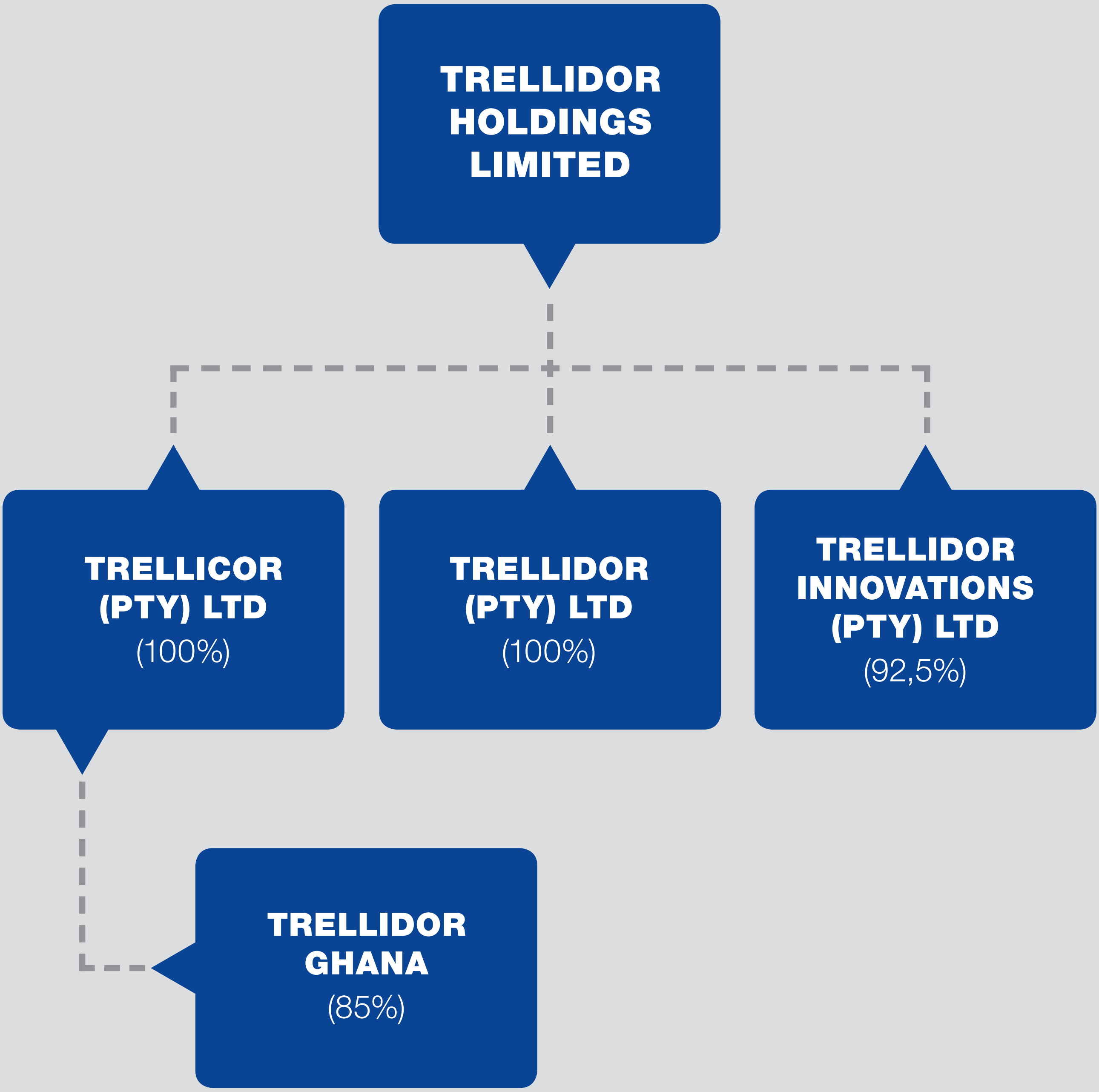
Expanded the sales capacity and grew the Company in Africa

- Implemented new assembly plants in Seychelles, Tanzania, DRC
- As tough economic conditions prevailed, the activity focused on supporting existing sales base and growing brand awareness through targeted media campaigns
- Introduced the Taylor and NMC product set to the Trellidor African franchisees

Key drivers of value

- Highly cash generative, high margin, profitable businesses
- Valuable brands and quality products
- Dominant market position in South Africa, competitors tend to be regionally focused particularly in urban areas
- Premium custom-made products, not operating in low-margin commodity sector
- Diversified product offering to include property improvements from Taylor and NMC
- Additional manufacturing capacity in place

GROUP
STRUCTURE



HOW TRELLIDOR
CREATES VALUE

Trellidor supplies its network of franchisees with a range of high quality custom-made security and home improvement products for installation, leveraging manufacturing capability, intellectual property, experience, skills and support infrastructure to ensure its products are market leaders.

The Trellidor brand

Trellidor's strong brand commands a premium on pricing for its products. The Trellidor brand is built on its reputation for trusted, high-quality security products and exceptional service. Trellidor is one of the strongest brands in South Africa and is a generic name for sliding door security. Brand awareness in Africa is growing along with its sustained expansion across the continent.

Manufacturing

Trellidor products are produced at its modern manufacturing plant in Durban where customer orders are tracked end-to-end using a bespoke ordering system. The manufacturing process includes roll forming, fabricating, powder coating, assembly and packaging. Production processes are ISO 9001:2015 certified.

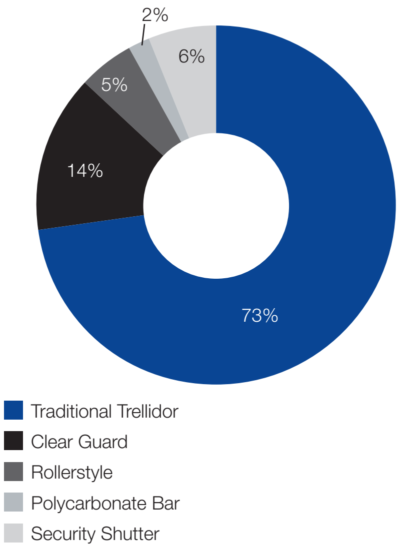
Trellidor products are manufactured to each customer's specification and generally dispatched within two weeks of placement of the order. In South Africa products are delivered by outsourced road logistic services to the franchisee. Trellidor's Ghanaian subsidiary operates an assembly plant that services West Africa, shortening lead times, and reducing duties and transport costs. Franchisee owned and operated assembly shops service markets in Zambia, Zimbabwe, Nigeria, Reunion, Mauritius, Seychelles, DRC and Tanzania.

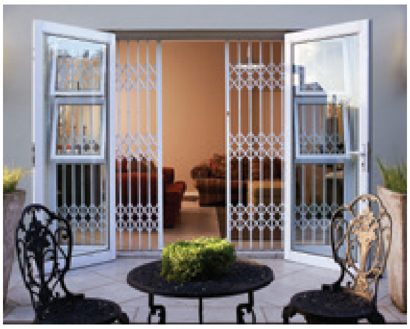
Materials used in the manufacturing process include steel, aluminium, fasteners, cylinders, locks and paint, much of which is imported. Trellidor practices a just-in-time purchasing system and as such has a relatively low inventory requirement. The manufacturing process adds significant value to the material in the roll forming, fabricating and powder coating processes.

Products

Trellidor offers non-commodity, custom designed, manufactured and installed barrier security products. Residential security solutions include door, window, patio, safe zone and gated estate approved barrier products. Products for commercial customers include specialist retail and office barriers. The Company's newer products are "lifestyle" security barriers which aesthetically make them more appealing for upmarket residential homes. Trellidor's leading research and development team ensures that product offerings are constantly evolving to meet current market demands, incorporating new technology and materials. In addition, ongoing research is enhanced by detailed analysis of burglary statistics, for example the methods used to gain entry to properties and the tools used by criminals, as well as research into international trends. Products and components are patented where possible and certain products are certified by the London based Loss Prevention Certification Board, which sets Trellidor apart from local competitors.

Trellidor product type





TRELLIDOR

RETRACTABLE SECURITY

A wide range of retractable doors and windows.

TRELLIDOR

COTTAGE GUARD

These premium quality, reinforced burglar bars can be custom-made to match existing windows or to create a cottage pane effect.

TRELLIDOR

POLYCARBONATE BAR

Is a newly developed product for windows that provides an unobtrusive, yet effective security barrier targeted at gated estates in particular. **(Introduced 2015)**

TRELLIDOR

FIXED SECURITY

Fixed barriers that are primarily window solutions.

TRELLIDOR

ROLLERSTYLE

Rollerstyle, a high-end automated roller shutter for residential, office and light commercial use. **(Introduced 2011)**

TRELLIDOR

CLEAR GUARD

A strong "lifestyle" security barrier made from aluminium and stainless steel mesh that is "open" when closed allowing uninterrupted views and airflow whilst being an effective security barrier. This product is unique to Trellidor in Africa. **(Introduced 2011)**

TRELLIDOR

SECURITY SHUTTER

A louvre aluminium security fitting for windows or doors targeted primarily at upmarket homes and residential estates. **(Introduced June 2016)**

Distribution

Trellidor has a well-established, loyal and extremely effective national franchise network with the unique capacity to design, measure and install custom made Trellidor products country-wide.

A typical franchise comprises an owner operator, a sales team, admin staff and installers. The owner is usually the key customer-facing representative of the brand and has a vested interest in the Company's success.

Trellidor certifies the sales consultants and installers and monitors franchisee performance to ensure the high service levels synonymous with the brand are maintained.

Trellidor's franchise model is not royalty-based. Franchisees purchase Trellidor product at a set trade discount and contribute toward the marketing and advertising campaigns.

71 RSA FRANCHISES

62 franchise owners

103 sales consultants

98 installers

88 administration staff

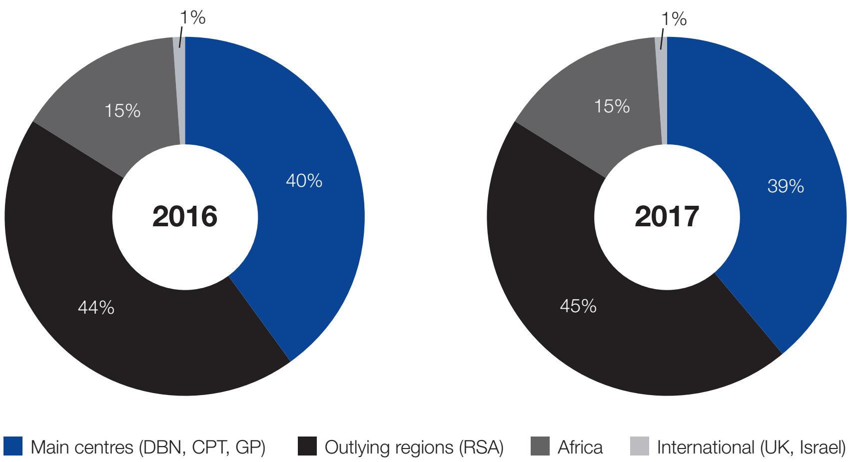
AFRICAN FRANCHISES

18 franchises in

17 African countries

Company-owned assembly plant in Ghana – services West Africa

Trellidor revenue by geography



Marketing and sales

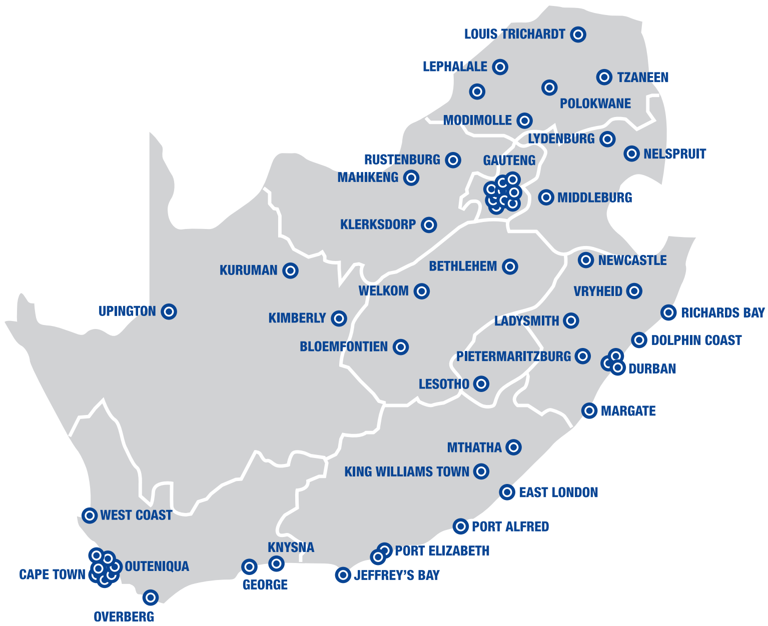
Trellidor manages the national marketing and advertising campaigns across all media and determines the strategy for local marketing and advertising campaigns together with each franchisee. The majority of leads are generated through existing customer relationships and a high percentage are converted to orders. Through a bespoke IT system, Trellidor records and reviews lead levels and conversion rates, per franchise and sales consultant.

Installation and after sale service

The franchise conducts installations on orders it generates. All product and installations include a three to five year warranty that is serviced by the franchisee. Warranty claims are very low representing less than 0.5% of annual revenue.

Footprint

A national distribution footprint in South Africa sets Trellidor apart from its competitors, who tend to be more focused on urban areas. This positions the Company to take advantage of growing demand for high quality, respected security solutions across the country. Currently established in 17 countries in Africa, Trellidor is well placed to service the growing African economies.



HOW TAYLOR
CREATES VALUE

Taylor comprises the Taylor Blinds and Shutters and NMC South Africa businesses. These businesses were acquired during July 2016.

The brands

Taylor Blinds and Shutters was founded in 1959 and specialises in the design, manufacturing, marketing, distribution and servicing of a wide range of blinds and shutters and is a leader in the window and door covering market in South Africa. Innovation, quality and service are the pillars of this business.

NMC South Africa was established in 1999 as the exclusive importer of NMC products. NMC is a Belgian-based world leader in the production of closed-cell polystyrene and polyurethane decorative mouldings, such as cornices, dado rails and skirting. NMC South Africa has the distribution rights for South Africa and several countries in sub-Saharan Africa.

Manufacturing

Taylor blinds and shutters are produced at its 8000m^2 manufacturing plant in Cape Town. Customer orders are tracked using a bespoke ordering system and products are produced in industry leading time. Taylor blinds and shutters are custom-made, generally within one to two weeks of placement of order. The products are manufactured from the highest quality materials and fittings, much of which are imported.

All NMC cornices and mouldings distributed in South Africa are imported under agreement from NMC Belgium where the products are manufactured. Stock is held in the key centres of Johannesburg, Durban and Cape Town.

Products

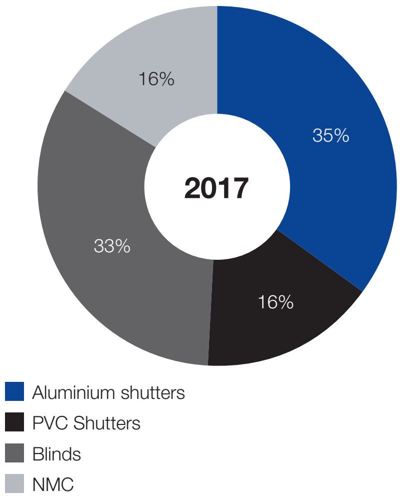
Taylor offers high quality custom-made blind and shutter products that are aesthetically pleasing and often specified by architects and interior decorators.

The blinds offered are venetian, roller, woven and verticals. Shutters offered are Thermowood (wood substitute) shutters as well as aluminium hurricane wind resistant shutters and Shutterguard security shutters.

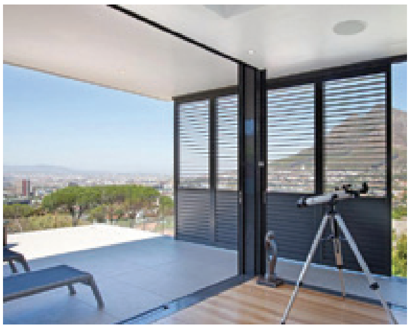
NMC distributes imported decorative mouldings for a wide variety of interior and exterior architectural applications focusing on cornices and skirtings.

All Taylor blinds and shutters and NMC products are built around the three pillars of innovation, quality and service.

Taylor product type



SHUTTERGUARD® SECURITY SHUTTERS



HURRICANE SHUTTERS

THERMOWOOD® SHUTTERS

ROLLER BLINDS

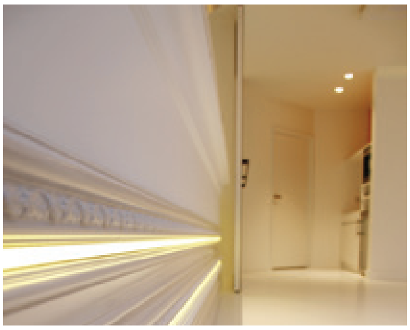
VERTICAL BLINDS

WOVEN BLINDS

WOODEN VENETIAN BLINDS

ALUMINIUM VENETIAN BLINDS

CORNICES



DADO RAILS,

SKIRTINGS

POLYSTYRENE MOULDINGS

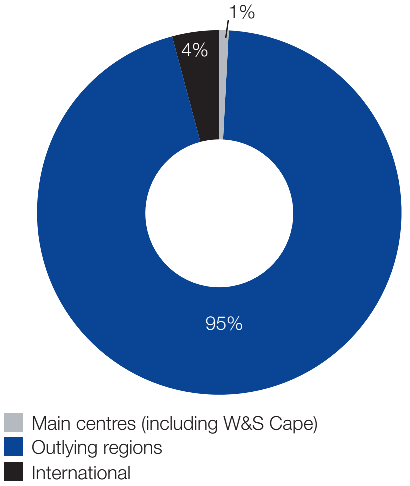
Distribution

Taylor has a well-established, loyal distribution network and customers for both the blinds and shutters, concentrated in the Western and Southern Cape. However, strong growth has been achieved more recently in Gauteng. Geographic growth opportunities exist and are being targeted during 2017/18. NMC distributes their products out of branches in Johannesburg, Durban and Cape Town, with the majority of the distribution out of Johannesburg. Key projects include the Michelangelo Hotel and Towers, Montecasino Hotel, Golden Horse Casino and various Sun International, City Lodge and Holiday Inn hotels.

Wholesalers form a large part of the route to market in the outlying regions.

Projects form a key focus area for Taylor in 2017/18.

Taylor revenue by geographical presence



Marketing and sales

Marketing and advertising spend focuses on creating growing awareness for Taylor's products and brands. Product innovation focused on shutters and roller blinds during 2017 yielded good growth. Continued innovation is targeted to keep products up-to-date and desirable to our markets.

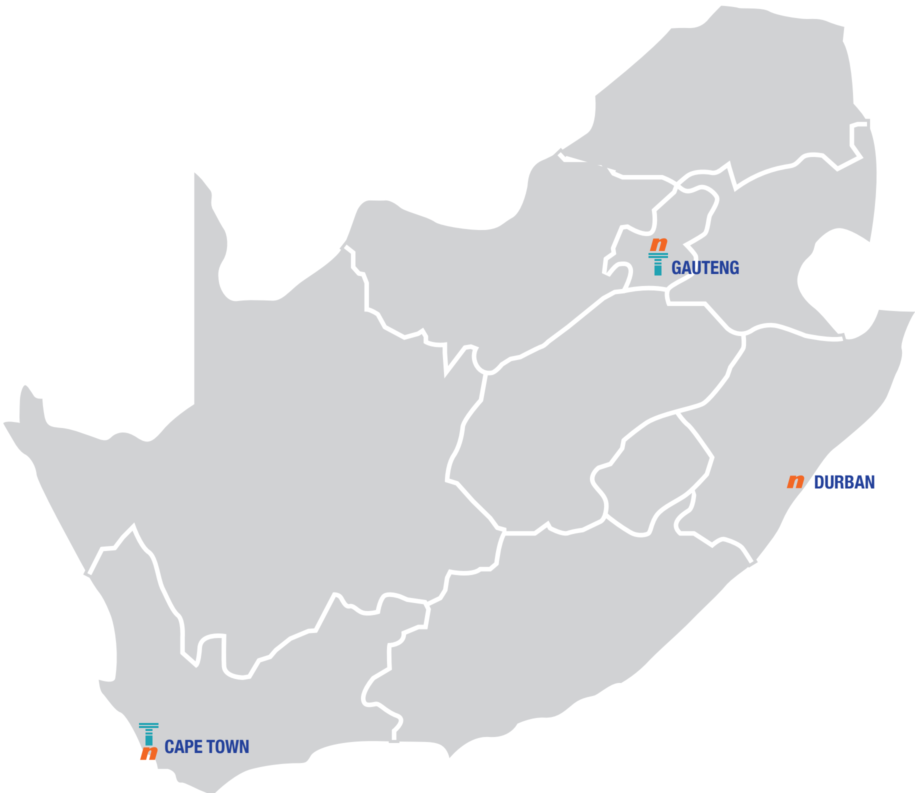
Marketing spend encompasses all key communication channels where we aim to drive fresh, modern and innovative messaging.

Installation and after sales service

Taylor branches in Cape Town and Johannesburg, supported by a network of skilled distributors, design and install products to customer-specification. Installation is a key factor in delivering a top-quality solution and cements the overall quality and customer centric ethos. Taylor and NMC offer installation training to all our distributors on a regular basis. A dedicated customer service department deals with all after sales service and warranty requirements. All Taylor products are backed by warranties and serviced by the branch and distributor network.

Footprint

Taylor Blinds and Shutters has two branches, one in Cape Town and the second in Gauteng. NMC South Africa branches are located in Gauteng, Durban and Cape Town.



Capital review

The Integrated Reporting Framework recommends reporting to shareholders on the capital resources that impact the creation of value. These capitals are either increased, decreased or transformed through the activities of the business, and should ultimately result in value creation. A brief snapshot of the performance and activities relative to these categories of capital is detailed below:

INPUTS	OUTPUTS	OUTCOMES
Financial Capital		
• Market Cap – R596 million • Long-and short-term borrowings (interest-bearing debt) – R106 million • Effective management of cash and capital • Franchise distribution model • Strong working capital management • Order book for two weeks ahead only • Acquisition of Taylor	• Revenue R525 million • Total dividend for FY17 of 30 cents and EPS of 59.3 cents • Contribution to local economy through income taxes – R33 million • Franchise distribution model reduces financial risk • Cash on hand – R55 million • Cash generated from operating activities for year ended 30 June 2017 – R62 million	• Sound financial position • Increased shareholder and stakeholder value • Increased profits • Strong and sustainable relationships with financiers for future growth/acquisitions • Excellent cash conversion • Taylor earn out target met during the financial year
Manufactured capital		
• Modern manufacturing facility in Durban with the capacity to produce steel and aluminium products • Modern, well equipped manufacturing facility in Cape Town ("Taylor") • Assembly plants in Africa • Manufacture to customer order • Gas fired ovens • Quality Management System certified by an independent third party, the Loss Prevention Certification Board (LPCB), based in the UK • Capital expenditure – R9.5 million	• Maintaining operating capacity with significant spare capacity • Improving efficiencies and minimising overheads • Operational efficiency and decreased costs	• Customer satisfaction • ISO 9001:2015 certification • Capital growth creating long-term value • Class leading, made-to-order delivery cycle
Intellectual capital		
• Strong, well-known brands in South Africa • Growing brand awareness in Africa and overseas • Research and development team with extensive experience and innovative ideas • Ongoing market research • ISO 9001:2015 certification • International certification on selected products • Patented products and components • Regulatory compliance • Retention of key managerial staff of Taylor • Purchase of Taylor customer base as part of the acquisition • Purchase of Taylor brand name as part of acquisition • Monitoring of risks through utilisation of risk registers	• Innovative ideas for the long-term strategy • Success regarding integration of Taylor into the group – earn out target met during FY17 • Up-to-date knowledge of trends in the market • Minimising risks and therefore possible losses to an acceptable level	• Market differentiation • Increased brand awareness in Africa • Strong management of new acquisition maintained • Customer satisfaction and peace of mind • Increase in group profits • Investor confidence

INPUTS	OUTPUTS	OUTCOMES
Human capital		
• Properly constituted board and sub-committees with adequate experience and independence • Remuneration policy aimed at attracting and retaining key staff and driving shareholder returns • Senior management with over 70 years of combined experience • Well-established research and development teams • Strict compliance with the South African Occupational Health and Safety Act, 85 of 1993 • Skilled installers • Strong and effective marketing team • Invested in training at in-house manufacturing facility • Invested in provision of training for franchisees	• Recognised governance structures in terms of King III • Remuneration policy with short-and long-term incentives for key staff • Regular engagement with trade unions with a focus on maintaining harmonious relationships • Various training and skills development initiatives	• Good corporate governance • Gap analysis performed to ready King IV implementation • Compliance with JSE Listings requirements • Compliance with regulatory requirements • Retention and motivation of key management • Engaged, skilled, loyal and energised employees • Wage negotiation – strike averted
Social and relationship capital		
• Franchisees and distributors • Strong relationship with major suppliers • Corporate social investment such as supporting the Sunflower Foundation, schools, orphanages (community-based facilities)	• Dedicated support for franchisees and subsidiaries • Smooth running of Durban factory JIT inventory system • Develop, maintain and grow owner-operated small businesses	• Job creation • Enduring relationships with suppliers • Enterprise development • Positive contribution to wider South African society • Economic growth for communities
Natural capital		
• Impact on the natural capital is managed through various programmes to increase energy efficiency, reduce water use and minimise waste • Modern effluent plant in Durban to reduce environmental impact • Electricity – energy usage and energy saving measures	• Environmental initiatives • Electricity consumption decreased • Focus on CO_2 greenhouse gas emissions • Adherence to high quality standards of waste water	• Reducing environmental impact • Reducing non-compliance risk regarding environmental regulations

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS AND OFFICERS

Terence Mark Dennison (50)

CA(SA) ("Terry")

CEO

Appointed to the board: 1 June 2002

Terry joined Trellidor as financial director in 1999 and has fulfilled the position as chief executive officer since 2001. Prior to his time at the company, Terry was in various senior management positions at agricultural processing companies owned by the Commonwealth Development Corporation. Terry qualified with KPMG as a chartered accountant in 1992.

Craig Gavin Cunningham (42)

CA(SA)

CFO

Appointed to the board: 27 August 2015

Craig is a chartered accountant with experience post-articles with Ernst and Young and Citigroup in the UK. Prior to joining Trellidor Craig held financial management posts at logistics companies Unitrans and Manline.

Peter Walter Edward Rawson (60)

BA (Rhodes) ("Pete")

Group Sales and Marketing Executive

Prescribed officer

Pete joined the Company in 1996 as head of the Sales and Marketing team and was appointed as a director on 26 October 2006. Pete resigned from the Board on 27 August 2015 as part of the Board's reconfiguration pre-listing. He remains part of the executive team and sits on the Board of a main operating subsidiary.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mark Cyril Olivier (49)

CA(SA)

Chairman

Appointed to the board: 26 October 2006

Mark has over 25 years' experience in managing debt, property and private equity assets and providing corporate finance and strategic advice, predominantly to public companies in the United Kingdom. Before establishing Hibridge Capital, a boutique investment banking business, Mark was a shareholder and employee of Hawkpoint Partners, a UK-based corporate advisor and also worked for BoE Limited, serving on the executive committee of the bank's international business headquartered in London.

Currently Mark is a non-executive director of Greenbay Properties Limited, a retail investment company listed in both South Africa and Mauritius and also Chairman of African Rainbow Capital Investments, a financial services and private equity company listed on the JSE.

Mark was previously a non-executive director of the Dynasty Group, a Chinese-based retail property fund owned and managed by Macquarie Bank and Blackstone Inc. and also the Chairman of Rockcastle, a real estate company investing in retail properties in Eastern Europe.

John Bartram Winship (63)

B. Business Science (UCT), Certificate of Investment (Institute of Actuaries)

Appointed to the board: 26 October 2006

John has been a non-executive director of Trellidor since 2006. He has been involved in various aspects of asset management and financial services through his career and has experience in analysis, portfolio management, executive management and directorships. He worked for Old Mutual and was thereafter instrumental in the founding of BoE Asset Management and served on the board of BOE Limited, before going on to establish ABVEST, an institutional asset manager which was subsequently bought out by ABSA. He is currently self-employed, primarily serving on Investment Committees for corporates and high net worth families. He is actively involved in community service through Rotary International.

Ralph Bruce Patmore (65)

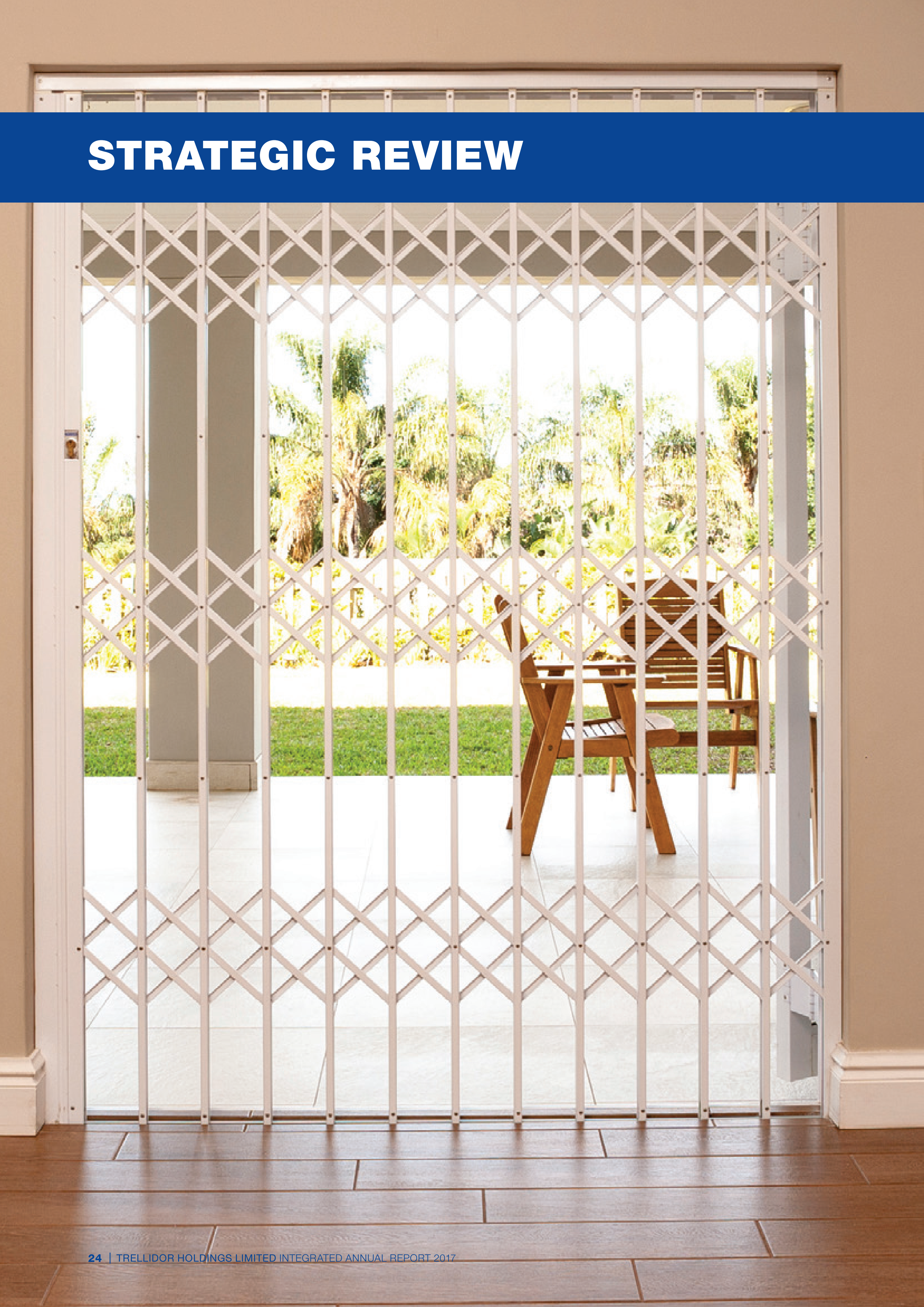
BComm (Wits), MBL (SBL)

Appointed to the board: 28 October 2015

Ralph co-founded and was instrumental in the listing of Iliad Africa Limited, a building material supply company, which he led as chief executive officer until his retirement in 2008. Prior to that he was the managing director of the manufacturing division of Group Five Limited (1988 to 1997).

Ralph currently holds non-executive directorships in a number of other companies listed on the JSE, including Mustek Ltd, ARB Holdings Ltd and Calgro M3 Holdings Ltd.

STRATEGIC REVIEW



CHAIRMAN'S REPORT

MARK OLIVIER
Chairman

Dear shareholders

I want to thank you again for choosing to invest in Trellidor.

The Board continues to pursue strategies that are targeted at increasing the long-term value of your investment. In this respect and in accordance with its growth strategy the Trellidor Group acquired the Taylor Blinds and Shutters and NMC businesses ("Taylor"), effective 7 July 2016.

For the first time Taylor's results for the full year are included in the Group's results, providing greater economies of scale and assist in establishing a larger financial base from which to grow. The Trellidor Group revenue and EBITDA for the 2017 financial year are R525 million (2016: R313 million) and R114 million (2016: R82 million), respectively.

The Operating Environment

The South Africa economy underperformed during the year, entering into a technical recession in the 1st quarter of 2017. Uncertainty in both political and government policy dampened business and consumer confidence. There was a decline in GDP *per capita* and household consumption expenditure, particularly in the middle income segment. Negative real house price growth has persisted. In addition, Trellidor has had to contend with currency volatility and a material increase in steel prices.

Whilst the trading environment has been challenging, the impact of the economy on the Trellidor Group's performance has been diluted as the Group is now more diversified and holds a stronger market position. Notwithstanding, sales, particularly to the middle market segment in the major centres of South Africa, have been negatively affected by the weak environment.

Economic growth in Africa during the period impacted by; lower oil and commodity prices, drought and foreign exchange liquidity constraints, was the slowest in more than two decades. Africa sales during the period were negatively impacted by the economy, however, many of these factors are now easing.

Strategic Review

Despite a weak trading environment, your business has made satisfactory progress in implementing the key growth strategies described in last year's report being:

- The bedding down of the Taylor acquisition;
- The launch of a new in-house designed and developed product, the Security Shutter; and
- Increasing the distribution capacity in Africa through new franchises, distributing Trellidor's new products through African territories and establishing more franchisee-owned assembly plants in Africa to enhance logistical efficiencies.

Taylor Acquisition

During the period Taylor achieved its earnings target and the acquisition was successfully completed.

This acquisition delivers scale and a platform for growth into a new segment, the home improvements market, as well as a diversification of the Trellidor Group's revenue streams.

Both Trellidor and Taylor are highly cash-generative industry veterans, manufacturing high-end custom-made products with strong brands and market positions.

Enhancing the Product Offering

The Trellidor team has a distinguished record of introducing new and innovative products that meet a dynamic market. In June 2016, the Trellidor Security Shutter was launched and has been well received by the market. This product facilitates the Group's access into the high-end and secure estate market.

Security Shutter budgeted turnover was achieved in the first year of operation. The Trellidor Group is now the market leader in security shutters, producing turnover of over R91 million in the financial year.

CHAIRMAN'S REPORT (CONTINUED)

Geographic Growth

Africa growth remains a key strategy through the extension of the range of Group products being sold into Africa and accelerating growth in the franchises established in the last couple of years.

The pace of implementation of the strategy was impeded by, restrictions on foreign currency flows, restrictions on the free trade of products between African countries as well as the general economic factors described above.

Looking Ahead

We expect conditions in the sub-Saharan market to improve in the next two years and will continue to increase capacity in existing African markets, appoint distributors in new territories and extend the product range offering to include Taylor products.

We will continue the process of extracting other revenue synergies from the Taylor acquisition in 2018.

The Board is mindful that the economic environment remains fragile and in addition to its revenue growth strategies it will continue to focus on efficiencies, improved utilisation of materials, overhead control and pricing strategies in order to mitigate these challenges.

Despite economic headwinds the Board has set demanding growth targets for 2018.

Governance Overview

The Board and its committees operated effectively in the 2017 financial year, with the Board, individual directors, Board Committees and the Chairman undergoing an annual performance evaluation.

I am satisfied that all the committees are constituted with members of relevant skills, knowledge and experience and that our stakeholders can feel comfortable with the Group's governances. In addition, the Board is in the process of reviewing its governance framework with a view to applying the recommendations of King IV.

Dividend

The Board declared a final gross dividend of 19.5 cents per share for the year ended 30 June 2017. The total dividend paid in respect of the current financial year was 30.0 cents per share which represents a 20% growth on the prior year.

Trellidor's future dividend policy will continue to reflect its cash-generating capacity and will take into account capital requirements to finance growth.

In addition, the Board will also be extending its authority, previously granted by shareholders, and will be putting in place an active programme to buy back a limited number of its shares.

Appreciation

I would like to thank my fellow directors for their contribution to the governance processes and for their assistance in driving the growth strategy of the Group. On behalf of the Board, I thank our executive directors and the senior management team for their hard work during the year as we navigated a tough economy and integrated Taylor into the Trellidor Group.

We welcome Taylor's management and employees to the Trellidor family and thank all our employees for their dedication and support.

Finally, we thank our customers for their ongoing support and our franchisees, distributors and suppliers for our continuing relationships.

Mark Olivier
Chairman

RISKS AND OPPORTUNITIES

Strategic objective	Drivers	Achievements	Risks and Mitigations
Acquisitive growth	Acquisitions that offer the opportunity to capitalise on Group knowledge and know-how and synergies in manufacturing, distribution or product and brand strength.	Acquisition of the Taylor Group in July 2016.	To ensure acquisitions are appropriate and deliver projected returns, Trellidor conducts comprehensive ongoing market and industry research together with detailed due diligence utilising professional advisors where necessary. Acquisition targets are high-quality and well-established businesses serving similar markets and with a potential to maximise on synergies within the Group.
			Trellidor establishes that the business delivers returns on capital targets that exceed the Company's cost of capital and incorporate appropriate margins of safety. In all acquisition-related activity Trellidor practices good corporate governance.
Diversify in-house product offering	Development of new products that meet and enhance the Group's brands and meet new market demands that can be manufactured and distributed by the Group's resources.	During June 2016 Trellidor launched a new in-house developed security shutter.	The Group has research and development resources that research and design new products, informed by analysis of local and international trends and market demand. In the manufacturing process, a comprehensive quality control process is in place. A vigorous testing process is applied to all new products. Before launching the product all consultants and installers in the distribution network undergo a comprehensive training and certification process.
Expansion in Africa	Appoint franchisees in new African territories to increase capacity in new and existing African markets and extend the product range in these markets.	Opened new franchises in 2016 in Nigeria and the DRC.	Trellidor has established an African footprint achieved with limited investment, through appointing a network of franchisees. African economies are relatively small, undeveloped and fragile. Accordingly, the Company has not made significant allocations of capital to Africa and will continue to "partner" with local franchisees.
	Expansion in West and East Africa will be targeted with the establishment of new assembly plants to reduce lead times, import duties and logistics costs.		
Business interruption due to industrial action	Trellidor products are manufactured in a factory that is a member of the Metal & Engineering Industries Bargaining Council.	Three-year agreement has been reached without interruption.	Adherence to the bargaining council agreement.
			Maintaining a productive working environment.
			Liaison with relevant committees and/or unions to achieve this.

STAKEHOLDERS

Trellidor's relationships are critical to its ability to create value and enhance the business' sustainability. The Group seeks to engage all stakeholders productively and proactively, and in doing so identify and address opportunities and risks. Trellidor regularly engages with the stakeholder groups described in the table below.

Stakeholder	Key issues for stakeholders	Key issues for Trellidor	How we communicate
Investors	Stable investment performance Risk management Ability to execute on strategy Profitability ROI (share price and dividends) Cash generation Corporate governance Growth prospects Transparent leadership Sustainability	Access to capital Support and feedback	Annual and interim results announcements SENS announcements Annual General Meeting One-on-one meetings communicating non-price sensitive information Investor presentations at results roadshows Integrated report
Funders	Capital management Sustainability Profitability Cash generation Liquidity and solvency Corporate governance and compliance Risk management	Access to debt Favourable rates	Agreed reporting Annual and interim results announcements Regular meetings Integrated report
Employees and unions	Job security Sustainability Remuneration Personal growth and development Employment equity Skills development Working conditions Health and safety Bargaining Council agreements	Committed energised workforce Upholding standards and brand value Labour relations	Agreed reporting Regular feedback meetings Union meetings Integrated report Training programs Employment equity consultation Bargaining Council agreement
Suppliers	Timely payment Sales volumes Fair business practices	Reliable supply of materials Consistent quality	One-on-one meetings
Franchisees	Security of supply Pricing, marketing, training and technical support	Upholding standards and brand value	One-on-one meetings Conferences Training seminars

Stakeholder	Key issues for stakeholders	Key issues for Trellidor	How we communicate
Customers	Quality Reliability Service levels	Customer satisfaction Customer loyalty	Marketing Franchisees Product brochures
Government and Regulators	Employment equity Environmental impact Safety Taxation Adherence to the JSE Listings Requirements and company legislation Skills development	Continued operations and investment	Regulatory returns Sens Engagement as required

Industry Associations and Organisations:

Steel and Engineering Industries Federation of South Africa

KZN Engineering Industries Association

South African Metal Finishes Association

Metal & Engineering Industries Bargaining Council

Manufacturing, Engineering and Related Services SETA

PERFORMANCE REVIEW

CHIEF EXECUTIVE OFFICER'S REPORT

TERRY DENNISON
CEO

IIn accordance with its growth strategy Trellidor Holdings Limited ("Group") acquired the Taylor Blinds and NMC businesses ("Taylor"), effective 7 July 2016. The Group now comprises Trellidor and Taylor and the Group's results include Taylor for the full year for the first time.

Trellidor is the market-leading manufacturer of custom-made barrier security products, distributed via a dedicated and skilled franchise network situated throughout South Africa, Africa and the UK.

Taylor is a major manufacturer and distributor of custom-made blinds, decorative and security shutters and cornicing/skirting products. Taylor has a strong presence in the Western and Southern Cape.

During the 2017 financial year, the Group operated in an economic environment where household expenditure deteriorated as a result of weak economic growth and socio-political uncertainty which impacted the trading conditions for both business segments.

Overview

Following the Taylor acquisition, Group revenue for the year grew 68% to R525 million in difficult trading conditions. The Group's gross profit margin of 48% was in line with expectations and consistent with the interim results. Operating expenses as a ratio to revenue have increased to 29% (June 2016: 28%) mainly due to acquisition-related expenses of R10 million. These acquisition-related expenses have been added back in the calculation of core headline earnings per share, refer note 4 in the financial results. In addition, foreign exchange losses of R3 million (June 2016: R2 million gain), also negatively impacted the operating margin.

Profit after tax for the year grew by 22% to R66 million and earnings per share by 17% to 59.3 cents per share. Diluted core headline earnings per share (see note 4), which is headline earnings per share after adjusting for certain IFRS charges and once-off expenses grew by 27% to 66.0 cents per share.

Cash generated from operating activities has grown 20% to R62 million.

The Taylor business achieved the earn out targets as defined in the purchase agreement and the deferred consideration of R30 million was settled in July 2017 from internally generated cash reserves. The initial purchase price of R131 million was funded by the issue of shares on listing and raising of debt of R96 million.

At 30 June 2017, the Group has interest-bearing liabilities of R106 million which incurred R9 million of net interest for the year ended 30 June 2017. The Group's financial risk is well managed – interest cover is 8.4 times and debt repayments are covered 2.2 times by net cash from operating activities.

Segment Overview

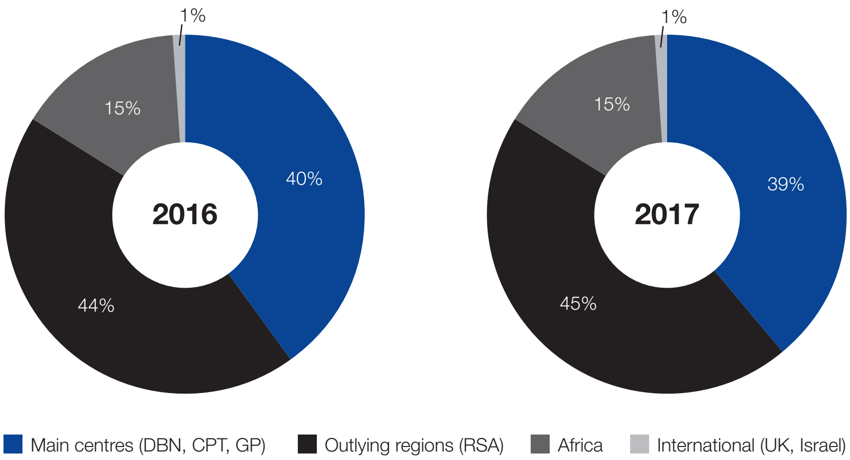
Trellidor's Performance

Reflecting the weakness in the economy, Trellidor's trade in South Africa was subdued in the first half of the year in both the main centres and outlying areas. The second half of the year saw improved South Africa sales compared to the same period in the prior year, particularly in the outlying areas. This being reflective of the easing of drought conditions and improved resource prices boosting mining. This improvement was, however, offset by a weaker performance in Africa as a result of the weak African economic environment.

Revenue of R316 million (2016: R313 million) for the year was subdued – impacting negatively on the segment's operating profit before interest of R66 million (2016: R77 million). Included in these results were foreign exchange losses of R2 million against a gain in the prior year of R2 million, a resultant negative swing of R4 million. Despite these subdued results, trading margins held relatively stable and cash generation from operating activities was excellent at R45 million.

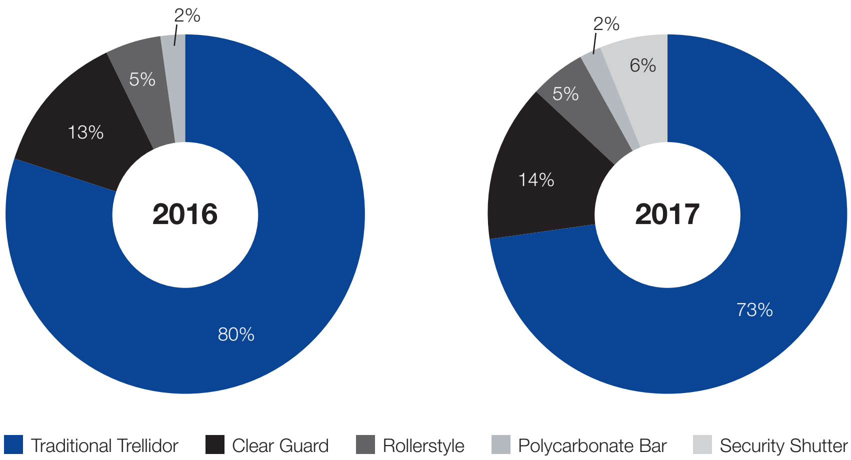
Analysis of Sales by Geographical Presence

Geographic sales distribution remained similar to the previous year, however, with the main centres remaining the most impacted by the weak economy in South Africa, outlying areas performed relatively better, particularly in the second half of the year, with the drought conditions easing in some areas and better resource prices boosting mining.



Analysis of Sales by Product Type

Boosted by the launch of the Trellidor Security Shutter, lifestyle barrier security product sales increased by 33% in the year under review, now accounting for 27% of the Trellidor segment revenue. Trellidor's increasingly diversified product range mitigates weakness in the middle and upper middle class economy, as the products span different income groups.

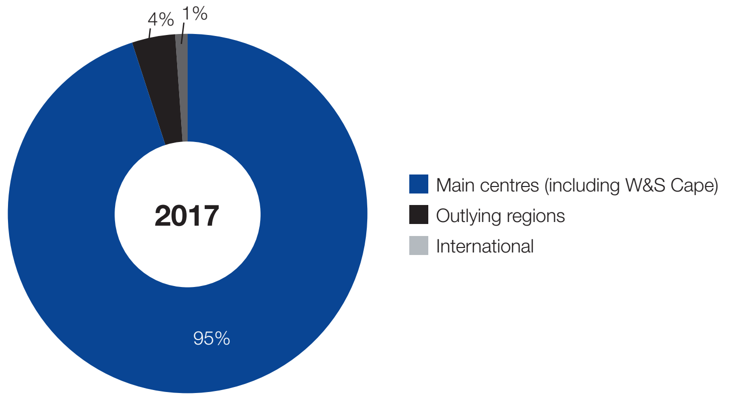


Taylor's Performance

Encouragingly, despite the tough economic conditions, the business achieved the agreed earn out targets. Revenue of R210 million was achieved with trading margins of 46%. Operating profit for this segment (before the deduction of the acquisition-related costs) was R46 million. Cash generated from operating activities was R18 million after meeting the acquisition-related cash costs.

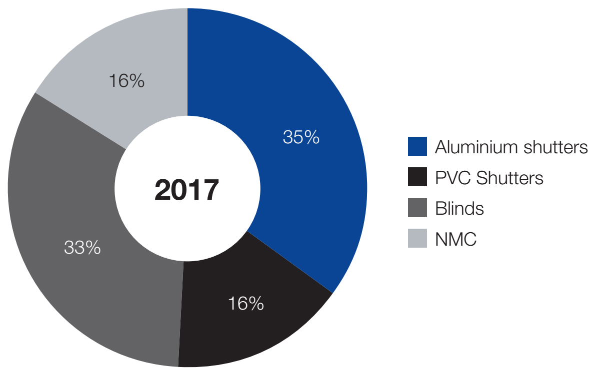
Analysis of Sales by Geographical Presence

Taylor's market is geographically weighted to the Western and Southern Cape and with a smaller presence in Johannesburg. Limited presence in the balance of the country and Africa presents an opportunity to expand and broaden the geographic footprint of this segment.



Analysis of Sales by Product Type 2017

Taylor brings a well-diversified product offering to the Group in the lucrative home improvements market, focusing primarily on window-covering solutions.



Prospects

The acquisition of Taylor has provided a platform for growth into a new market segment and a diversification of the Group's revenue streams. Key growth strategies which incorporate distribution synergies with Trellidor, particularly in Africa and outside the Western and Southern Cape, and a broadening of the Taylor product range are being pursued.

The new Trellidor security shutter, launched early in the year was well received by the market. Continued product range growth is expected. Growth in Africa remains a key strategy through opening new distributorships and by extending the number of Group products being sold into Africa.

The Group is mindful that the economic environment remains fragile, and in addition to its revenue growth strategies it will continue to focus on efficiencies, improved utilisation of materials, overhead control and pricing strategies in order to mitigate these challenges.

Appreciation

I would like to express my thanks to the Board, fellow executives, managers, employees, our franchisees and distributors for their support and commitment to the Group through the year and delivering on its strategies in a challenging economic environment.

Terry Dennison
CEO

HOW THE BUSINESS IS GOVERNED

CORPORATE GOVERNANCE REPORT

Trellidor is committed to upholding the highest standards of ethics and good governance while pursuing wealth and value creation for its stakeholders. The Board is the focal point of good governance and exercises sound judgement and leadership with integrity, guided by principles of responsibility, accountability, fairness and transparency. It is committed to implementing rigorous governance principles and practices in accordance with the King III Report. The Board assessed the application of the principles set out in the King Code and confirms that the Company applied and was compliant with the code throughout the year. A detailed report on the Company's compliance with all 75 principles is available at www.trellidor.co.za. The Board is committed to continuously improving governance and will in the course of the 2018 financial year be reviewing its governance practices to meet the new requirements of King IV.

The Company has adopted a Code of Ethics, which is upheld by the Board and is communicated to employees. The Code provides detailed guidance as to their ethical conduct and they are required to adhere to the Code in all daily interactions. It commits both the Board and the employees to the highest standards of ethical business conduct.

TRELLIDOR BOARD		
Composition	5 members of which:	
	2 are executive directors	
	3 are independent non-executive directors	
	Members bring a wealth of industry and financial experience.	
Roles and responsibilities	Chairman and the CEO roles and responsibilities have been clearly defined and are distinct to ensure checks and balances in terms of decision-making.	
	The Chairman provides independent Board leadership and guidance, facilitates suitable deliberation on matters requiring the Board's attention and ensures the efficient operation of the Board as a unit.	
	Ultimate control of the Group rests with the Board of directors and the Board is responsible for setting the strategic direction of the Group, while the CEO and executive management are responsible for the implementation of the Group's strategy and the day-to-day operational decisions and business activities.	
	The non-executive directors are individuals of high calibre and credibility, and have the necessary skills and experience to bring judgement to bear, independently of management, on issues of strategy formulation, performance management, resources planning and allocation, transformation and employment equity, standards of conduct, and other important decisions. The Board operates according to a Board Charter, which is available at www.trellidor.co.za.	
Members and attendance at board meetings	**Executive directors**	**Attendance at meetings**
	Terry Dennison (CEO)	4 (4)
	Craig Cunningham (CFO)	4 (4)
	Independent non-executive directors	
	Mark Olivier (Chairman)	4 (4)
	Ralph Patmore[#]	4 (4)
	John Winship	4 (4)
	By Invite	
	Paula Nel (Company Secretary)	4 (4)
	Peter Rawson	4 (4)
Evaluation	To improve the Board's effectiveness, annual evaluations of the Board, individual directors, Board Committees and the Chairman are conducted. Appropriate measures are taken to address any weaknesses highlighted through the evaluation processes. The annual evaluation was completed for the year-end. It was found that the Board has duly completed its responsibilities during the year in accordance with its Charter.	
	The Board has considered the independence of the non-executive directors and believe they remain independent.	

[#] *Appointed as Lead Independent Director on 7 September 2017.*

CORPORATE GOVERNANCE REPORT (continued)

Appointments to the Board

There is both a formal Gender Diversity Policy and Board Appointment Policy in place and appointments to the Board follow a formal and transparent process, and are considered by the Board as a whole following the recommendation of the Nomination Committee. In this way the Board ensures that it has the right balance of skills, experience, background, independence and business knowledge necessary to discharge its responsibilities.

In terms of King III and the Company's Memorandum of Incorporation, one-third of the Board's non-executive directors must retire, on a rotational basis, from office at each annual general meeting. The retiring director/s may make themselves available for re-election, provided that they remain eligible as required by the Memorandum of Incorporation and in compliance with the JSE Listings Requirements. Accordingly, Mark Olivier by rotation at the upcoming annual general meeting, and being eligible, will offer himself for re-election.

Directors' Personal Interests

A full list of directors' interests is maintained and reconfirmed annually with directors. Directors are required to recuse themselves from any discussion and decision in which they may have a material financial interest.

Dealing in Securities by the Directors

The Group has adopted a policy that regulates dealings in the Group's securities by directors and group officials in closed periods and with price-sensitive information, as required by and in line with the JSE Listings Requirements. In addition, Trellidor maintains a closed period from the end of a financial reporting period to the date of publication of the financial results.

Board Committees

The Board delegates certain functions to well-structured committees without abdicating its own responsibilities. Board Committee Charters define the purposes, authority and responsibility of the various Board Committees, and have been developed for the:

- Audit, Risk and Compliance Committee
- Remuneration Committee
- Nominations Committee
- Social and Ethics Committee

AUDIT, RISK AND COMPLIANCE COMMITTEE		
Composition	3 members, all of whom are independent non-executive directors.	
	Members contribute extensive financial expertise and experience and knowledge of Trellidor.	
Responsibilities	The Audit, Risk and Compliance Committee is responsible for reviewing the financial statements, monitoring internal control procedures and recommending the appointment of external auditors and evaluating their independence. Its composition, responsibilities and activities are covered in the Audit, Risk and Compliance Committee Report on page 46.	
	The Audit, Risk and Compliance Committee operates according to a Charter, which is available at www.trellidor.co.za.	
Members and attendance at committee meetings	**Independent non-executive directors**	**Attendance at meetings**
	Ralph Patmore (Chairman)	4 (4)
	Mark Olivier	4 (4)
	John Winship	4 (4)
	By Invite	
	Terry Dennison (CEO)	4 (4)
	Craig Cunningham (CFO)	4 (4)
	Paula Nel (Company Secretary)	4 (4)
Evaluation	The annual evaluation of the committee was conducted during the year. It was found that the Committee has duly completed its responsibilities during the year in accordance with its Charter.	

REMUNERATION COMMITTEE#		
Composition	3 members, all of whom are independent non-executive directors.	
	Members contribute extensive expertise and experience and knowledge of Trellidor.	
Responsibilities	The Remuneration Committee is constituted as a committee of the Board for the purposes of considering executive and non-executive director's remuneration. Its composition, responsibilities and activities are covered in the Remuneration Committee Report on page 42.	
	The Remuneration Committee operates according to a Charter, which is available at www.trellidor.co.za.	
Members and attendance at committee meetings	**Independent non-executive directors**	**Attendance at meetings**
	John Winship (Chairman)	3 (3)
	Mark Olivier	3 (3)
	Ralph Patmore	3 (3)
	By Invite	
	Terry Dennison (CEO)	3 (3)
	Paula Nel (Company Secretary)	3 (3)
Evaluation	The annual evaluation of the committee was conducted during the year. It was found that the Committee has duly completed its responsibilities during the year in accordance with its Charter.	

The Remuneration and Nominations Committees meet jointly, the Chairmanship changes to address Nominations and Remuneration matters separately.

NOMINATIONS COMMITTEE[#]		
Composition	3 members, all of whom are independent non-executive directors.	
	Members contribute extensive expertise and experience and knowledge of Trellidor.	
Responsibilities	The Nomination Committee meets when required and is responsible for assisting the Board with the appointment of directors by making appropriate recommendations in this regard.	
	In addition to its Board appointment policy, during the year the Nomination Committee adopted and approved a Gender Diversification Policy. In the event of a vacancy the Committee will consider candidates on merit against objective criteria and with due regard for the potential benefits of gender diversity at a Board level. The Committee will continue to discuss and annually agree all measurable targets for achieving gender diversity on the Board.	
	The Nomination Committee operates according to a Charter, which is available at www.trellidor.co.za.	
Members and attendance at committee meetings	**Independent non-executive directors**	**Attendance at meetings**
	Mark Olivier (Chairman)	3 (3)
	John Winship	3 (3)
	Ralph Patmore	3 (3)
	By Invite	
	Terry Dennison (CEO)	3 (3)
	Paula Nel (Company Secretary)	3 (3)
Evaluation	The annual evaluation of the committee was conducted during the year. It was found that the Committee has duly completed its responsibilities during the year in accordance with its Charter.	

SOCIAL AND ETHICS COMMITTEE		
Composition	6 members, which comprise:	
	2 executive directors	
	3 independent non-executive directors	
	1 prescribed officer	
	Members contribute extensive expertise and experience and knowledge of Trellidor.	
Responsibilities	The Social and Ethics Committee's responsibilities encompass monitoring and regulating the impacts of the Group on its material stakeholders and environments. Although management is tasked with overseeing the day-to-day operational sustainability of their respective areas of business, and reporting thereon to the committee, the Board retains ultimate responsibility.	
	The Social and Ethics Committee operates according to a Charter, which is available at www.trellidor.co.za.	
Members and attendance at committee meetings	**Independent non-executive directors**	**Attendance at meetings**
	Mark Olivier (Chairman)	2 (2)
	John Winship	2 (2)
	Ralph Patmore	2 (2)
	Executive directors and officers	
	Terry Dennison (CEO)	2 (2)
	Craig Cunningham (CFO)	2 (2)
	Peter Rawson	2 (2)
	By Invite	
	Paula Nel (Company Secretary)	2 (2)
Evaluation	The annual evaluation of the committee was conducted during the year. It was found that the Committee has duly completed its responsibilities during the year in accordance with its Charter.	

[#] *The Remuneration and Nominations Committees meet jointly, the Chairmanship changes to address Nominations and Remuneration matters separately.*

Support Functions

Independent Advice

All independent non-executive directors have unrestricted access to management and all Company information and resources, as well as to the Group's external auditors. Further, all directors are entitled to seek independent professional advice, at the Group's expense, on any matters pertaining to the Group as they deem necessary.

Company Secretary

The Company Secretary advises the Board of any relevant regulatory changes and/or updates.
In addition, she provides guidance to the Board, individual directors and sub-committees on how to discharge their responsibilities in the best interests of the Company. The Company Secretary attends all Board and committee meetings and is responsible for overseeing the preparation in advance of comprehensive agendas and meeting packs. Further, responsibility lies with her for overseeing the accurate recording and dissemination of the minutes of these meetings. Whenever deemed necessary she also reviews the rules and procedures applicable to the conduct of the affairs of the Board. If necessary she involves the sponsor and other experts in this regard to ensure that the directors have adequate information to discharge their responsibilities efficiently.

The Board is comfortable that Company Secretary, Paula Nel, maintains an arm's length relationship with the Board at all times and is sufficiently qualified and skilled to act in accordance with, and update directors in terms of the recommendations of the King III Report and other relevant local and international regulations and legislation. The Company Secretary is neither a director nor an employee of a company within the Trellidor Group. Our Company Secretary has practiced for over 26 years and holds a BCom FCIS qualification.

Information Technology Governance

The Board is ultimately responsible for IT governance. The risks and controls over information technology assets and data are reviewed and monitored by the Audit, Risk and Compliance Committee.

The IT functions of the Group are outsourced where appropriate to approved external service providers. The risks regarding the security, back-up, conversion and update of the information technology systems are continually assessed, reviewed and monitored by the Audit, Risk and Compliance Committee. Disaster recovery plans are regularly reviewed as disruptions to critical management information could have an impact on continuing operations.

Promotion of Access to Information Act

There were no requests for information lodged with the Group in terms of the Promotion of Access to Information Act, No 2 of 2000.

Internal Control Framework

The Board is responsible for the Group's systems of internal control and risk management. The Audit, Risk and Compliance Committee assist in this regard. Together they evaluate the adequacy and effectiveness of internal control systems and processes, and monitor whether internal control recommendations have been implemented. The internal control framework together with the required assurance is formally documented and annually reviewed by the Audit, Risk and Compliance Committee.

The systems are designed in such a way as to manage rather than eliminate risk and to safeguard and maintain accountability of the Group's assets. This will assist in identifying and curtailing significant fraud, potential liability, loss and material misstatement while ensuring compliance with applicable statutory laws and regulations.

External Audit

The external auditors are responsible for reporting on whether the financial statements are fairly presented in compliance with IFRS, and their audit to this end includes an assessment of internal controls. The preparation of the annual financial statements remains the responsibility of the directors.

The Audit, Risk and Compliance Committee meets regularly with the external auditors and in this way ascertains their efficacy and independence. Recommendations thereon are then made to the Board. The responsible audit partners rotate in accordance with legislation and audit firm requirements. As a rule the Board does not engage the external auditors for any tax compliance or for assistance with company secretarial duties. Where the external auditors are appointed for non-audit services, the Board assisted by the Audit, Risk and Compliance Committee ensures that there is a strict separation of divisions in order to maintain independence.

CORPORATE GOVERNANCE REPORT (continued)

Legal Compliance

The Company Secretary, together with the Group's Sponsor, monitors compliance with the recommendations set out in King III, the JSE Listings Requirements and the Companies Act. From the 2018 financial year this will also encompass King IV.

The process of compliance with relevant legislation is managed by the Company and is monitored by the Audit, Risk and Compliance Committee. During the past financial year no instances of material non-compliance were noted and no judgments, damages, penalties or fines were recorded or levied against Trellidor, its directors or employees for non-compliance with any legislation.

KING IV

Management together with the Company Secretary are in the process of finalising a gap analysis of King III *versus* King IV requirements and will look to ensure compliance with King IV for the 2018 financial year.

Employment Equity

The Group is in compliance with the requirements of the Employment Equity Act. A summary of the Employment Equity Plan submitted to the Department of Labour is tabled below. In line with requirements the businesses acquired during the year will be submitting their plans during January 2018, the details of which will be included in Trellidor's 2018 reporting.

	Male (%)	Female (%)
African	33	20
Indian	28	7
Coloured	3	2
White	5	2

The Employment Equity Reports have a different cut off period to the year under review

BROAD-BASED BLACK ECONOMIC EMPOWERMENT ANNUAL COMPLIANCE REPORT

The JSE requires a listed company to publish its report on its compliance with section 13(G)(2) of the South African Broad-Based Black Economic Empowerment Act 53 of 2003, as amended (the "B-BBEE Act"), that it provides to the B-BBEE Commission, in the prescribed form, a report on its compliance with broad-based black economic empowerment.

The Group has embarked on a strategy to improve it's B-BBEE scorecard.

The Group intends to submit its report in the prescribed form B-BBEE 1 to the B-BBEE Commission in compliance with section 13(G)(2) of the B-BBEE Act. A copy of the form will be available on the company's website, www.trellidor.co.za. Shareholders will be notified by SENS once it has been lodged.

SOCIAL AND ETHICS COMMITTEE REPORT

The information below constitutes the report of the Social and Ethics Committee ("Committee") as required by the Companies Act 71 of 2008, in respect of the 2017 financial year of Trellidor Holdings Limited.

The Committee is chaired by Mark Olivier and further comprises John Winship, Ralph Patmore, Terry Dennison (CEO), Craig Cunningham (CFO) and Peter Rawson. Mark Olivier representing the Committee, attends the Annual General Meeting to answer any questions relating to matters within the committee's ambit and to deliver the Committee's report to the shareholders.

The Social and Ethics Committee's responsibilities in respect of the Group encompass monitoring and regulating it's social and economic development, its corporate citizenship, labour relations and impacts of the group on its material stakeholders and environments. Although management is tasked with overseeing the day-to-day operational sustainability of their respective areas of business, and reporting thereon to the committee, the Board retains ultimate responsibility.

In accordance with its mandate, the Committee met twice during the year under review. Attendance at Committee meetings is set out on page 38. In general, it was satisfied that Trellidor is fulfilling its social and ethical obligations as a good corporate citizen.

The formal Committee Charter sets out the committee's scope and responsibilities and it is reviewed annually to confirm compliance with King III and the Companies Act 71 of 2008 and to ensure the incorporation of further best practice developments. The Committee is currently reviewing the principles recommended by King IV and will look to enhance its scope and responsibilities as may be required.

The effectiveness of the Committee is assessed annually by the Board. On completion of this assessment it was found that the Committee had duly completed its responsibilities during the year in accordance with its Charter.

Mark Olivier
Social, Ethics and Transformation Committee Chairman

7 September 2017
Durban

REMUNERATION REPORT

The Remuneration Committee ("Committee") comprises three independent non-executive directors: John Winship (Committee Chairman), Ralph Patmore and Mark Olivier. The CEO attends meetings by invitation.

The Committee's Charter requires the Committee to meet twice annually, with additional meetings if required. The Committee, however, schedules a meeting to take place prior to each quarterly Board meeting. Attendance at Committee meetings is set out on page 37. The formal Remuneration Committee Charter sets out the Committee's responsibilities. The Charter is reviewed annually to ensure compliance with King III, the Companies Act, and to incorporate relevant best practice developments. The Charter is currently undergoing revision to incorporate the principles recommended in King IV.

The Board assesses the effectiveness of the Committee annually. It was found that the Remuneration Committee has duly completed its responsibilities during the year in accordance with its Charter.

Responsibilities

The Committee is an independent and objective body, which is responsible for advising on and then on the Board's behalf overseeing and monitoring the implementation of the Group's remuneration policy. It is tasked with ensuring that directors and executives are remunerated fairly and responsibly and to this end the Committee reviews the mix of salary remuneration, bonuses and incentives (both short-and long-term). Thereby ensuring alignment of total remuneration with the needs of the business' short-and longer-term objectives.

Key responsibilities of the Committee are:

- review the Group's remuneration policy, which is presented annually for a non-binding advisory shareholder vote at the Annual General Meeting;
- oversee the implementation of the remuneration policy;
- review and approve the annual remuneration packages of the executive directors and senior executives, including annual cash-settled incentive schemes, ensuring they are appropriate and in line with the remuneration policy;
- recommend fees for the non-executive directors to the shareholders;
- issue guidelines for general salary increases across the Group;
- to make recommendations to the Trustees of the Share Incentive Trust with regard to the long-term incentive and the resultant allocation of share options;
- review the human capital management practices in place with reference to key focus areas and those specifically required by the South African labour legislation;
- annually review the Committee's Charter and recommend amendments thereto as required;
- undertake an annual assessment of the effectiveness of the Committee and report these findings to the Committee and the Board; and
- Review the remuneration report and disclosure of directors' remuneration that appears in the Group's integrated report.

To fulfil its remuneration responsibilities, the Committee has unrestricted access to any information required from any employee and, if necessary, to obtain external legal or other independent professional advice. The Group's remuneration policy is tabled at the Annual General Meeting for a non-binding advisory vote by shareholders.

Remuneration Philosophy

Trellidor's remuneration policy reflects the Group's intention to attract and retain critical talent as well as to motivate current employees to perform to their best ability and in the best interests of the Group and its stakeholders. The policy strives to determine an appropriate and market-related rate of remuneration for each function and to apply this consistently across the Group. The policy aims to establish a balance between fixed and variable pay and between short-and long-term incentives. The Committee ensures an appropriate level of transparency as well as a level of equity and consistency across the Group.

The committee is currently reviewing and amending the remuneration policy to align with the recommendations of King IV.

Alignment with Strategy

Trellidor's remuneration structures align with the Group's long-term strategic business priorities, namely:

- to grow the business by acquisition;
- to develop and grow the Group in Africa;
- to sustainably increase its operating profit and cash flows;
- to grow sustainable revenue and maintain margins; and
- to continually develop and review its product range to remain relevant and drive growth.

Non-Executive Remuneration

In reviewing the fees for non-executive directors the Board, assisted by the Committee, makes recommendations, taking into consideration fees payable to non-executive directors of comparable companies and the importance attached to the retention and attraction of high-calibre individuals as non-executive directors. Fees are reviewed annually.

A table of the annual fees for non-executive directors is set out below:

Type of fee (per annum)	Fee	Proposed fee (2017/18)
Non-executive directors	R239 000	R253 200

These fees reflect a 6% increase to the fees for the financial year 2017.

Executive and Prescribed Officers Contracts and Remuneration

Employment agreements are in place for the executive directors Terry Dennison and Craig Cunningham. These employment agreements include standard termination and other provisions for contracts of this nature. Similar employment contracts are in place for the other senior executives.

Pay Mix

The CEO recommends and the committee considers and approves executives' and senior managers' participation in the Group's incentive structures annually.

Remuneration for the selected executives and senior managers consists of the following elements:

Guaranteed Remuneration

Guaranteed pay on a cost-to-company basis consisting of *inter alia* a base salary, contributions to pension and provident funds, medical aid, group life and income disability. Travel allowances form part of agreed cost to company remuneration where justified.

Short-Term Incentive

The Committee has the authority to allocate a cash payment to selected senior employees who have contributed to the success of the business in the preceding financial year. The factors taken into consideration in making these allocations are (a) annual financial results relative to target (b) strategic achievements (c) performance against key result areas, and (d) prevailing market conditions.

Share Incentive Scheme

The Share Incentive Scheme is governed by the Share Incentive Trust, whose trustees are two of the non-executive directors, currently Ralph Patmore and John Winship. The primary objective of the Share Incentive Scheme is to incentivise and retain key employees by awarding options in Trellidor shares. These options vest in four equal tranches on the second, third, fourth and fifth anniversaries of the option award date, with each tranche having to be exercised by the participant within a 30 day period (unless extended at the discretion of the Board), thereafter, failing which such options lapse. On 18 October 2016, 5 060 984 options were awarded to key employees of the Group. For further details please refer to the annual financial statements on the website www.trellidor.co.za .

REMUNERATION REPORT (continued)

Options awarded to directors and officers:

	Opening balance	Granted	Option grant price	Closing balance
T Dennison	–	1 672 628	5.41	1 672 628
C Cunningham	–	396 756	5.41	396 756
P Rawson	–	983 052	5.41	983 052

Further options totalling 1 830 920 have been approved for award on 18 October 2017 to key employees in Taylor, which will bring the total options awarded and not vested to 6 891 904. Shareholders have approved a maximum share option allocation of 10 000 000 shares and with the maximum to any individual of 5 000 000 shares.

No share options have vested to date and the first vesting date for applicable options is 18 October 2018.

Changes envisaged for 2018 to the short-term incentive scheme (STI)

Changes will be made to STI with an objective of linking any payment to Group performance.

Short-term incentives will be capped as follows:

In aggregate, at the lower of:

- 50% of the aggregate guaranteed remuneration of the approved participants, or
- 6% of earnings before interest and tax after being adjusted for any core headline adjustments made to earnings per share to determine core headline earnings per share.

In addition, each individual participant will have a maximum short-term incentive payment based as a ratio on their guaranteed pay as follows:

- CEO limited to 100% of guaranteed pay;
- CFO and fellow senior executives limited to 50% of guaranteed pay; and
- Other participants limited to 30% of guaranteed pay.

The STI payment will be calculated and approved annually based on:

- 50% based on annually approved (by the Board in advance) Group financial measures designed to drive shareholder wealth;
- 25% on individual key performance areas; and
- 25% at the discretion of the remuneration committee.

The committee retains the overall discretion to review and moderate any calculated STI to avoid unintended outcomes, as well as to modify and amend the design of the scheme from time to time as it sees fit.

John Winship
Chairman

Remuneration Committee

ANNUAL FINANCIAL RESULTS

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT

The information below constitutes the report of the Audit, Risk and Compliance Committee ("Committee") in respect of the year under review, as required by the Companies Act 71 of 2008, in respect of the 2017 financial year of Trellidor Holdings Limited.

The Committee is chaired by Ralph Patmore and further comprises John Winship and Mark Olivier, all of whom are independent non-executive directors. The CEO and CFO attend by invitation. Ralph Patmore, representing the Committee, attends the Annual General Meeting to answer any questions relating to matters within the committee's ambit. The Committee meets with external and internal audit without the presence of management at least once per annum.

Four scheduled meetings of the Committee were held during the financial year. Attendance at Committee meetings is set out on page 37. The formal Committee Charter sets out the committee's responsibilities and it is reviewed annually to confirm compliance with King III and the Companies Act 71 of 2008 and to ensure the incorporation of further best practice developments. The Committee in line with the Group is in the process of reviewing the revised governance requirements of King IV and will look to implement any required changes during the course of the 2018 financial year.

The effectiveness of the Committee is assessed annually by the Board. It was found that the Committee has duly completed its responsibilities during the year in accordance with its written terms of reference.

RESPONSIBILITIES

The Committee assists the Board by providing an objective and independent view on the Group's finance, accounting and control mechanisms and by reviewing and ensuring that consideration is given to the following:

- the accounting policies of the Group and any proposed revisions thereto;
- the effectiveness of the Group's information systems and internal controls;
- the appointment and monitoring of the effectiveness of the external auditors;
- the appropriateness, expertise and experience of the CFO;
- setting the principles for recommending the use of external auditors for non-audit services and monitoring that these be kept to a minimum;
- the integrated annual report and the annual financial statements;
- the reports of the external auditors;
- the Group's going concern status; and
- compliance with applicable legislation and requirements of regulatory authorities.

The JSE's proactive monitoring report as issued in February 2017 and the possible impact on the annual financial statements has been considered by the Committee.

RISK MANAGEMENT

The committee through consultation with the external auditors, is responsible for ensuring that management's processes and procedures are adequate to identify, assess, manage and monitor group-wide risks. The Committee is satisfied that the appropriate risk management processes are in place.

EXTERNAL AUDIT

The recommendation from the Committee is to nominate Mazars for re-election as the independent auditor and Dave Bates as the designated audit partner, who is a registered independent auditor, for the 2018 audit. The Committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act and as per the standards stipulated by the auditing profession. The Committee, in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

Consideration by the Committee has been given to all non-audit services provided by the external auditor and the fees relative thereto so as to ensure the independence of the external auditor is maintained.

INTERNAL AUDIT

Due to the size of the Group, the board does not consider it to be cost-effective to maintain a full-time internal audit function and therefore outsources the internal audit function to KPMG. The Group's situation and needs in terms of an internal audit function are reassessed on an annual basis.

ANNUAL FINANCIAL STATEMENTS

The annual financial statements for the year ended 30 June 2017, have been reviewed and recommended by the Committee to the Board for approval. The Board subsequently approved the annual financial statements and they will be open for discussion at the forthcoming Annual General Meeting.

CHIEF FINANCIAL OFFICER AND FINANCE FUNCTION

The Committee on an annual basis considers and satisfies itself as to the appropriateness of the expertise and experience of the CFO and the Group must confirm this by reporting to shareholders in its annual report that the Committee has executed this responsibility. In this regard, the Committee is satisfied that the CFO, Craig Cunningham, is sufficiently competent and that the finance function has sufficient resources and expertise.

INTEGRATED ANNUAL REPORT

The Committee has evaluated the integrated annual report for its consistency with operational and other information known to the Committee. It has recommended the approval of the integrated annual report, to the Board, which report the Board has formally approved.

GOING CONCERN

The Committee through its review of the 2018 budget, cash flows, and discussions with executive management reported to the Board that it supports management's view that the Company will continue to operate as a going concern for the foreseeable future.

Ralph Patmore
Audit, Risk and Compliance Committee Chairman

7 September 2017
Durban

DIRECTORS' APPROVAL

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the financial results and related financial information included in this report. It is their responsibility to ensure that the financial results fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the Companies Act of South Africa and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee. The external auditor is engaged to express an independent opinion on the annual financial statements.

TM Dennison

CG Cunningham

COMPANY SECRETARY'S CERTIFICATION

DECLARATION BY THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act, I certify that, as far as I am aware, the Group has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

Paula Nel
Company Secretary

7 September 2017

INDEPENDENT AUDITOR'S REPORT

The unmodified independent auditor's report can be found on page 2 of the annual financial statements on Trellidor's website www.trellidor.co.za. Dave Bates is the designated audit partner responsible for the audit.

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Trellidor Holdings Limited for the year ended 30 June 2017. The annual financial statements are available on the website www.trellidor.co.za.

1. NATURE OF BUSINESS

Trellidor Holdings Limited is an investment entity incorporated in South Africa. During the year the group, through its subsidiary Trellidor Innovations Proprietary Limited, acquired the Taylor Blinds and Shutters and NMC ("Taylor") businesses from Odyssey House Proprietary Limited. The company's subsidiaries are engaged in the manufacture and sale of custom-made barrier security products, blinds, decorative and security shutters and cornicing/skirting products.

The group operates principally in South Africa and Ghana.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, the requirements of the Companies Act of South Africa and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee.

Full details of the financial position, results of operations and cash flows of the group are set out in the annual financial statements, and in our view require no further comment.

3. STATED CAPITAL

There have been no changes to the authorised or issued share capital during the year under review. Refer to note 6.

4. DIVIDENDS

Dividends already declared and paid to the shareholders during the year, after the appropriate approval was granted by the board, are R28 493 451 (2016: R19 967 291), as reflected in the Statements of Changes in Equity.

Final dividend of 19.5 cents (2016: 15.8 cents) per ordinary share was approved by the board of directors on 7 September 2017 in respect of the year ended 30 June 2017, which brings the total interim and final dividend declared for the year to 30 cents (2016: 25 cents) per ordinary share.

The local dividends tax rate is 20% (2016: 15%).

5. DIRECTORATE

The directors in office at the date of this report are as follows:

Directors	Office	Designation
TM Dennison	Chief Executive Officer	Executive
CG Cunningham	Chief Financial Officer	Executive
MC Olivier	Chairman	Non-executive Independent
JB Winship	Director	Non-executive Independent
RB Patmore	Director	Non-executive Independent

6. DIRECTORS' INTERESTS IN SHARES

As at 30 June 2017, the directors of the company held direct and indirect beneficial interests in its issued ordinary shares, as set out below.

Directors	**2017 Direct**	2016 Direct	**2017 Indirect**	2016 Indirect
TM Dennison	**8 719 342**	8 719 342	**–**	–
CG Cunningham	**–**	–	**13 940**	13 940
MC Olivier	**–**	–	**2 887 572#**	2 887 572
JB Winship	**1 642 039**	1 642 039	**–**	–
	10 361 381	10 361 381	**2 901 512**	2 901 512

An associate has an indirect beneficial interest in LMO Trust refer SENS 4 April 2017.

There have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.

7. DIRECTORS' INTERESTS IN CONTRACTS

During the financial year, no contracts were entered into which directors or officers of the group had an interest and which significantly affected the business of the group.

8. INTERESTS IN SUBSIDIARIES

There were no significant acquisitions or divestitures during the year ended 30 June 2017, other than the acquisition disclosed in note 8.

9. BORROWING POWERS

In terms of the Memorandum of Incorporation, the borrowing powers of the group are unlimited. However, all borrowings by the group are subject to board approval.

10. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

11. LITIGATION STATEMENT

The group becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business.

A claim has been instituted by former employees of the group who were dismissed.

Except as recorded above, the directors are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have a material effect on the financial position of the group.

12. AUDITORS

Mazars continued in office as auditors for the company and its subsidiaries for 2017.

At the AGM, the shareholders will be requested to reappoint Mazars as the independent external auditor of the company and to confirm DB Bates as the designated lead audit partner for the 2018 financial year.

13. SECRETARY

The company secretary is P Nel.

Postal address:	71 Cotswold Drive Westville 3629
Business address:	71 Cotswold Drive Westville 3629

14. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The annual financial statements have been authorised for issue by the directors on 7 September 2017. No authority was given to anyone to amend the annual financial statements after the date of issue. The annual financial statements are available on the website www.trellidor.co.za.

15. LIQUIDITY AND SOLVENCY

The directors have performed the liquidity and solvency tests required by the Companies Act of South Africa and are satisfied that the group is sufficiently liquid and solvent.

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2017

	Notes	Audited 30 June 2017 R'000	Audited 30 June 2016 R'000
Assets			
Non-current assets			
Property, plant and equipment		**51 500**	42 553
Goodwill		**74 401**	2 389
Intangible assets		**46 741**	1 630
Other financial assets		**287**	450
Deferred tax assets		**3 687**	3 707
		176 616	50 729
Current assets			
Inventories	**5**	**94 724**	30 796
Trade and other receivables		**61 779**	44 435
Other financial assets		**794**	1 546
Cash and cash equivalents		**55 103**	89 388
		212 400	166 165
Total assets		**389 016**	216 894
Equity and liabilities			
Equity			
Stated capital	**6**	**45 759**	45 759
Reserves		**2 031**	582
Retained income		**139 273**	103 501
Equity attributable to owners of the parent		**187 063**	149 842
Non-controlling interests		**4 827**	(846)
Total equity		**191 890**	148 996
Liabilities			
Non-current liabilities			
Other financial liabilities		**86 090**	23 367
Deferred tax liabilities		**4 439**	–
		90 529	23 367
Current liabilities			
Trade and other payables		**52 617**	37 516
Other financial liabilities		**49 886**	2 978
Current tax payables		**3 647**	3 563
Provisions		**447**	474
		106 597	44 531
Total liabilities		**197 126**	67 898
Total equity and liabilities		**389 016**	216 894

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Notes	Audited 30 June 2017 R'000	Audited 30 June 2016 R'000
Revenue		525 384	313 442
Cost of sales		(274 878)	(156 188)
Gross profit		250 506	157 254
Other income		6 711	6 391
Operating expenses		(154 917)	(88 227)
Operating profit before interest	3	102 300	75 418
Investment income		3 107	2 749
Finance costs		(12 183)	(2 291)
Profit before taxation		93 224	75 876
Taxation		(27 234)	(21 685)
Profit for the year		65 990	54 191
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		(710)	(246)
Reclassification of hedging reserves to profit and loss		662	993
Other comprehensive income for the year net of taxation		(48)	747
Total comprehensive income for the year		65 942	54 938
Profit attributable to:			
Owners of the parent		64 265	53 706
Non-controlling interests		1 725	485
		65 990	54 191
Total comprehensive income attributable to:			
Owners of the parent		64 323	54 489
Non-controlling interests		1 619	449
		65 942	54 938
Earnings per share			
Earnings and diluted earnings per share (cents)	4	59.3	50.8

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Stated Capital R'000	Total reserves R'000	Retained income R'000	Total attributable to equity holders of the Group R'000	Non-controlling interests R'000	Total equity R'000
Balance at 1 July 2015	**–**	**(201)**	**69 762**	**69 561**	**(1 295)**	**68 266**
Total comprehensive income for the year	–	783	53 706	54 489	449	54 938
Issue of shares	45 759	–	–	45 759	–	45 759
Dividends	–	–	(19 967)	(19 967)	–	(19 967)
Balance at 1 July 2016	**45 759**	**582**	**103 501**	**149 842**	**(846)**	**148 996**
Total comprehensive income for the year	–	58	64 265	64 323	1 619	65 942
Employees share option	–	1 391	–	1 391	–	1 391
Dividends	–	–	(28 493)	(28 493)	–	(28 493)
Sale of shares in subsidiary to non-controlling interest	–	–	–	–	4 054	4 054
Balance at 30 June 2017	**45 759**	**2 031**	**139 273**	**187 063**	**4 827**	**191 890**

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	**Audited 30 June 2017 R'000**	Audited 30 June 2016 R'000
Cash flows from operating activities			
Cash generated from operations		**104 626**	72 413
Interest income		**3 107**	2 748
Finance costs		**(12 183)**	(2 291)
Tax paid		**(33 230)**	(21 134)
Net cash from operating activities		**62 320**	51 736
Cash flows from investing activities			
Business combinations	**8**	**(124 005)**	-
Purchase of property, plant and equipment		**(9 071)**	(7 246)
Other		**1 041**	(1 018)
Net cash from investing activities		**(132 035)**	(8 264)
Cash flows from financing activities			
Proceeds on share issue		**–**	45 759
Net proceeds from other financial liabilities		**59 865**	4 835
Dividends paid		**(28 493)**	(19 967)
Proceeds on sale of shares in subsidiary to non-controlling interest where control is not lost		**4 054**	–
Net cash from financing activities		**35 426**	30 627
Total cash movement for the year		**(34 289)**	74 099
Cash at the beginning of the year		**89 388**	15 424
Effect of exchange rate movement on cash balances		**4**	(135)
Total cash at the end of the year		**55 103**	89 388

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL RESULTS

FOR THE YEAR ENDED 30 JUNE 2017

1 BASIS OF PREPARATION

The summarised audited consolidated annual financial results do not include all the information and disclosures required for the audited consolidated annual financial statements and should be read in conjunction with the audited consolidated annual financial statements. The audited consolidated annual financial statements as at and for the year ended 30 June 2017 were prepared on the going concern basis, and are available for inspection at the Company's registered office and will be available on the Trellidor website at www.trellidor.co.za.

The directors take full responsibility for the preparation of these summarised audited consolidated annual financial results and confirm that the financial information has been correctly extracted from the full audited consolidated annual financial statements. This report was compiled under the supervision of the CFO, Craig Cunningham CA(SA).

2 SEGMENTAL INFORMATION

	Audited 30 June 2017 Year ended R'000	Audited Year ended 30 June 2016 R'000
Revenue		
Trellidor	**315 903**	313 442
Taylor	**209 481**	-
	525 384	313 442
Operating profit before interest and tax		
Trellidor	**66 086**	77 096
Taylor	**46 307**	–
	112 393	77 096
Reconciling items		
Net finance (costs)/income	**(9 076)**	457
Acquisition costs/listing costs	**(2 474)**	(1 677)
Amortisation of the client database	**(4 891)**	–
Fair value on deferred consideration	**(2 728)**	–
Operating profit before tax	**93 224**	75 876
Total assets		
Trellidor	**125 725**	123 799
Taylor	**204 501**	–
	330 226	123 799
Reconciling items		
Cash and cash equivalents	**55 103**	89 388
Deferred tax	**3 687**	3 707
Total as per statement of financial position	**389 016**	216 894
Revenue by location of customer – geographical information		
South Africa	**470 019**	261 271
Foreign	**55 365**	52 171
	525 384	313 442

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

		Audited Year ended 30 June 2017 R'000	Audited Year ended 30 June 2016 R'000
3	**OPERATING PROFIT**		
	Operating profit before interest for the year is stated after accounting for the following, amongst others:		
	Operating lease charges – Premises	7 270	1 009
	Depreciation on property, plant and equipment	6 448	5 992
	Amortisation on intangible assets	5 108	108
	Salaries and wages	116 886	75 363
	Advertising	23 429	14 979
4	**EARNINGS PER SHARE**		
	Profit for the year attributable to ordinary shareholders	64 265	53 706
	Adjusted for:		
	Profit on disposal of property, plant and equipment	(86)	(542)
	Gross amount	(120)	(666)
	Tax effect thereon	34	124
	Headline earnings	**64 179**	53 164
	Adjusted for:		
	Amortisation of customer base	4 891	–
	Acquisition costs – Taylor	2 474	–
	Listing costs	–	1 677
	Fair value adjustment on contingent consideration	2 728	–
	Tax effect thereon	(2 134)	–
	Non-controlling interests	(597)	–
	Core headline earnings	**71 541**	54 841
		Number '000	Number '000
	Number of shares issued	108 340	108 340
	Weighted average number of ordinary shares in issue during the year	108 340	105 631
	Diluted weighted average number of shares	108 340	105 631
	Earnings and diluted earnings per share (cents)	59.3	50.8
	Headline and diluted headline earnings per share (cents)	59.2	50.3
	Core headline and diluted core headline earnings per share (cents)	66.0	51.9

	Audited Year ended 30 June 2017 R'000	Audited Year ended 30 June 2016 R'000
5 INVENTORIES		
Raw materials, components	**80 544**	25 326
Work in progress	**3 222**	1 184
Finished goods	**1 772**	759
Goods in transit	**9 650**	3 962
	95 188	31 231
Provision for obsolescence of raw materials	**(464)**	(435)
	94 724	30 796

6 STATED CAPITAL

		Audited Year ended 30 June 2017 '000	Audited Year ended 30 June 2016 '000
		Number of shares	
Authorised			
No par value shares		**5 000 000**	5 000 000
Reconciliation of number of shares issued:			
Reported as at 01 July 2016		**108 340**	184
Share split (1:544)		**–**	99 823
Issue of shares – ordinary shares		**–**	8 333
		108 340	108 340
Issued			
Ordinary no par value shares	(Rand)	**45 759**	45 759

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL RESULTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

7 DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS

Executive

Group – 2017

	Emoluments for services to subsidiaries R'000	Pension fund contributions R'000	Total R'000
TM Dennison	4 662	155	4 817
PWE Rawson	2 576	139	2 715
CG Cunningham	1 416	60	1 476
	8 654	354	9 008

Group – 2016

	Emoluments for services to subsidiaries R'000	Long-term employee benefits R'000	Pension fund contributions R'000	Total R'000
TM Dennison	4 344	1 708	145	6 197
PWE Rawson	2 471	1 425	113	4 008
CG Cunningham	1 156	–	56	1 213
	7 971	3 133	314	11 418

Non-Executive

Group – 2017

	Directors' Fees R'000	Total R'000
MC Olivier	236	236
JB Winship	236	236
RB Patmore	236	236
	707	707

Group – 2016

	Directors' Fees R'000	Directors' fees for services to subsidiaries R'000	Total R'000
MC Olivier	169	21	190
JB Winship	169	21	190
RB Patmore	155	–	155
	493	42	535

Executive directors' and prescribed officers' contracts

The terms of executive directors and prescribed officers contracts are in line with all other employees.

Share options were granted and accepted in terms of the Trellidor share incentive scheme.

8 BUSINESS COMBINATIONS

As disclosed in the 2016 Annual Report, Trellidor Innovations Proprietary Limited, a 92.5% held subsidiary of Trellidor Holdings Limited, acquired the Taylor Group with effect from 7 July 2016 from Odyssey House Proprietary Limited. Integral to the deal was the purchase of a minority stake of 7.5% by the Managing Director of this business, this investment was achieved through Novaspectacular Investments Proprietary Limited and is proportional to the investment by Trellidor Holdings Limited.

As part of the purchase agreement, a deferred consideration of R30 000 000, contingent on Taylor achieving an earnings target, was agreed, this was achieved and was paid in July 2017. The fair value of this deferred and contingent consideration is included in other financial liabilities and at date of purchase was R27 272 000. The fair value is based on a discount rate of 10.5% and the earnings target being achieved. The acquisition of the business provides the Trellidor Group with strong brands, management team and distribution network for the development of the home improvements market, distinct from the Trellidor business. The accounting for the business combination has been finalised and is reported below. The goodwill has increased due to the recognition of a deferred tax liability.

Full details of the Group's business combinations, additions and disposals of property, plant and equipment as well as commitments and contingent liabilities are included in the audited consolidated annual financial statements that are available to be reviewed at the company's registered office and will be available on the Trellidor website at www.trellidor.co.za.

Fair value of assets acquired and liabilities assumed

	Audited Year ended 30 June 2017 R'000
Property, plant and equipment	**6 002**
Intangible assets	**50 175**
Inventories	**40 845**
Trade and other receivables	**20 736**
Cash and cash equivalents	**7 466**
Other financial liabilities	**(19 773)**
Deferred tax	**(7 612)**
Trade and other payables	**(8 182)**
Current tax payable	**(2 927)**
Total identifiable net assets	**86 730**
Goodwill	**71 148**
	157 878
Acquisition date fair value of consideration paid	
Cash	**(130 606)**
Deferred consideration	**(27 272)**
	(157 878)
Net cash outflow on acquisition	
Acquisition of Taylor Group	
Cash consideration paid	**(130 606)**
Cash acquired	**7 466**
	(123 140)
Other acquisitions during the year	**(865)**
	(124 005)

SHAREHOLDER ANALYSIS
FOR THE YEAR ENDED 30 JUNE 2017

Shareholder type	Number	Shareholding	%
Non-public shareholders			
Directors and associates of the company (direct holding)	5	13 851 163	12.78
Directors and associates of the company (indirect holding)	2	2 901 512	2.68
Shareholders (excluding Fund Managers) holding more than 10%			
The LMO Trust	1	10 840 166	10.00
Public shareholders	686	80 747 277	74.54
	694	108 340 118	100.00
Fund managers with a shareholding greater than 5% of issued shares			
Mazi Capital Proprietary Limited	29	17 638 061	16.28
Peregrine Capital Proprietary Limited	4	7 992 174	7.38
Sanlam	3	7 361 852	6.79
	36	32 992 087	30.45
Beneficial shareholders with a holding greater than 5% of the issued shares			
Government Employees Pension Fund	1	8 632 127	7.97
Peregrine High Growth	1	5 657 169	5.22
	2	14 289 296	13.19

SHAREHOLDER DIARY

Financial year-end	30 June 2017
Announcement of annual results	12 September 2017
Integrated annual report posted	29 September 2017
Annual general meeting	16 November 2017
Announcement of interim results	mid-March 2018

NOTICE OF ANNUAL GENERAL MEETING

TRELLIDOR HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1970/015401/06)
(Share code: TRL ISIN ZAE000209342)
("Trellidor" or "the Company")

Notice is hereby given of the Annual General Meeting of shareholders of Trellidor to be held at the Company's Registered Office, 20 Aberdare Drive, Phoenix Industrial Park, Durban, on 16 November 2017 at 09h30 ("AGM").

PURPOSE

The purpose of the AGM is to transact the business set out in the agenda below.

AGENDA

- To receive the audited annual financial statements of the Company, including the reports of the directors and the Audit, Risk and Compliance Committee for the year ended 30 June 2017. The integrated annual report, of which this notice forms part, contains the summarised condensed consolidated annual financial results and the aforementioned reports. The integrated annual report is available on the Company's website at www.trellidor.co.za, or may be requested and obtained in person, at no charge, at the registered office of Trellidor during office hours.
- To receive the report of the Social and Ethics Committee for the financial year ended 30 June 2017, as required in terms of Regulation 43 of the Companies Regulations, 2011 ("the Regulations"), as set out on pages 41 of the Integrated Report.
- To consider and, if deemed fit, approve, with or without modification, the following ordinary and special resolutions:

Note:

For any of the ordinary resolutions numbers 1 to 6 (inclusive) to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 7 as well as special resolutions 1 to 4 to be adopted, at least 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

ORDINARY RESOLUTIONS

1. RETIREMENT AND RE-ELECTION OF DIRECTOR

In accordance with the Company's Memorandum of Incorporation ("MOI"), the Listings Requirements of the JSE Limited ("JSE") and, to the extent applicable, the South African Companies Act, 71 of 2008, as amended ("the Companies Act"), require that a component of the non-executive directors rotate at every AGM of the Company and, being eligible, may offer themselves for re-election as directors.

A brief *curriculum vitae* of Mark Olivier appears on page 23 of the integrated annual report of which this notice forms part.

ORDINARY RESOLUTION 1

"Resolved that Mark Olivier, who retires by rotation in terms of the Company's MOI and who, being eligible offers himself for re-election, be and is hereby re-elected as a director of the Company."

2. RE-APPOINTMENT OF AUDITOR

In terms of section 90 of the Companies Act, the auditors of a public company are required to be appointed at the Company's AGM. The purpose of ordinary resolution 2 is to confirm the re-appointment of Mazars as independent auditors to the Company, as nominated by the Audit, Risk and Compliance Committee as required under section 90 of the Companies Act, for the ensuing financial year, and to confirm that the directors shall be empowered to ratify their remuneration, as determined by the committee in terms of the committee charter, which amount shall be approved and endorsed by the directors.

ORDINARY RESOLUTION 2

"Resolved that Mazars be and is hereby re-appointed as auditors to the Company, and Dave Bates as the designated audit partner, until the conclusion of the next AGM be confirmed, and that their remuneration be determined by the Audit, Risk and Compliance Committee in terms of the committee charter, which amount the directors shall be empowered to ratify."

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

3. RE-APPOINTMENT OF THE MEMBERS OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE OF THE COMPANY

In terms of section 94 of the Companies Act, the Audit Committee must constitute three members who must be appointed by shareholders at the company's AGM, all of whom must, in terms of the King Code of Governance Principles ("King Code"), be independent non-executive directors. It is accordingly proposed to re-appoint the members of the Audit, Risk and Compliance Committee, as recommended by the Nominations Committee and as set out below.

A brief *curriculum vitae* of each of the Audit, Risk and Compliance Committee members appears on page 23 of the integrated annual report of which this notice forms part.

ORDINARY RESOLUTION 3

"Resolved that Ralph Patmore, being eligible, be and is hereby re-appointed as a member of the Audit, Risk and Compliance Committee of the Company, as recommended by the Nominations Committee of the Company, until the next AGM of the Company."

ORDINARY RESOLUTION 4

"Resolved that, subject to the passing of ordinary resolution 1, Mark Olivier, being eligible, be and is hereby re-appointed as a member of the Audit, Risk and Compliance Committee of the Company, as recommended by the Nomination Committee of the Company, until the next AGM of the Company."

ORDINARY RESOLUTION 5

"Resolved that John Winship, being eligible, be and is hereby re-appointed as a member of the Audit, Risk and Compliance Committee of the Company, as recommended by the Nomination Committee of the Company, until the next AGM of the Company."

4. APPROVAL OF REMUNERATION POLICY

In terms of principle 2.27 of the King Code, shareholders should approve the Company's Remuneration Policy through a non-binding advisory vote. The purpose of ordinary resolution 6 is therefore to indicate to the board shareholders' approval of the Company's Remuneration Policy.

ORDINARY RESOLUTION 6: NON-BINDING ENDORSEMENT OF TRELLIDOR'S REMUNERATION POLICY

"Resolved that, the shareholders endorse, by way of a non-binding advisory vote, the Company's Remuneration Policy and its implementation, as set out in the remuneration policy included in the integrated annual report of which this notice forms part, be and is hereby approved."

5. GENERAL AUTHORITY TO ISSUE ORDINARY SHARES FOR CASH

In terms of the Company's MOI, the Company may only issue unissued shares for cash if such shares have first been offered to existing shareholders in proportion to their shareholding, unless otherwise authorised by shareholders. The purpose of ordinary resolution 7 is therefore to authorise the directors of the Company to issue shares for cash on a non *pro rata* basis, as and when they in their discretion deem fit when appropriate opportunities arise. The board has no current plans to exercise this authority but wishes to ensure that by having it in place, the Company will have the flexibility to take advantage of any business opportunity that may arise in future. The authority will be subject to the Companies Act and the JSE Listings Requirements.

ORDINARY RESOLUTION 7

"Resolved that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue any of the Company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company's MOI, the Companies Act and the Listings Requirements of the JSE ("Listings Requirements"), provided that:

- the approval shall be valid until the date of the next AGM of the Company, provided it shall not extend beyond fifteen months from the date of this resolution;
- the general issues of shares for cash under this authority may not exceed, in the aggregate, 5% of the Company's issued share capital (number of securities) of that class as at the date of this notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders, shares issued pursuant to an acquisition, shares issued to the Company's Share Incentive Trust ("the Trust") or options granted by the trust in accordance with the Listings Requirements shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of AGM, 5% of the Company's issued ordinary share capital (net of treasury shares) amounts to 5 417 005 ordinary shares;
- in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10 % of the weighted average traded price of such shares, 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. The JSE will be consulted for a ruling if the securities have not traded in such 30 business day period;

- any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the Listings Requirements and not to related parties;
- any such issue will only be comprised of securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue; and
- in the event that the securities issued represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on SENS."

For this resolution to be adopted, at least 75% of the shareholders present in person or by proxy and entitled to vote on this resolution at the AGM must cast their vote in favour of this resolution.

6. REMUNERATION OF NON-EXECUTIVE DIRECTORS

SPECIAL RESOLUTION 1: APPROVAL OF NON-EXECUTIVE DIRECTORS' REMUNERATION FOR THEIR SERVICES AS DIRECTORS

"Resolved that the fees payable by the Company to the non-executive directors for their services as directors (in terms of section 66 of the Companies Act) be and are hereby approved for the financial year ending 30 June 2018 and for a period of two years from the passing of this resolution or until its renewal, whichever is the earliest, as follows:

Annual fee	
Board chairman	R253 200
Non-executive director	R253 200

These fees reflect a 6% increase to the fees for the financial year 2017.

The reason for and effect of special resolution 1:

The reason for special resolution number 1 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1 is that the Company will be able to pay its non-executive directors for the services they render to the Company as directors without requiring further shareholder approval until the next AGM of the Company.

7. SHARE REPURCHASES BY THE COMPANY AND ITS SUBSIDIARIES

SPECIAL RESOLUTION 2: SHARE BUY-BACK BY TRELLIDOR AND ITS SUBSIDIARIES

"Resolved that the directors be authorised in terms of the Company's MOI, until this authority lapses at the next AGM of the Company or unless it is then renewed at the next AGM of the Company and provided that this authority shall not extend beyond 15 months, to enable the Company or any subsidiary of the Company (if applicable) to acquire shares of the Company subject to the JSE Listings Requirements and the Companies Act, on the following bases:

a) the repurchase of shares must be implemented through the order book operated by the JSE trading system without any prior understanding or arrangement between the Company and the counterparty;

b) the Company (or any subsidiary) must be authorised to do so in terms of its MOI;

c) the number of shares which may be repurchased pursuant to this authority in any financial year (which commenced 1 July 2017) may not in the aggregate exceed 20% (or 10% where the repurchases are effected by a subsidiary) of the Company's share capital as at the date of this notice;

d) repurchases may not be made at a price more than 10% above the weighted average of the market value on the JSE of the shares in question for the five business days immediately preceding the repurchase;

e) repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the JSE Listings Requirements) unless a repurchase programme is in place and the dates and quantities of shares to be repurchased during the prohibited period have been determined and full details thereof submitted to the JSE prior to commencement of the prohibited period;

f) after the Company has repurchased shares which constitute, on a cumulative basis, 3% of the number of shares in issue (at the time that authority from shareholders for the repurchase is granted), the Company shall publish an announcement to such effect, or any other announcements that may be required in such regard in terms of the JSE Listings Requirements applicable from time to time;

g) the Company (or any subsidiary) shall appoint only one agent to effect repurchases on its behalf; and

h) a resolution has been passed by the board of directors of the Company and its subsidiaries (the "Group") authorising the repurchase, and the Company has passed the solvency and liquidity test as set out in section 4 of the Companies Act and that, since the application of the solvency and liquidity test by the board, there have been no material changes to the financial position of the Company."

The reason for and effect of special resolution 2:
The reason for special resolution 2 is to afford directors of the Company a general authority for the Company (or a subsidiary of the Company) to effect a repurchase of the Company's shares on the JSE. The directors are of the opinion that it would be in the best interests of the Company to approve this general authority and thereby allow the Company or any of its subsidiaries to be in a position to repurchase the shares issued by the Company through the order book of the JSE, should the market conditions, tax dispensation and price justify such an action. The effect of the resolution will be that the directors will have the authority, subject to the JSE Listings Requirements and the Companies Act to effect repurchases of the Company's shares on the JSE.

In terms of section 48(2) (b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a Company. For the avoidance of doubt, a *pro rata* repurchase by the Company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Companies Act.

Certain information relating to the Company as required by the JSE Listings Requirements is set out in the attached Annexure which forms part of this notice.

8. APPROVAL OF FINANCIAL ASSISTANCE

SPECIAL RESOLUTION 3: INTER-COMPANY FINANCIAL ASSISTANCE
"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance") will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next AGM of the Company."

Reason for and effect of special resolution 3
The reason for and effect of special resolution number 3 is to grant the directors of the Company the authority, until the next AGM of the Company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, *inter alia*, authorised to grant loans to its subsidiaries and to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

SPECIAL RESOLUTION 4: FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES IN THE COMPANY OR A RELATED OR INTER-RELATED COMPANY
"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance") will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related to the Company ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the board of the Company may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next AGM Meeting of the Company."

Reason for and effect of special resolution 4
The reason for and effect of special resolution number 4 is to grant the directors the authority, until the next AGM of the Company, to provide financial assistance to any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This means that the Company is authorised, *inter alia*, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for or acquiring any options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a subsidiary raised funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

Additional disclosure in respect of Special Resolution number 3 and Special Resolution number 4.

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the directors of the Company confirm that the board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolution numbers 3 and 4 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company); and
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months; the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the Company; and all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's MOI have been met.

9. ELECTRONIC PARTICIPATION

In terms of the Company's MOI and section 63(2) and 63(3) of the Companies Act, shareholders or their proxies may participate at the AGM by way of telephone conference call and, if they wish to do so:

- must contact the Company Secretary (email: paulanel@pncs.co.za) by no later than 12h00 on 13 November 2017 in order to obtain dial-in details for the conference call; and
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate at the AGM.

VOTING AND PROXIES

The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company ("the Share Register") for purposes of being entitled to receive this notice is Friday, 22 September 2017.

The date on which shareholders must be recorded in the Share Register for purposes of being entitled to attend and vote at this AGM is Friday, 10 November 2017, with the last day to trade being Tuesday, 7 November 2017.

Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the AGM and must accordingly bring a copy of their identity document, passport or driver's licence to the AGM. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.

Certificated and own-name dematerialised shareholders are advised that they must complete a form of proxy in order for their vote/s to be valid. The form of proxy for certificated and own-name dematerialised shareholders is included in this integrated annual report.

A shareholder of the Company entitled to attend, speak and vote at the AGM is entitled to appoint a proxy or proxies to attend, speak and to vote in his stead. The proxy need not be a shareholder of the Company.

On a show of hands, every shareholder of the Company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the Company present in person or represented by proxy shall have one vote for every share in the Company by such shareholder.

A form of proxy is attached for the convenience of certificated and own-name dematerialised shareholders holding shares in the Company who cannot attend the AGM but wish to be represented thereat.

Such shareholders must complete and return the attached form of proxy and lodge it with the transfer secretaries of the Company.

Dematerialised shareholders who have not elected own-name registration in the sub-register of the Company through a Central Securities Depository Participant ("CSDP") and who wish to attend the AGM, must instruct the CSDP or broker to provide them with the necessary authority to attend.

Dematerialised shareholders who have not elected own-name registration in the sub-register of the Company through a CSDP and who are unable to attend, but wish to vote at the AGM, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker. Such shareholders are advised that they must provide their CSDP or broker with separate voting instructions in respect of the shares.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

Forms of proxy may also be obtained on request from the Company's registered office. The completed forms of proxy must be deposited at, posted or faxed to the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107), to be received at least 48 hours prior to the AGM. Any form of proxy not delivered to the transfer secretaries by this time may be handed to the Chairman of the Annual General Meeting prior to the commencement of the Annual General Meeting, at any time before the appointed proxy exercises any shareholder rights at the Annual General Meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM should the shareholder subsequently decide to do so.

By order of the board

Company Secretary

Registered office
20 Aberdare Drive
Phoenix Industrial Park
Durban, 4001
(PO Box 20173, Durban North, 4016)

Transfer secretaries
Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

ANNEXURE TO THE NOTICE OF AGM

GENERAL INFORMATION ON THE COMPANY TO SUPPORT THE RESOLUTIONS PROPOSED IN THE NOTICE OF AGM

The following information is required by the JSE Listings Requirements with regard to the resolution granting a general authority to the Company to repurchase its securities (Special resolution 2).

The JSE Listings Requirements require the following disclosures, some of which are elsewhere in the integrated annual report of which this notice forms part as set out below:

Major beneficial shareholders of the Company	page 60
Capital structure of the Company	page 57

MATERIAL CHANGE

Other than the facts and developments reported on in the integrated annual report of which this notice forms part, there have been no material changes in the affairs or financial position of the Company and the Group since the date of signature of the audit report for the financial year ended 30 June 2017 and up to the date of this notice.

The board of directors has no immediate intention to use this authority to repurchase company shares. However, the board of directors is of the opinion that this authority should be in place should it become apparent to undertake a share repurchase in the future.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors whose names are given on pages 22 and 23 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information given in this notice of AGM 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 the notice contains all information required by law and the JSE Listings Requirements.

STATEMENT BY THE COMPANY'S BOARD OF DIRECTORS IN RESPECT OF REPURCHASES OF SHARES

Pursuant to and in terms of the JSE Listings Requirements, the directors of the Company hereby state that the intention of the directors is to utilise the authority at their discretion during the course of the period so authorised as and when suitable opportunities present themselves, which may require immediate action.

The directors are of the opinion that, after considering the effect of the maximum repurchase permitted and for a period of 12 months after the date of this AGM:

1. The Company and the Group will be able to pay their debts as they become due in the ordinary course of business;
2. The consolidated assets of the Company and the Group, fairly valued in accordance with the accounting policies used in the Company's latest audited consolidated annual financial statements, will be in excess of the consolidated liabilities of the Company and the Group; and
3. The share capital, reserves and working capital of the Company and the Group will be adequate for the purposes of the ordinary business of the Company and the Group.

FORM OF PROXY

TRELLIDOR HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1970/015401/06)
(Share code: TRL, ISIN ZAE000209342)
("Trellidor" or "the Company")

Certificated and own-name dematerialised shareholders are advised that they must complete a form of proxy for certificated and own-name dematerialised shareholders in order for their vote/s to be valid.

This form of proxy is for use by the holders of the Company's certificated shares ("certificated shareholders") and/or dematerialised shares held through a Central Securities Depository Participant ("CSDP") or broker who have selected own-name registration and who cannot attend but wish to be represented at the AGM of the Company on 16 November 2017 at 09h30 or any adjournment if required. Additional forms of proxy are available at the Company's registered office.

They are not for the use by holders of the Company's dematerialised shares who have not selected own-name registration. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the AGM and request that they be issued with the necessary authorisation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the AGM but wish to be represented thereat, in order for the CSDP or broker to vote in accordance with their instructions.

I/We (full name in print)

of (name/s in block letters)

being the registered holder of ordinary shares in the capital of the Company, do hereby appoint (see note):

1. or failing him/her,

2. or failing him/her,

3. the Chairman of the meeting,

as my/our proxy to act for me/us at the AGM (and any adjournment thereof) convened for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions ("resolutions") to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions, and/or to abstain from voting for and/or against the resolutions, in respect of the shares registered in my/our name in accordance with the following instructions:

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. Unless this is done, the proxy will vote as he/she deems fit.

ORDINARY RESOLUTIONS		For	Against	Abstain
1	To re-elect Mark Olivier as an independent non-executive director			
2	To re-appoint Mazars as independent auditors to the Company			
3	To re-elect Ralph Patmore as a member of Company's Audit, Risk and Compliance Committee until the next AGM			
4	To re-elect Mark Olivier as a member of the Company's Audit, Risk and Compliance committee until the next AGM			
5	To re-elect John Winship as a member of the Company's Audit, Risk and Compliance committee until the next AGM			
6	Non-binding advisory vote to approve the Remuneration Policy			
7	To authorise the directors of the Company to issue shares for cash, as and when they in their discretion deem fit.			
SPECIAL RESOLUTIONS		For	Against	Abstain
1	To approve the non-executive directors' remuneration for their services as directors			
2	To grant a general authority to repurchase issued shares			
3	To approve the granting of financial assistance in terms of section 45 of the Companies Act			
4	To approve the granting of financial assistance in terms of section 44 of the Companies Act			

Signed at on the of 2017

Signature

Assisted by (where applicable

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak and vote in place of that shareholder at the AGM.

Please read notes on the reverse page

NOTES TO THE FORM OF PROXY

NOTES

Certificated and own-name dematerialised shareholders are advised that they must complete a form of proxy for certificated and own-name dematerialised shareholders in order for their vote/s to be valid.

1. The form of proxy must only be used by certificated ordinary shareholders or dematerialised ordinary shareholders who hold dematerialised shares with "own name" registration.
2. Dematerialised shareholders are reminded that the onus is on such shareholder to communicate with their CSDP.
3. A shareholder entitled to attend and vote at the AGM may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the meeting". The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of such proxy(ies) whose names follow.
4. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box(es). Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes.
5. A vote given in terms of an instrument of proxy shall be valid in relation to the AGM notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the registrars not less than forty-eight hours before the commencement of the AGM.
6. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the AGM be proposed, such proxy shall be entitled to vote as he/she thinks fit.
7. The chairman of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
8. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
9. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company or unless this requirement is waived by the chairman of the AGM.
10. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered with the Company.
11. Where there are joint holders of shares:
    - Any one holder may sign the form of proxy; and
    - The vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of shareholders appear in the Company's register of shareholders) who tender a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).

    The chairman of the AGM may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes, provided that, in respect of acceptances, the chairman is satisfied as to the manner in which the shareholder concerned wishes to vote.
12. Forms of proxy should be lodged with or mailed to Computershare Investor Services Proprietary Limited:

Hand deliveries to:	**Postal deliveries to:**
Computershare Investor Services (Pty) Ltd	Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue	PO Box 61051
Rosebank, 2196	Marshalltown, 2107

    to be received by no later than 09h30 on Tuesday 14 November 2017 (or 48 hours before any adjournment of the AGM which date, if necessary, will be notified on SENS). Any form of proxy not delivered to the transfer secretaries by this time may be handed to the Chairman of the Annual General Meeting prior to the commencement of the Annual General Meeting, at any time before the appointed proxy exercises any shareholder rights at the Annual General Meeting.
13. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialed by the signatory(ies).

NOTES

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CORPORATE INFORMATION AND ADVISORS

Share code: TRL
ISIN: ZAE000209342
JSE sector: Industrials - Building material & fixtures
Year end: 30 June

Company registration number
1970/015401/06

Country of incorporation
South Africa

Date of incorporation
23 November 1970

Website
www.trellidor.co.za

Registered Office
20 Aberdare Drive
Phoenix Industrial Park
Durban, 4001
(PO Box 20173, Durban North, 4016)

Legal Advisor
Cliffe Dekker Hofmeyr Incorporated
(Registration number 2008/018923/21)
11 Buitengracht Street, Cape Town, 8001
(PO Box 695, Cape Town, 8000)

Transfer Secretaries
Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

Corporate Advisor and Sponsor
PSG Capital Proprietary Limited
(Registration number 2006/015817/07
1st Floor, Ou Kollege
35 Kerk Street, Stellenbosch, 7600

and

Second Floor, 11 Alice Lane (Bowmans Building)
Sandton, 2196
(PO Box 650957, Benmore, 2010)

Independent Reporting Accountants and Auditors
Mazars
Mazars House
197 Peter Mokaba Road
Morningside, Durban, 4001
(PO Box 70584, Overport, 4067)

Bankers
First National Bank
(Registration number 1929/001225/06)
Cranbrook Park
14 Cranbrook Crescent
La Lucia Ridge, Umhlanga, 4051
(PO Box 1246, Umhlanga, 4320)

Company secretary
Paula Nel
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20 Aberdare Drive
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