TRELLIDOR HOLDINGS LIMITED

Integrated Annual Report **2019**

THE TRELLIDOR GROUP

TRELLIDOR
THE ULTIMATE CRIME BARRIER

nmc
Decorative Mouldings

TAYLOR
BLINDS & SHUTTERS Est.1959

Contents

Navigation

Financial Capital

Intellectual Capital

Human Capital

Social and Relationship Capital

Manufactured Capital

Natural Capital

see page 16

About this report

This is the Company's **fourth 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 2018 to 30 June 2019**.

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 shareholders (current and potential) and aims to provide an account of our investment strategy and the operational, financial, economic, social and environmental performance of our assets.

Corporate information

The Group's executive directors are CEO, Terry Dennison and CFO, Damian Judge. 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.

The Group 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 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 IV Report on Corporate Governance™ for South Africa, 2016 ("King IV") *(Copyright and trademarks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved)* and the International Integrated Reporting Framework.

It strives to:

- provide a transparent and balanced appraisal of the material issues that faced our business during the year under review;
- provide in an integrated manner, an account of our financial and non-financial performance of the Group; and
- address the material issues, risks and opportunities faced by the Group in the normal course of business as well as the Group's governance, social and environmental responsibilities to create value, in the short, medium and long term for each of its identified stakeholders.

The Group's integrated annual report contains a summary extract of the annual financial statements. The integrated annual report, as well as the comprehensive annual financial statements for the financial year ended 30 June 2019, are available on the Company's website at holdings.trellidor.co.za.

Assurance

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

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

Forward-looking statements

This report may include certain forward-looking statements concerning the Group's strategy, financial conditions, growth plans and expectations which have not been reviewed or audited by the external auditors. These 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. Forward-looking statements apply only as of the date on which they are made, and the Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. No assurance can therefore be given that these views will prove to be correct and no representation or warranty expressed or implied is given as to the accuracy or completeness of such views.

Statement of responsibility

The Audit, Risk and Compliance Committee and the Board acknowledge their responsibility in ensuring the integrity of this integrated annual report, and the accurate extraction of the financial results.

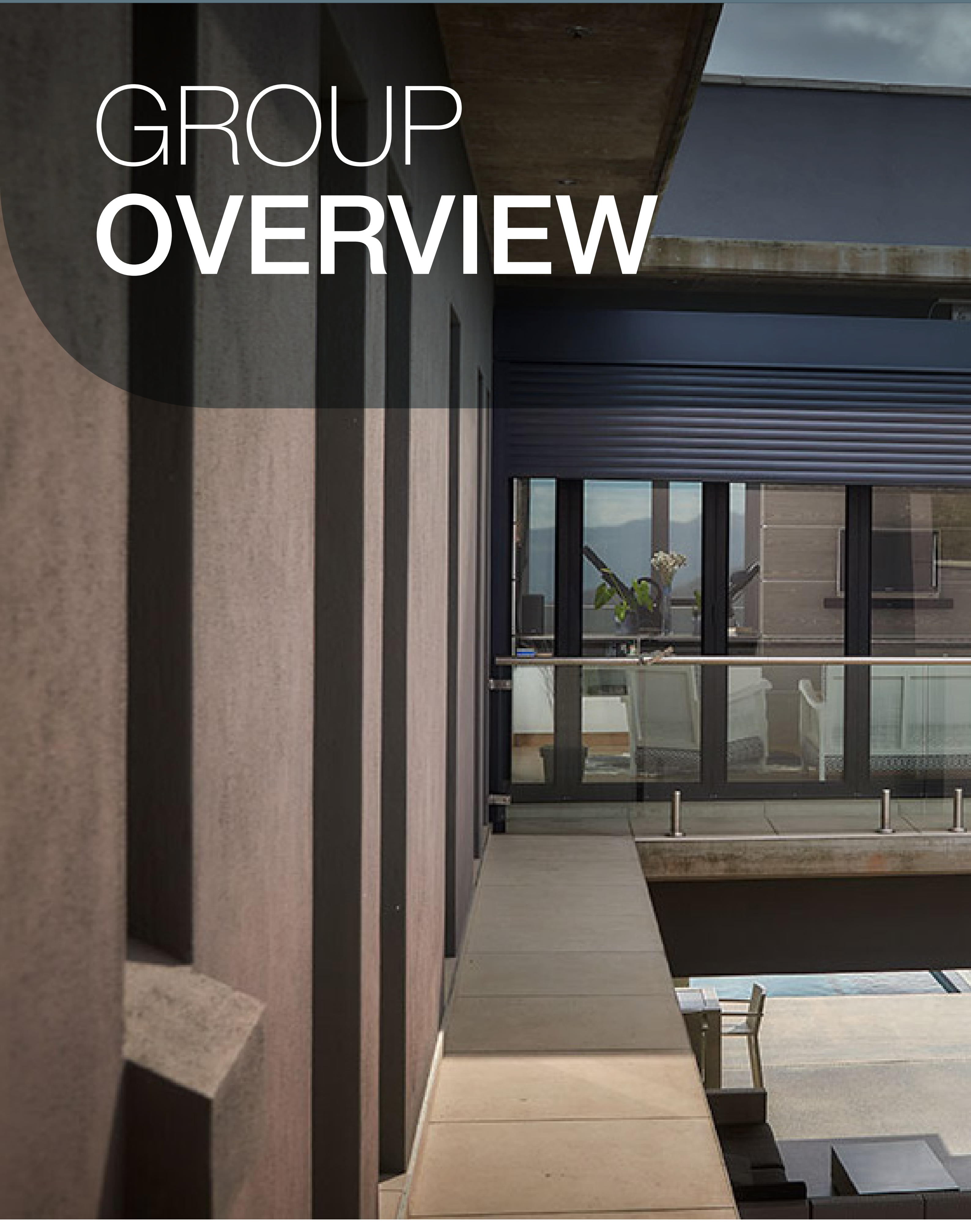
Mark Olivier
Chairman

Terry Dennison
CEO

Ralph Patmore
Chairman Audit, Risk and Compliance Committee

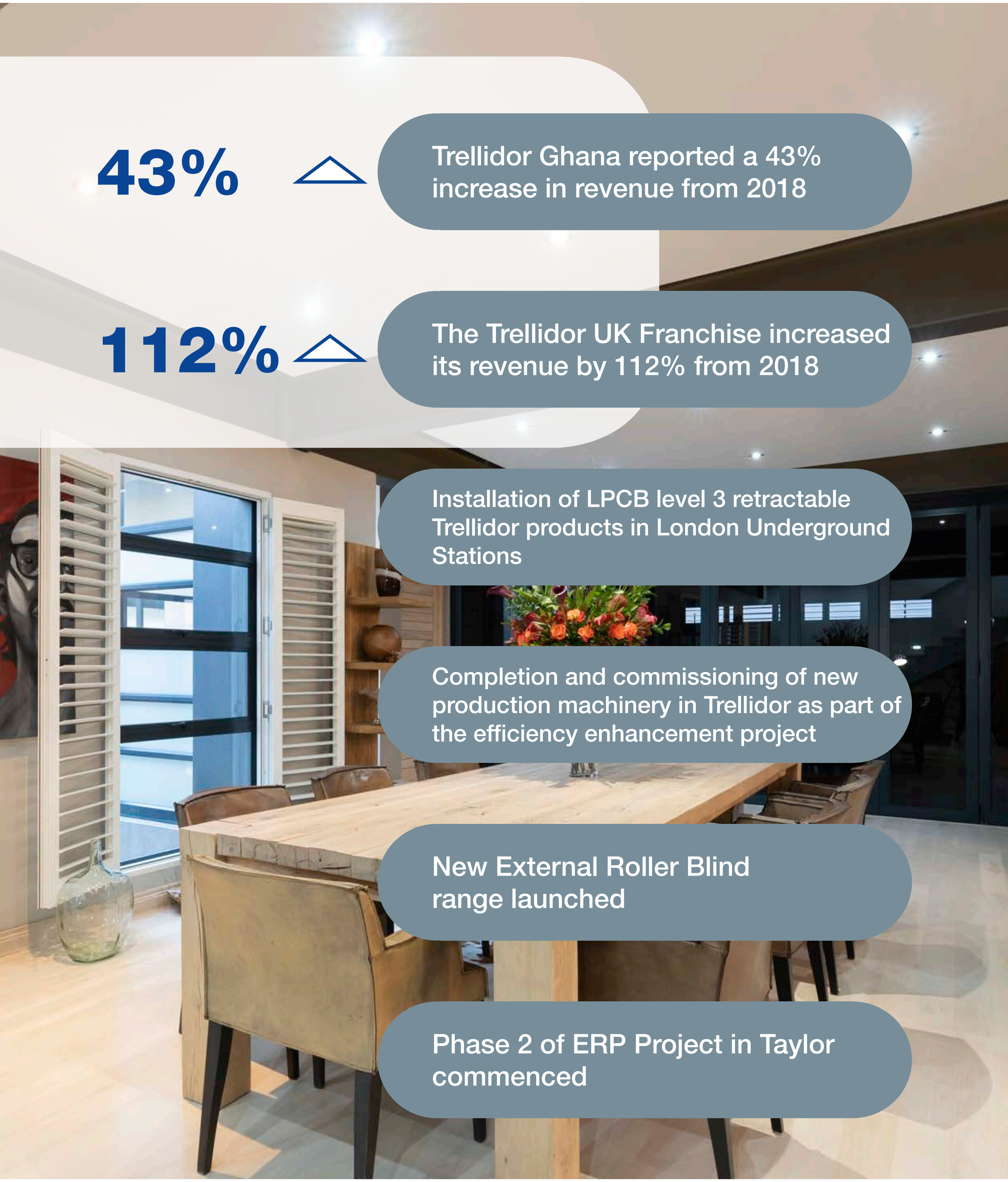
Trellidor Holdings Limited ("Trellidor", 'the Company" or "Group")
Registration number: 1970/015401/06
JSE share code: TRL
ISIN: ZAE000209342

GROUP OVERVIEW



Salient points

Earnings per share	**40.0 cents** (2018: 54.4 cents)
Final dividend declared per share	**11.1 cents** (2018: 16.2 cents)
EBITDA for the 12 months	**R81 million** (2018: R103 million)
Cash from operations for the 12 months	**R71 million** (2018: R107 million)
Return on invested capital	**17%** (2018: 21.6%)
Increase from 2018 in the sale of Taylor products through the Trellidor franchise network	**100%** (2018: 54.4 cents)



43%

Trellidor Ghana reported a 43% increase in revenue from 2018

112%

The Trellidor UK Franchise increased its revenue by 112% from 2018

Installation of LPCB level 3 retractable Trellidor products in London Underground Stations

Completion and commissioning of new production machinery in Trellidor as part of the efficiency enhancement project

New External Roller Blind range launched

Phase 2 of ERP Project in Taylor commenced

Who is the Trellidor Group

The Trellidor Group has a **proven track record of over 35 years** in the physical barrier security, window coverings and door opening solutions. Comprising two main trading brands, **Trellidor and Taylor**, we have become the **leading manufacturer of custom-made solutions** with an extensive franchisee and distributor network that spans **South Africa, Africa, the Middle-East and Europe.**

Our core values

The core values of the Group are built on the three pillars of Innovation, Quality and Service. With these pillars as our base we have successfully built a reputation for delivering trusted high-quality products and exceptional service.

Our definition of value

Providing our customers with peace of mind, by keeping them safe. By supplying products that continue to put the protection of customers, their families and their assets first is at the centre of everything we do.

Our value creation structure

Trellidor Holdings Ltd

The listed entity and ultimate investment company of the Group. The driver of overall group strategies, capital allocation and investor relations.

Trellidor (Pty) Ltd

100%

Property investment arm of the Group. Currently owns the Trellidor Factory premises.

Trellicor (Pty) Ltd

100%

Market leading manufacturer of custom-made barrier security Trellidor products, distributed via a dedicated and skilled franchise network operating throughout South Africa, Africa and Europe.

Trellidor Innovations (Pty) Ltd

92.5%

Referenced as the "The Taylor Group" it incorporates Taylor, a major manufacturer and distributor of custom-made blinds, decorative and security shutters and NMC, an importer and distributor of cornicing and skirting products.

Trellidor Projects (Pty) Ltd

100%

New group entity. Currently owns and operates the Trellidor Durbanville Franchise, in the Western Cape.

Trellidor Ghana Ltd

85%

A group owned and operated Franchise in Ghana which includes a trim shop operation for efficient speed to market of custom-made products.

Our brands

TRELLIDOR
THE ULTIMATE CRIME BARRIER

Trellidor, brand strong in South Africa, is a name synonymous with sliding door security and is a leading manufacturer of barrier security products. The national and international distribution footprint sets Trellidor apart from its competitors with a presence in 19 African countries, the Middle-East and 2 European countries.

TAYLOR
BLINDS & SHUTTERS Est.1959

Taylor Blinds and Shutters is a leading manufacturer of made-to-measure Blind, Shutter and Screen solutions for window and door covering needs. Taylor also offers expert installation and after-sales service to clients across South Africa with dedicated branches in Cape Town and Johannesburg.

nmc
Decorative Mouldings

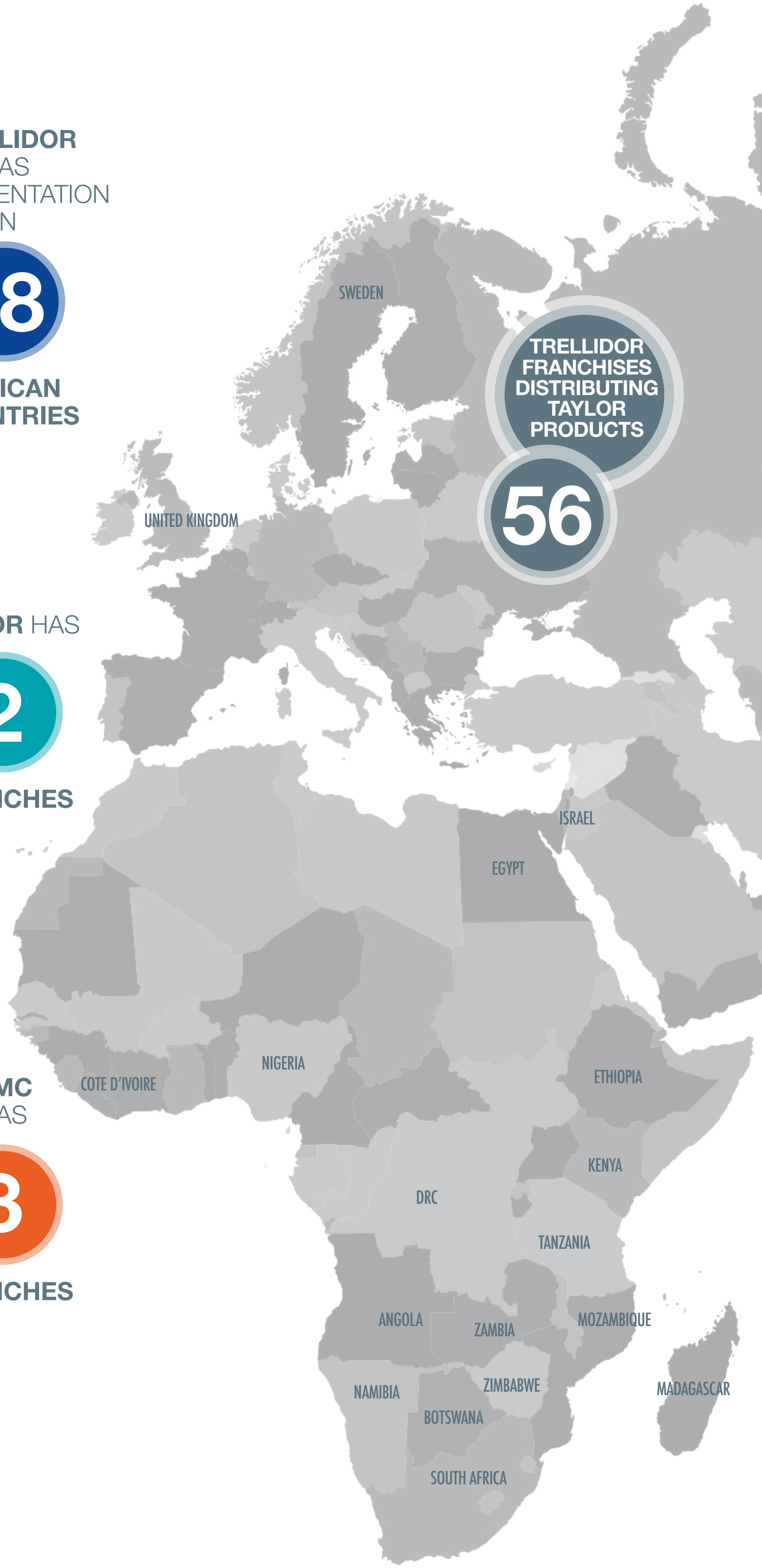
NMC Belgium, manufactures cornices, dado rails, skirtings and polystyrene mouldings which are designed for a wide variety of interior and exterior architectural applications and are distributed under license in Africa by Trellidor Innovations through dedicated branches in Cape Town, Johannesburg and Ballito as well as through select Trellidor franchises.

TRELLIDOR HAS REPRESENTATION IN **18** **AFRICAN COUNTRIES**

TAYLOR HAS **2** **BRANCHES**

NMC HAS **3** **BRANCHES**

TRELLIDOR FRANCHISES DISTRIBUTING TAYLOR PRODUCTS **56**



Our leadership

Executive directors and Officers

Terence Mark Dennison* (52)

CEO

CA(SA) ("Terry")

B

Damian James Robert Judge* (36)

CFO

CA(SA)

B

Peter Walter Edward Rawson* (62)

Group Sales and Marketing Executive

BA (Rhodes) ("Pete") Prescribed Officer

** Invitees to committee meetings*

Board functions

- 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 Chairman of the board provides independent leadership and guidance, facilitates suitable deliberation on matters requiring the board's attention and ensures the efficient operation of the board as a unit.
- The non-executive directors are individuals of high caliber and credibility and have the necessary skills and experience to bring judgement to bear, independently of management, on issues of strategy formulation, performance management, resource planning and allocation, transformation and employment equity, standards of conduct, and other important decisions.
- The Board operates according to a Board Charter, a copy is available at holdings.trellidor.co.za.

B Trellidor Holdings Board

Terry Dennison (CEO), Damian Judge (CFO), Mark Olivier (Chairman), Ralph Patmore (lead independent) and John Winship.

The Trellidor Board of directors are committed to upholding the highest standards of good governance by working towards the realisation of four key governance outcomes: ethical culture, good performance, effective control and legitimacy.

Sub-committees

Audit, Risk and Compliance Committee

Assists the Board in discharging its duties relating to the management of financial and other risks, the safeguarding of assets, internal controls and the preparation of accurate financial reporting and statements in compliance with all applicable accounting standards, legal requirements and corporate governance.

Remuneration and Nominations Committee

The Committee has an independent role, operating as an overseer and a maker of recommendations to the Board that are fair and responsible for its consideration and final approval regarding the nomination, appointment and remuneration of directors, executives and senior management.

Social and Ethics Committee

Develops strategies that empower the Group to make meaningful and measurable positive impact in the South African Community by prioritising socially and ethically conscious business practices and promoting equal opportunity and fairness for all citizens in the broader South African Community.

Committee Chair

Independent non-executive directors

Mark Cyril Olivier (50)

Chairman

CA(SA)

John Bartram Winship (65)

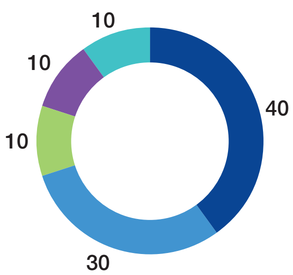
B. Business Science (UCT), Certificate of Investment (Institute of Actuaries)

Ralph Bruce Patmore (67)

BComm (Wits), MBL (SBL)

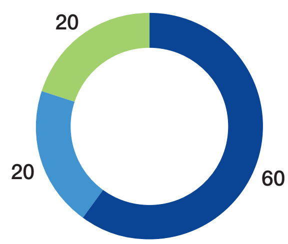
Board composition

EDUCATION
(%)



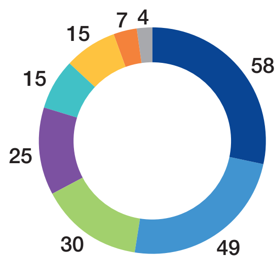
- B Comm
- CA(SA)
- B Business Science
- MBL (SBL)
- Certificate of Investment – Institute of Actuaries

TENURE
(%)



- 10+ years
- 3 to 10 years
- 0 to 3 years

SECTORAL EXPERIENCE
(years)



- Asset management
- Manufacturing
- Building and construction
- Corporate finance
- Property
- Private equity
- Insurance
- Private banking

Committee outcomes

- Reviewed and approved the Group's Internal Audit Charter
- Reassessed and approved the Short-Term Incentive Structure for key management within the Group.
- Reviewed and recommended to the Board of directors the adoption of the Group's formalised Risk Policy in line with King IV recommendations.

Evaluation

To improve the Board's effectiveness, formal evaluations of the Board, individual directors, Board Committees and the Chairman are conducted every two years. Appropriate measures are taken to address any weaknesses highlighted through this evaluation processes. The evaluation was completed for the prior year-end. An informal review 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.

HOW THE GROUP CREATES VALUE

Our definition of value

Positive growth drivers

- Strong cash generation enables reinvestment into the business
- Proven track record of high margin and profitable operations
- Skilled and experienced management teams to execute strategies across the group
- Established and valuable brands supported by quality products
- An ongoing focus on continuous improvement of efficiencies and performance

Diversified geographies and product offering

- Well positioned in both South Africa and Africa
- Products distributed through more than 100 franchises and distributors across the continent
- A unique national distribution network for Trellidor and Taylor products
- Competitors tend to be regionally focused lacking country-wide distribution
- Dedicated product development teams focused on innovation of new and existing products

Strong market position

- Dominant market position in South Africa
- Premium custom-made products increase the barriers to entry and avoid the low margin commodity sector
- Accredited manufacturing facilities with additional capacity to meet growing demand

Our growth strategy

Internal organic growth is our key strategic objective and it is one we pursue with a long-term view. **Expand our African** footprint by **optimising our operational efficiency**, **acquiring underperforming franchises**, **investment in our internal sales capacity** and through **innovation in our product offering** through in-house developments. Our long-term view is supported by short-term objectives that are designed to capacitate in realising this long-term goal.

Optimising our operational efficiency

Operating as efficiently as possible throughout the group's operations is key to ensuring that the Group adequately responds to the changes in the economic environment and capitalise on the relevant opportunities.

Objective

Continue to enhance manufacturing efficiency, profitability and working capital utilisation.

- During the year, a shift efficiency project was implemented in the Trellidor factory effective August 2018. This project required capital expenditure on plant and buildings of c.R12 million and in its first 10 months has produced cost savings of R6.2 million which is ahead of target.
- Group buying of raw materials will be extended to include Taylor and is anticipated to produce significant savings in the medium-term.
- Phase 2 of the factory ERP system will be implemented in Taylor through FY20 which will enhance the operational effectiveness of their product plant.

Internal organic growth

Ensuring that our sales and distribution network is operating as effectively as possible and that we have the human capacity to develop sales opportunities in new markets. This assists the Group in maintaining its revenue levels in difficult economic conditions and makes it well placed to take advantage when there are signs of improvement.

Objective

Improve the effectiveness of the sales and distribution network.

- The Trellidor Durbanville franchise improved its revenue by 38% year-on-year since it was brought inhouse in November 2018 and supports the strategy of acquiring underperforming franchises in the network.
- Internal sales teams have been bolstered to focus on growing sales in the non-residential market.
- Research is under way into how best to replicate the success of the Ghana subsidiary, which reported a 43% increase in turnover year-on-year, in East Africa.

In-house product innovation

Development and innovation of our existing products to enhance the Group's brands and meet market demands. These can be manufactured and distributed by the Group's existing resources.

Objective

Investment in in-house product innovation.

- The 21% increase in roller-blind sales from 2018 underscore the importance of innovation within our existing product range.
- The Installation of LPCB level 3 retractable Trellidor products in London Underground Stations highlights the success of this strategy when being able to meet the new demands of a specific market.
- The addition of the Exterior Roller Blind and development of a new entry level aluminum shutter range to the Taylor basket of products highlights the intention of applying this strategy.

Resource considerations:

Our long-term growth strategy is underpinned by a thoughtful deployment of our financial and non-financial capital that bolsters our operations, enables us to achieve our medium-term targets and create value. Our financial and non-financial capitals, which are either increased, decreased or transformed through the activities of the business, are broken down into six capital segments.

An analysis of our capitals

Financial capital

Our financial capital is derived from a number of sources including our franchise network, income garnered from our shareholders and retained earnings.

- Long-and short-term borrowings (interest-bearing debt) – R78 million
- Effective management of cash and capital allocation
- Franchise distribution model
- Strong working capital management

Intellectual capital

Our intellectual capital includes our tacit know-how and industry experience. This enables us to develop a diversified array of products and services and differentiate ourselves through an industry-leading business model.

- 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

Human capital

Our human capital is the life-blood of the business, comprising the human resources and labour that steer and drive the business.

- Properly constituted board and sub-committees with adequate experience and independence
- Strict compliance with the Occupational Health and Safety Act, No. 85 of 1993
- Skilled installers
- Strong and effective marketing team
- Ongoing investment in training at in-house manufacturing facility
- Provision of training for franchisees
- Ongoing Investment in an in-house intern programme to develop skills for the future

Social and relationship capital

Our social and relationship capital are the strategic relationships and links we have with our internal and external operating environment, enabling us to pool a range of resources to execute our strategy.

- Franchisees and distributors
- Strong relationship with major suppliers
- Corporate social investment such as supporting the Sunflower Foundation, schools, orphanages (community-based facilities)
- Consideration of environmental impact

Manufactured capital

Our physical assets both provide the tangible resources we need to conduct our business but also provide the infrastructure to house our operations to generate our products and services.

- Modern manufacturing facility in Durban and Cape Town producing steel and aluminum products
- Assembly plants in Africa
- Manufacture to customer order
- Gas fired ovens

Natural capital

We make use of various natural resources to optimally conduct our operations in a way that pursues our strategy. These natural resources make our natural capital which we use in a diligent and sustainable way.

- Environmental initiatives
- Electricity consumption decreased
- Focus on CO_2 greenhouse gas emissions
- Adherence to high quality standards of waste water

Business model

Our two main operating segments, **Trellidor** and **Taylor** have unique processes in producing **premium barrier security and blinds and shutters**.

Capital inputs

see page 15

- Human Capital
- Financial Capital
- Social and Relationship Capital
- Intellectual Capital
- Manufactured Capital
- Natural Capital

Our set of capital inputs enable optimal conditions for the Group to create market-leading, custom-made products throughout our business activities.

Our brands

TRELLIDOR

Trellidor is one of the strongest brands in South Africa and is a name synonymous with sliding door security.

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's production process takes place from its modern manufacturing plant in Durban where customer orders are tracked end-to-end using a bespoke ordering system.

TAYLOR BLINDS & SHUTTERS Est.1959

Taylor Blinds and Shutters is a leader in the window and door covering market in South Africa. Innovation, quality and service are the pillars of the business.

The Taylor brand continues to grow from strength to strength as it utilises the Trellidor franchise network to increase its market reach. Taylor's blinds and shutters are produced at its 8 000m^2 manufacturing plant in Cape Town. Customer orders are tracked using a bespoke ordering system and products are produced in industry leading time. Innovation, quality and service are the pillars of the business.

nmc Decorative Mouldings

NMC South Africa was established in 1999 and is the exclusive importer of NMC Products.

Process

Trellidor: Roll forming → Fabricating → Powder coating → Assembly → Packaging

Taylor: Design → Manufacturing → Marketing → Distribution → Servicing

Our business model is underpinned by a strong appreciation for the interrelated parts of our value creation process, including;

Products

Barrier security

- Traditional Trellidor
- Clear guard
- Rollerstyle
- Polycarbonate Bar
- Security Shutter

see page 31

Distribution

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

The franchise network includes:

60 franchises in South Africa

19 franchises in 18 other African countries

2 franchises in the rest of world

Blinds and shutters

- Aluminium shutters
- PVC shutters
- Blinds

see page 35

Taylor has an accomplished distribution network that services various parts of the Western and Southern Cape, with strong distribution channels emerging in Gauteng. It continues to develop a channel through the Trellidor franchise network.

NMC products

- Closed-cell polystyrene
- Polyurethane decorative moulding

see page 35

NMC distributes their products out of branches in Johannesburg, Durban and Cape Town, with the majority of the distribution out of Johannesburg.

Capital inputs

see page 15

- Human Capital
- Financial Capital
- Social and Relationship Capital
- Intellectual Capital
- Manufactured Capital
- Natural Capital

Agile risk management see page 18

Strong strategic focus see page 14

Stakeholder inclusivity see page 19

Risk and Opportunities

Material matters	Risks	Mitigations	Opportunities
Economic climate	The continued negative economic pressures both macro and micro within South Africa will impact the consumer for an extended period and as result downward pressure will impact our ability to achieve top line growth and maintain GP margins. Prolonged challenging economic conditions impact negatively on smaller owner-managed business, like many of our existing franchises.	Geographic spread assists with diversifying and reducing impact of microeconomic factors. We continue to manage negative economic pressures by remaining focused on maintaining GP margins and returns. Timeous review and updating of price lists, driving operational efficiencies and strict overhead controls. The implementation of the Efficiency Enhanced Program at the Trellidor factory is one such example of the GP margin focused strategy. Broad product range targets middle income, upper-middle income and upper income consumers, mitigating pressure in any single market segment. Sale of select Taylor products through the Trellidor franchise network has doubled from 2018 to 2019 and has enabled the franchise owner to diversify their product offering and reduce their reliance on a single product stream in tough trading conditions.	Trellidor has established an African footprint, achieved with limited capital investment, through appointing a network of franchisees. Through the continued development and appointment of franchisees in new African territories we reduce our exposure to a single economy and increase demand for production to service multiple countries. New franchise signed servicing Uganda and Rwanda. Trellidor Ghana Limited increased turnover by 43% in 2019 and a task team has been established to formulate and implementation strategy for the Ghana model into East Africa. The purchase of the underperforming Trellidor Durbanville franchise has increased its turnover by 38% in eight months under new management. As such we will replicate this success by acquiring underperforming franchises when they become available.
Maintaining competitiveness	Trellidor is the leading brand in barrier security and sets the standard in its field. In an ever-changing global environment, maintaining this position is an ongoing challenge.	The successful development and launching 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 existing resources. Taylor launched new roller blind and external blind range. Trellidor designed, developed and installed a LPCB level 3 rated Trellidor retractable product for UK (London Underground). Before launching new products, a vigorous testing process is applied and all consultants and installers in the distribution network undergo a comprehensive training and certification process.	Acquisitions that offer the opportunity to capitalise on Group knowledge and know-how, synergies in manufacturing, distribution and/or product and brand strength will assist in maintaining our competitive edge. 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.
Foreign exchange	The Group remains reliant on imported raw materials for a number of product sets and therefore is potential exposed to currency fluctuation risk.	Mitigation of foreign exchange risk by 'self-hedging' where possible using foreign currency sales to generate foreign currency required to fund imported materials. In businesses where 'self-hedging' is not available forward exchange contracts are utilised to manage the impact of fluctuating exchange rates.	The expansion of the Group with synergistic acquisitions, like in the case of Taylor, presents an opportunity for Group buying of key raw materials and components and enables the Group to leverage improved pricing from suppliers with the increased volumes. This results in improved GP margin despite the challenging trading conditions.

Our 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 and 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 annual report Website and emails
Funders	Capital management Sustainability Profitability Cash generation Liquidity and solvency Corporate governance and compliance Risk management	Access to debt Favourable rates	Agreed reporting frameworks Annual and interim results announcements Regular meetings Integrated annual report SENS announcements
Employees and trade unions	Job security and sustainability Fair remuneration Personal growth and development Employment equity and diversity Skills development Safe and healthy working conditions Bargaining Council agreement	Committed, energised and stable workforce Upholding standards and brand value Labour relations OHS Act compliance	Agreed reporting frameworks Regular feedback meetings Union meetings Integrated annual report Training programmes Employment equity consultation Bargaining Council agreement
Suppliers	Timely payment Sales volumes Fair business practices	Reliable supply of materials Consistent quality	Fair business practices
Franchisees	Security of supply Pricing, marketing, training and technical support	Upholding standards and brand value	One-on-one meetings Conferences Training seminars
Customers	Quality Reliability Service levels	Customer satisfaction Customer loyalty	Marketing Franchisees Product brochures
Government and regulators	Employment equity Environmental impact Health and safety Taxation Adherence to the JSE Listings Requirements, King IV and company legislation Skills development	Continued operations and investment	Regulatory returns SENS announcements Engagement as required

Chairman's report

Mark Olivier Chairman

Dear shareholders

The Group's financial performance in 2019 was impacted by a very difficult trading environment.

Diluted headline earnings per share reduced by 25% to 43.20 cents per share generating a return on invested capital ('ROIC') of 17% which is below the Group's target ROIC of 18%.

The Board's focus during the year was to improve operating efficiencies and expand distribution outside of South Africa.

The success of these strategies were evident in the Trellidor business. Free cash flow improved by 12.2% and the business generated a ROIC of 23.4%, exceeding target.

The performance of the Taylor business was disappointing with free cash flow generation down by 69.5%, producing a sub-target ROIC of 4.5%.

However, the strategic rationale for purchasing Taylor remains intact. Strategies to grow geographically, enhance the quality of distribution and improve profitability in the Taylor business are discussed in the report below.

In this respect, the organisation structure has been changed to provide the Group CEO with more time to focus on executing the Group's key strategies including achieving target return on the Taylor acquisition. More detail is provided in the report.

The Board has continued to be proactive in managing the Group's capital to enhance shareholder returns. During the year, it utilised R9.1 million of capital to buyback shares and will over time increase debt by R30 million to 1.35x current EBITDA, which remains prudent.

The policy of distributing dividends to shareholders of approximately 50% of profit after tax continues and excess free cash flow and additional debt will be applied to investments that exceed the Group's target ROIC.

These investment opportunities including the purchase of underperforming franchises and investment in an East Africa branch are discussed further in the report.

Operating context

During 2019, the Group was exposed to a challenging operating environment. At a macro level; GDP growth stagnated, unemployment increased to concerning levels, the social fabric has become more frayed and business, investor and consumer confidence fell. In addition, the Rand depreciated and has been volatile impacting negatively on the Group's margin.

Key economic drivers that reflect the spending capacity of the Group's customer base stagnated, including: growth in consumer disposable income, availability of credit and residential house prices and sales.

However, South African crime levels continue to support the performance of the Trellidor business.

Although there were no major new entrants into the market, the size of the market has shrunk and simultaneously the competition has intensified.

The Group has countered competition only where there is an enduring strategic need and if target margin and returns can be achieved. It is anticipated that the number of participants in the market will reduce.

In the short term it is difficult to foresee significant improvements in the operating environment given the extent of the structural issues in South Africa and that government appears to be impeded from dealing effectively with these issues by infighting, an unwillingness to reduce their influence in the economy and increasing over indebtedness.

Governance

The Board and its committees has operated effectively in the 2019 financial year, with the Board, individual directors, Board Committees and the Chairman undergoing regular performance evaluations.

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

Following appropriate review, I am satisfied that all the committees are constituted with members of relevant skills, knowledge and experience and that our stakeholders can take comfort with the Group's governances that are in place.

I'm also satisfied that the strategy established by the Board is appropriate, is being executed diligently by management and will, over time, create significant value for shareholders.

The majority of the senior management team has been employed at Trellidor for over 25 years. It is an experienced and skilled executive team that is passionate about the business.

In this respect, a manager with over 20 years' experience in various capacities in the Group was promoted to General Manager of the Trellidor business. In addition, a high calibre Group CFO was employed from outside the Group. The Group Executive team now includes the Group CEO, CFO and Sales Director as well as General Managers of the Trellidor and Taylor businesses.

As key financial performance objectives were not met during the year, the Board determined that it was inappropriate to pay a short-term incentive to the senior management team. However, a discretionary incentive payment of approximately R0.6 million was made to certain senior executives, predominantly for delivering on the efficiency project in Trellidor, which delivered savings in excess of budget.

Optimising capital structure and allocation

The Board has long held the view that the share price undervalues the Group and that allocating capital to a buyback of shares would deliver economic value for shareholders. Accordingly, the Board has put in place the authority to execute a significant buyback of shares.

During the year, the Group spent R9.1 million on buying back shares at an average price of R4.27 per share. More details of the buyback programme are provided in the dividend section below.

The Board has also determined that the Group is currently under geared. Accordingly, it has resolved to increase gearing, over time, to around R110 million which is approximately 1.35 x current EBITDA. It considers this higher level of debt, conservative but optimal in the current operating environment.

The additional debt will be used to finance both organic growth and other initiatives that exceed the Group's targeted return on invested capital. Terms have been agreed with the bank. The Group's current cost of debt and covenants are unaffected.

In general, the Board takes the following approach to delivering shareholder value:

- It will pursue strategies that are targeted at increasing the long-term value of your investment rather than focusing on delivering short-term results, which restrict the Group's strategic options.
- A measured approach to achieving growth, which has served shareholders well, particularly during a higher risk operating environment.
- A focus on high quality cash generation and a return on invested capital in excess of 19%. The Board supports the view that companies that consistently generate growth at high rates of return on invested capital are, over time, generally rewarded by stock markets.

Operating performance

The Group's sales were 4.5% below the previous year, headline earnings per share reduced to 40.1 cents (2018: 54.3 cents), free cash flow generation was R44.7 million (2018: R58.5 million) and return on invested capital fell from 21.6% to 17.0%. A more detailed analysis of the Group's operating performance is provided in the CFO's report.

The strategies to grow distribution outside of South Africa and to streamline the manufacturing process were successful in the Trellidor business. This is reflected in an improvement in gross margin from 46.8% to 47.8% and growth in international sales of 17%. Despite a decline in sales of 3% and EBITDA of 11%, free cash flow increased by 12.2% producing a ROIC of 23.4% which continues to exceed the Group's target return.

The Taylor business's performance was disappointing. Sales were down 7%, gross margin reduced by 2% and free cash flow fell by 69.5% resulting in a ROIC of 4.5% which is significantly below target.

Strategies are in place to achieve target ROIC, including an efficiency project to improve margin and cash generation, the introduction of new products and the expansion and enhancement of the distribution network to build market share. The strategy to sell Taylor product through the Trellidor franchise network was successful, exceeding financial expectations set at the date of purchase.

The Taylor business was acquired to diversify the Group's product range and to provide access to a different segment of the market. At the same time both revenue and cost synergies were identified with the Trellidor business. The Board has determined that the investment rationale and economic opportunity for the Group in relation to the Taylor acquisition remains intact. The auditors have made a robust review of the fair value of the goodwill purchased and no adjustment has been made to the valuation.

Strategy

The Company's key focus during a year of economic headwinds was to; continue the process of extracting revenue synergies from the Taylor acquisition, grow geographically and improve operational efficiencies.

The operational risk in the business has been well managed and a platform for the next phase of the Group's growth is established and will be achieved through the following key strategies:

Expansion of distribution geographically and into new segments

This strategy was successful in 2019. International sales grew 17%, driven by the branch in Ghana (43% growth) and the London Underground project (110% growth).

In 2020, the Group will continue to enter into new distributorship agreements in Africa and will invest capital in the establishment of a branch in East Africa, replicating the success of the Ghana branch in West Africa.

Approximately 90% of Group sales are to the residential sector. Accordingly, there is a significant growth opportunity to develop new market segments including larger non-residential projects.

Operational efficiencies in the Taylor business

The Trellidor and Taylor manufacturing processes are quite similar – both businesses produce custom-made goods. The practices followed in the Trellidor manufacturing process are being implemented in the Taylor business. This project is designed to improve manufacturing efficiencies and is expected to complete in the first half of the 2020 financial year.

Further cost savings will be generated by taking advantage of the group's buying power with certain suppliers.

The management team is also being challenged to improve cash generation by reducing the stock holding period without negatively impacting the customer experience.

Expansion of the Taylor business distribution network

The strategy to sell Taylor products through the Trellidor franchise network has been successful, generating year-on-year growth of 100%. The Trellidor franchise base currently accounts for 7% of Taylor sales. There is more growth possible from this strategy.

In addition, currently only 40% of Taylor business's sales are made outside the Western Cape. Additional sales capacity is being employed in Gauteng and KwaZulu-Natal to increase market share in those regions.

Continued product innovation

Over the last five years, the Group has been successful in diversifying its product range to satisfy the needs of its current customers but also providing it access to new market segments, particularly the upper income demographic and to gated communities. New products in the Trellidor business now account for 30% of total sales.

During the year sales of the security product designed for the London Underground have exceeded expectations. Further installations are expected although the timing is uncertain.

A new external blind product was launched by the Taylor business in April 2019. Sales are in line with expectations.

In addition, Taylor has developed an entry level aluminum shutter which will be launched in the second half of the 2020 financial year.

Improving quality and efficiency of the distribution network

The sale of custom-made product is a complex process as customers have varying requirements. It is critical that the Group employs high quality people to differentiate from its competitors and to effectively manage a complex sales and installation process. It is growing increasingly difficult to find appropriately skilled entrepreneurs in South Africa with capital to facilitate the existing distribution model.

The team is considering ways in which technology can be used to centralise in the Group 'non-core' administration functions currently undertaken by the franchise network to allow franchisees to focus more of their time on the customer.

The objectives of this strategy are to improve the efficiency and quality of the distribution network.

These strategies are being tested in Durbanville which was an underperforming franchise purchased by the Group during 2019. Initial results are encouraging, and it is likely that the Group will purchase other non-performing franchises, particularly in the main centres.

Looking ahead

The weak economy is expected to prevail in South Africa, which will continue to dampen demand for the Group's products, particularly from the middle to upper middle income segment of the market. As such, we are not forecasting volume growth for existing product in South Africa.

Sales volume growth will be delivered through; the strategies to grow international sales, improvements in the quality of the existing distribution network, by continued product innovation and also by building on revenue synergies between the Taylor and Trellidor businesses.

The efficiency projects in both Trellidor and Taylor will result in an improvement of the Group's gross margin assuming a stable Rand exchange rate.

Tight control of operational overheads will continue despite an investment in the capacity to grow international sales.

Enhancements in the stock management process in Taylor will improve cash generation. The strong cash-generating capability of the Trellidor business continues.

The Group will be targeting a return on invested capital in excess of 18%.
The dividend policy of distributing 50% of profit after tax to shareholders is projected to continue. This will be funded from free cash flow.

The remaining free cash flow and debt will be utilised to invest in share buybacks, acquiring underperforming franchises and other investments that exceed the target return on invested capital. There is no requirement to issue new equity.

Despite the overarching economic conditions, the Board has set demanding growth targets for the management team to achieve in 2020.

Dividend

The Board declared a final gross dividend of 11.10 cents per share for the year ended 30 June 2019. The total dividend declared in respect of the current financial year was 20.2 cents per share.

During the financial year, as part of the announced buyback programme, 2 128 440 shares at an average cost of R4.27 per share were repurchased and cancelled. An additional 477 247 shares at an average cost of R4.18 were bought-back and cancelled subsequent to year-end.

The Company's future dividend policy will continue to reflect its capacity to generate cash flow growth and return on invested capital but will take into account capital requirements to finance growth.

The Board will also be extending its authority, previously granted by shareholders, and will continue with an active programme to buy back its shares.

Appreciation

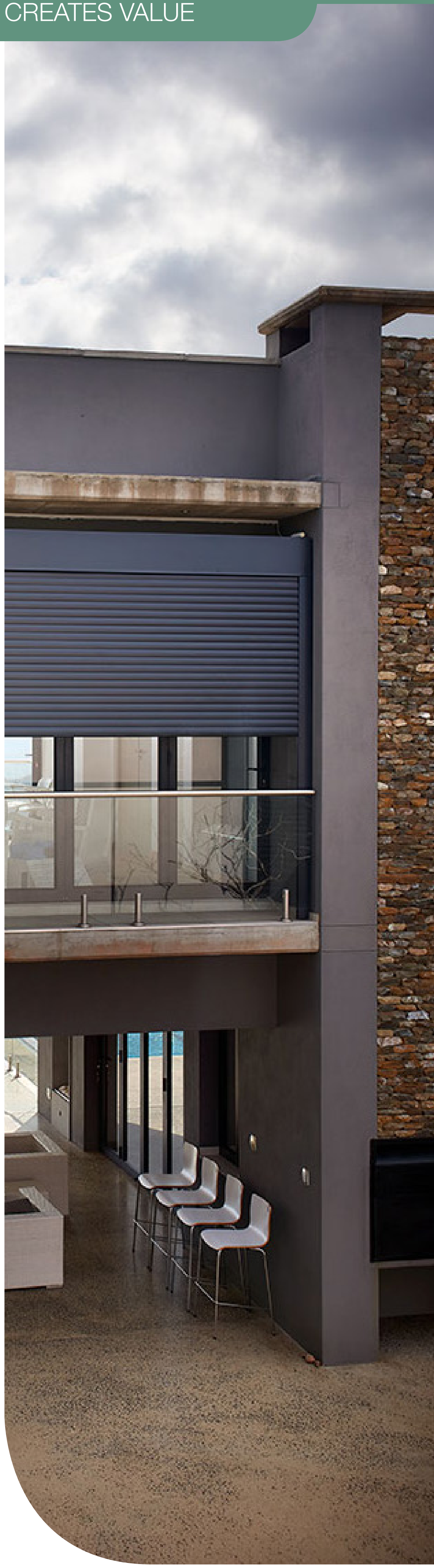
I would like to thank my fellow directors for their contribution to the governance processes and for their assistance in driving the growth strategy of the Group.

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.

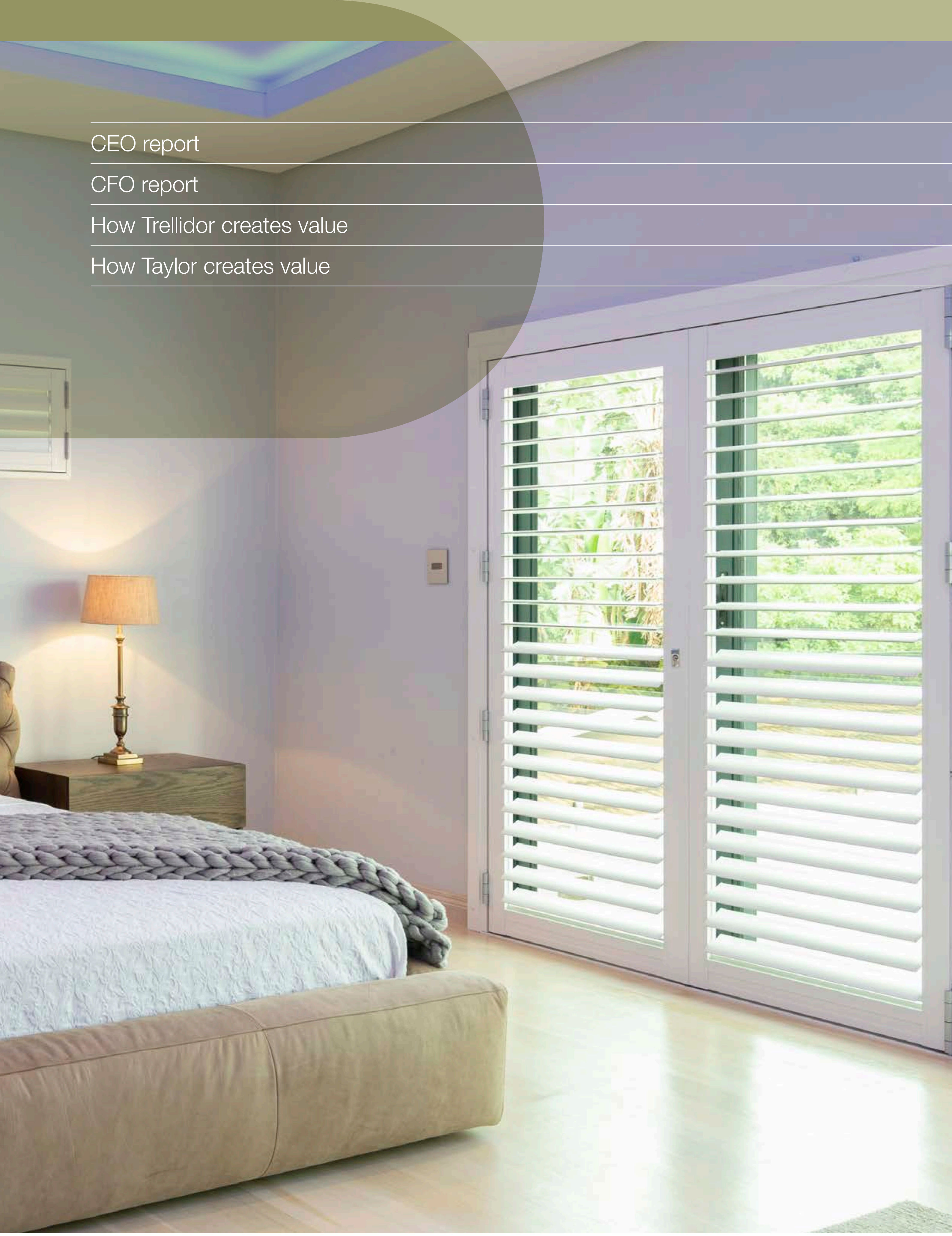
Finally, we thank our customers for their ongoing support and our franchisees, distributors and suppliers for our continuing relationships.

Mark Olivier
Chairman

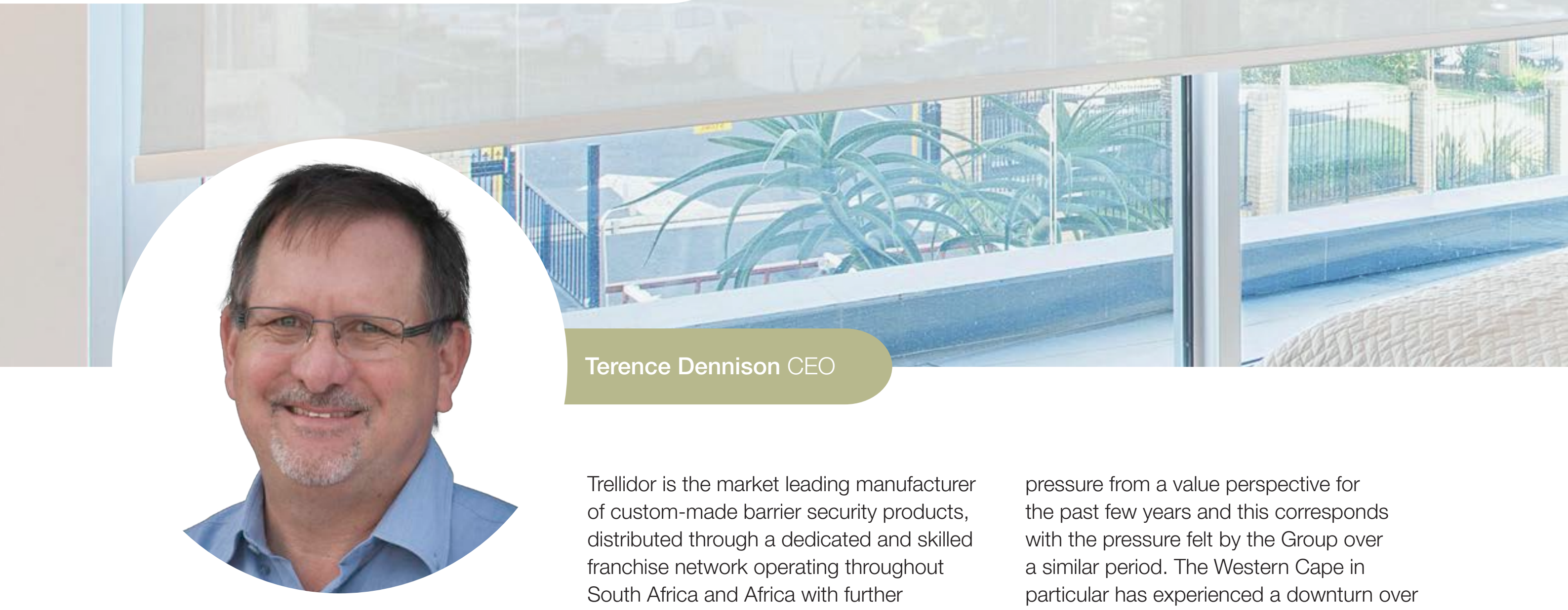
16 October 2019



VALUE OUTCOMES



CEO’s report



Terence Dennison CEO

Trellidor Holdings Limited (“the Group”) comprises the Trellidor and Taylor Group businesses.

Trellidor is the market leading manufacturer of custom-made barrier security products, distributed through a dedicated and skilled franchise network operating throughout South Africa and Africa with further representation in Israel, the UK and parts of Europe. Products are manufactured at our modern facility in Durban and supported by assembly shops in parts of Africa, including the company’s subsidiary in Ghana.

The Taylor Group business incorporates Taylor, a major manufacturer and distributor of custom-made blinds, decorative and security shutters and NMC, an importer and distributor of cornicing and skirting products. The Taylor Group has a strong presence in the Western and Southern Cape. The Taylor blinds and shutter ranges are manufactured at our factory in Cape Town.

Overview

The Group’s performance reflects the challenges of the economic conditions in South Africa during the period including; increasing levels of unemployment, house price deflation, GDP growth significantly below potential and correspondingly poor consumer, investor and business confidence. As a result, consumer spending was negatively impacted throughout South Africa and Africa, particularly in the middle-income market, a sector in which the Group is most focused.

It has been noted that where in the past few years the main pressure point of the economy has been in the middle-income market and the main cities, we have seen this spread into the higher income market and the outlying areas in FY19.
The property market, particular in the mid to high-end range, has been under pressure from a value perspective for the past few years and this corresponds with the pressure felt by the Group over a similar period. The Western Cape in particular has experienced a downturn over the past 18 months due to localised factors as well as the general economic climate. Taylor has significant exposure to the Western Cape.

Despite the challenges there were some notable achievements during the year although offset by general trading conditions. Sales of Taylor products through the Trellidor franchise network finished the year 100% up from FY18. The revamped roller-blind range, launched in H2 FY18, showed a 21% increase in sales year-on-year. The Trellidor Durbanville franchise in the Western Cape, which was acquired in October 2018, reported a 38% increase in turnover for the eight months November 2018 to June 2019 when compared to the same period last year. The Trellidor UK franchise outperformed FY18 by growing its revenue by 112% and our Ghana subsidiary grew revenue by 43%.

Operationally, following the successfully rollout of phase 1 of the Trellidor Production ERP system in Taylor in H2 FY18, phase 2’s development began in H2 FY19 with implementation planned for H1 FY20. The Factory Efficiency Enhancement programme implemented in the Trellidor factory in H1 FY19, which included a R12.0 capital investment yielded cost savings of R6.2 million which was ahead of target. Further savings are expected as the full year impact of this programme will be enjoyed in FY20. The non-capital-intensive elements of this programme are being rolled out in the Taylor factory, and Group buying synergies are being exploited on

select raw materials which are expected to yield meaningful input cost reduction for Taylor.

The Board continues to believe the current share price undervalues the business. Through FY19, R9.1 million was spent buying back 2 128 440 shares that were cancelled at an average price of R4.27 per share. Subsequent to year-end a further 477 247 share were repurchased at an average price of R4.18 per share and have now been cancelled.

Growth strategies

Although the assessment of quality synergistic acquisitions is ongoing, with the continued economic pressure, focus has been placed on internal organic opportunities. We have seen success in investing in sub-performing franchises and will look for further opportunities to boost revenue. In addition, research into replicating the Ghana business model in East Africa is in progress. New franchise agreements have been signed to service both Uganda and Rwanda.

We have invested in additional senior human resource to provide additional capacity to drive organic growth opportunities and improve efficiencies in both segments. Additional sales resources in Taylor have been employed to grow revenue in the non-residential market which is identified as an underexploited market. Trellidor have also bolstered its international team to drive growth in Africa and the UK.

The success of the improved roller-blind range has inspired more innovation in Taylor which launched a new external-roller blind range in H2 FY19 and is currently developing a new entry level aluminum shutter to be launched in H2 FY20. The growth in the sales of Taylor products through the Trellidor franchise network has been stellar in FY19 and is expected to continue FY20 albeit at more moderate levels.

Prospects

Although the weak economic environment is anticipated to persist, some upside from improved market conditions in West and East Africa and further traction from projects in the UK is expected. Specific strategies are being implemented to capitalise on these opportunities.

In addition, strategies to grow sales across the Group are in progress and consistently being monitored. The geographic expansion of Taylor is progressing well, particularly through the Trellidor franchise network and investment in Taylor's internal sales capacity in South Africa. We are continuing to open new Trellidor franchises in Africa. In addition, we will replicate the success of acquiring underperforming franchises, when they become available.

We have embarked on several projects focused on improving the gross margin in Taylor, through material supply and efficiency enhancements. Cost savings are anticipated in the new financial year.

The Group is conservatively financed (Debt/EBITDA ratio of 0.98) and will utilise its debt capacity to finance smaller add-on acquisitions including underperforming franchises in key areas.

Given the performance and prospects of the Group, and as stated in the interim report, the Board continues to believe the current share price undervalues the business and so will continue to buyback shares, in line with the approval granted by shareholders at its last annual general meeting, to deliver shareholder value.

The Group remains focused on its core growth strategies of brand leadership; diversifying its product range; distribution growth in South Africa, Africa, the UK and Europe; and acquisitions, which will position it well to benefit from improving economic conditions.

Overall the Group is more streamlined and has the capacity to significantly outperform in a more supportive economy.

Appreciation

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

Terry Dennison
CEO

CFO's report

Damian Judge CFO

Group performance

As reported, revenue for the group has declined 4.5% year-on-year from R539.0 million to R514.9 million. Gross profit followed suit with a 6% decline which included a slight margin loss of 0.6% to 45.0% (2018: 45.6%). The decline in gross profit meant that fixed overheads could not be adequately recovered and as a result EBITDA is down 22% to R81.2 million (2018: R103.5 million) and profit after tax is down 28% to R43.0 million (2018: R59.6 million). Earnings per share declined 26.5% to 40.0 cents (54.4 cents).

During the year, dividend paid totalled R27.2 million (2018: R32.9 million) which is made up of the final dividend declared for FY18 and the interim dividend declared during FY19. A final dividend of 11.1 cents per share has been declared for FY19 (2018: 16.2 cents per share) which brings the gross dividend for FY19 to 20.2 cents per share (2018: 27.2 cents per share). The decrease in gross dividend declared of 25.7% is in line with the decline profit after tax year-on-year.

The Group remains conservatively geared with the debt:equity ratio decreasing from 43% FY18 to 35% in FY19 and in line with our capital allocation strategy we will continue to pay down our current debt. During the year, R21.2 million in capital repayments were made in this regard and we close the year with interest-bearing debts outstanding of R78.6 million (2018: R93.0 million). From a working capital perspective, a concerted effort has been made in reducing payable levels during the period and as result the trade and other payables balance at year-end has reduced 20.7% year-on-year. Inventory and receivables have remained consistent with prior periods and our debtors' book remains healthy and well managed, with 79% of the book being between current and 60 days. Reductions in inventory levels are expected through FY20 as part of the operating effectiveness project being implemented in Taylor.

Cash from operations was good at R71.0 million although it has declined from the 2018 level of R107.0 million. The strong cash generative nature of the business means that we must maintain an effective capital allocation strategy. During the year, this strategy has focused on internal growth strategies and enhancing shareholder returns. Over and above the pay-down of debt already mentioned, the Trellidor Durbanville franchise was purchased for R2.2 million and has yielded satisfactory results in its first eight months. The Trellidor factory efficiency enhancement project has been completed, which required R6.0 million of CAPEX in the current period, and we have seen the benefits starting to flow to the income statement which is expected to continue through FY20.

As stated above we continue to pay dividends and have commenced with our share buyback programme which has continued into FY20.

Overall the group is meticulous when it comes to analysing and understanding costs, and careful in our approach to capital allocation, ensuring strong cash flows to maintain a strong balance sheet. The strong balance sheet has capacity to act on capital allocation opportunities when they present themselves.

Trellidor

Despite the 3% decline in the Trellidor segment sales (from R331 million to R322 million), there have been some positive developments during the year, particularly outside RSA with the UK franchise reporting year-on-year growth of 112% and the Ghana subsidiary improving its revenue line by 43% from prior year.

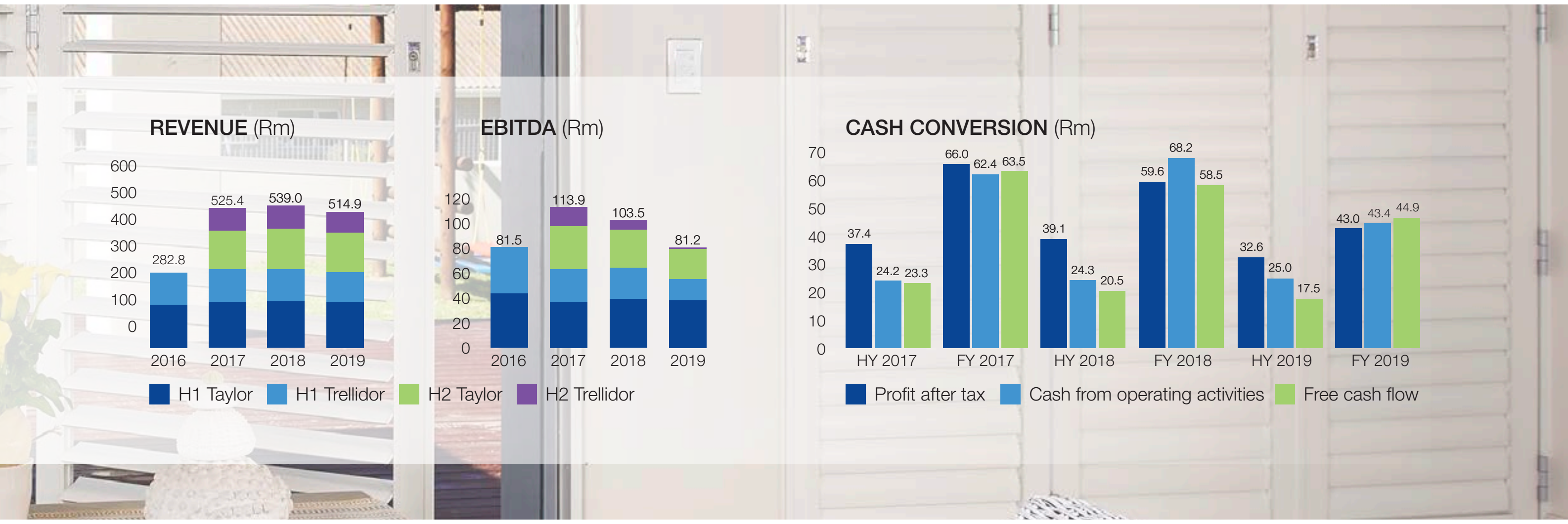
Sales into Africa, which is usually buoyed by the traditional Southern Africa region, still grew by 5% although there was a decline in the performance from our neighbours. The results outside of our borders emphasis the Trellidor focus on growing its international market share which is a key strategy for FY20.

The ongoing focus on product development and the previous diversification of our product range has served us well through the tough economic conditions. It is pleasing to note there has been relatively improved performance of the traditional Trellidor products (68% of revenue in FY18 vs. 70% in F19) which has been driven primarily by international sales.

We are also particularly pleased that the gross margin increased to 47.8% (2018: 46.8%), due primarily to the successful execution of the efficiency enhancement project during the period.

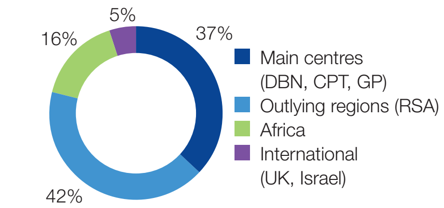
The improvement in margin and the closely managed increase in operating costs were unable to offset the decline in sales. Accordingly, operating profit before interest of R59.6 million (2018: R64.9 million) declined by 8.2%.

The Trellidor business remains highly cash generative. Operations generated R57 million in cash for the period at a conversion rate of 76.9%.

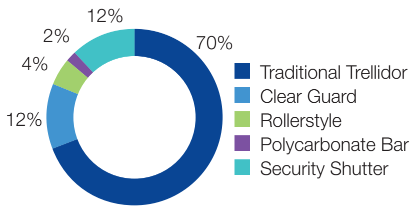


Trellidor

GEOGRAPHICAL PRESENCE

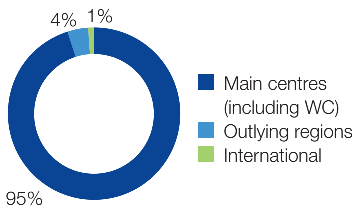


PRODUCT TYPE

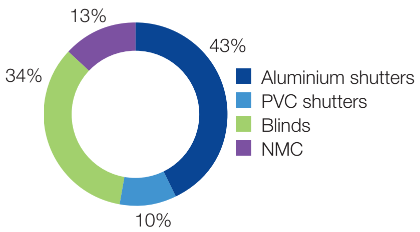


Taylor

GEOGRAPHICAL PRESENCE



PRODUCT TYPE



Taylor

Taylor closes FY19 with revenue for the year having declined by 7.1% to R194 million (2018: R208 million) which is in line with the decline reported at H1 2019 which indicates some stability through the second half of the financial year.

A key growth strategy designed to improve the sale of Taylor products through the Trellidor franchise network continued to succeed, doubling the year-on-year sales through this channel.

Aluminum Shutters maintained the lion share of the Taylor market although the overall mix is well spread. It is pleasing to note that the revamped roller-blind range launched through H2 FY18 yielded a 21% increase year-on-year and as a result research and development into product innovation remains high on Taylor's agenda.

Decreased volumes and weakening exchange rates have had a significant impact on Taylor's trading margins which, despite measures being implemented to improve material price and utilisation, reduced to 40.4% (2018: 43.7%). The efficiency strategies being implemented in the current period are expected to benefit the business in the medium-term. Operating profit before interest decreased by 57.6% to R11.4 million (2018: R26.9 million).

Annual review

The accounting policies applied in the preparation of the consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, with the exception of the implementation of IFRS 9: Financial Instruments and IFRS 15: Revenue from Contracts with Customers. Details of the implementation of these standards are disclosed in note 1 of the summarised annual financial statements.

Management evaluated any possible impairments on goodwill, intangible assets and all financial assets and concluded that no impairment losses were required. Consideration has also been given to the risks involved in the business, results of internal audit reviews, the size of the business and the nature of transactions and is satisfied that the internal controls in place are adequate to address the key risks in the business.

During the year under review, there were no material breakdowns in internal control, although as result of ongoing system review, improvements have been identified. During the forthcoming period, the Group will be centralising payroll and IT infrastructure management as well as rolling out phase 2 of the Trellidor bespoke production management system into Taylor. Projects are also under way to improve the efficiency of the ERP systems across the business units. The Group maintains a transparent tax policy to ensure diligent and timeous reporting and payment of taxes to the respective authorities.

Management performed an assessment of the Group's ability to remain a going concern and is satisfied that the Trellidor Group will continue to be in operational existence for the following financial year.

Damian Judge
Group CFO

How Trellidor creates value

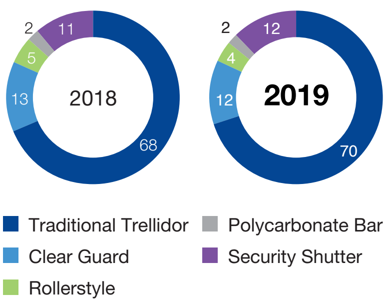
TRELLIDOR®
THE ULTIMATE CRIME BARRIER

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

The Trellidor brand

Trellidor's strong brand commands a premium on pricing for our products. The Trellidor brand is built on our reputation for delivering trusted, high-quality security products and exceptional service. Trellidor is brand strong in South Africa and is a name synonymous with sliding door security. Brand awareness in Africa is growing along with our sustained expansion across the continent. Innovation, quality and service are the pillars of the business.

TRELLIDOR PRODUCT TYPE (%)



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, Reunion, Mauritius, Seychelles, DRC, Tanzania and Mayotte.

Materials used in the manufacturing process include steel, aluminum, 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.

RETRACTABLE SECURITY

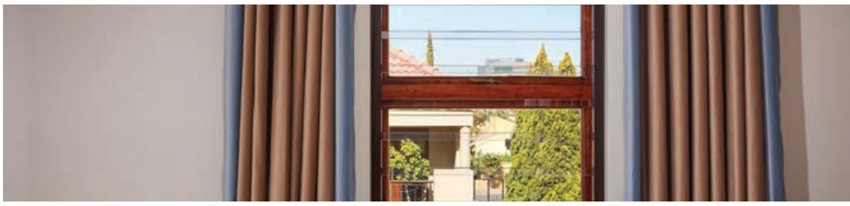
A wide range of retractable doors and windows.

COTTAGE GUARD

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

POLYCARBONATE BAR

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

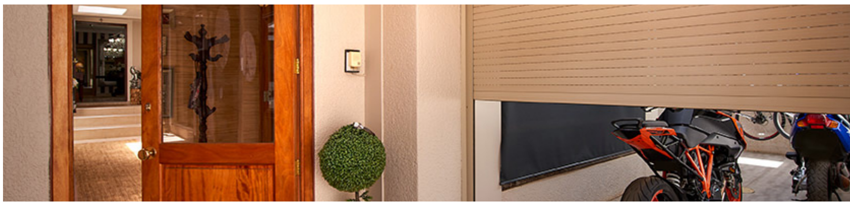


FIXED SECURITY

Fixed barriers that are primarily window solutions.

ROLLERSTYLE

Rollerstyle, a high-end automated roller shutter for residential, office and light commercial use.



CLEAR GUARD

A strong "lifestyle" security barrier made from aluminum and stainless steel mesh that is "open" when closed allowing uninterrupted views and airflow whilst being an effective security barrier.

SECURITY SHUTTER

A louvre aluminum security fitting for windows or doors targeted primarily at upmarket homes and residential estates.

Distribution

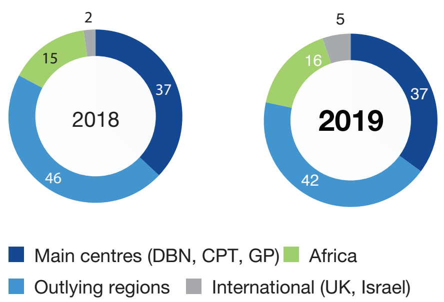
Trellidor has a well-established, loyal and extremely effective national franchise network with the unique capacity to design, measure and install custom-made Trellidor products country-wide.

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 levels of service 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.

TRELLIDOR REVENUE BY GEOGRAPHY (%)



60
RSA franchises

1 Manufacturer under licence in Israel

21
International franchises

18 African countries

Company-owned assembly plant in Ghana – services West Africa

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. Trellidor records and reviews lead levels and conversion rates, per franchise and sales consultant, through a bespoke IT system.

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. Trellidor is well placed to service the growing African economies.

How Taylor creates value

TAYLOR BLINDS & SHUTTERS Est.1959

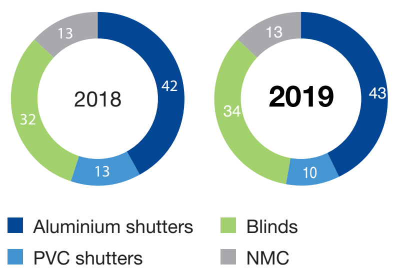
Taylor comprises the **Taylor Blinds and Shutters** and **NMC South Africa** businesses. These businesses were acquired during July 2016.

The brands

Taylor Blinds and Shutters was founded in 1959 and specialises in designing, manufacturing, marketing, distributing and servicing 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 the 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.

TAYLOR PRODUCT TYPE (%)



Manufacturing

Taylor blinds and shutters are produced at its 8000m2 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.

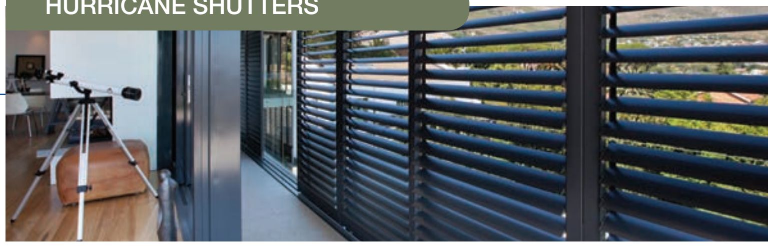
The blinds offered are venetian, roller, woven and verticals. Shutters offered are Thermowood (wood substitute) shutters as well as aluminium hurricane wind resistant shutters and Shutterguard security shutters.

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.

SHUTTERGUARD® SECURITY SHUTTERS

HURRICANE SHUTTERS

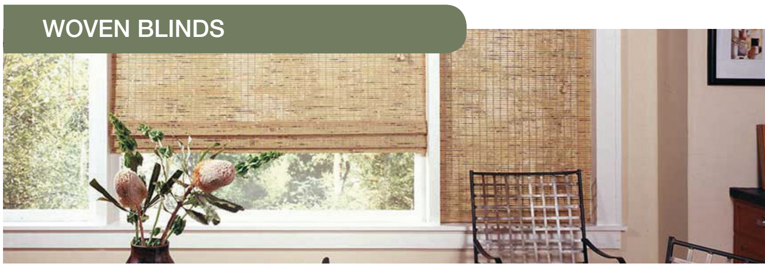


THERMOWOOD® SHUTTERS

ROLLER BLINDS

VERTICAL BLINDS

WOVEN BLINDS

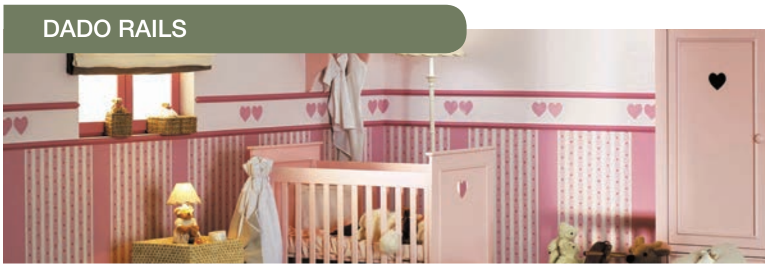


WOODEN VENETIAN BLINDS

ALUMINIUM VENETIAN BLINDS

CORNICES

DADO RAILS



SKIRTINGS

POLYSTYRENE MOULDINGS

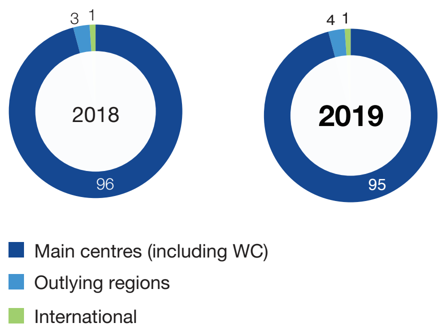
Distribution

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 continues to be of strategic importance for the Group with expansion through the Trellidor franchise network on certain Taylor products and investment in internal sales-resources being the key focus. NMC distributes their products out of branches in Johannesburg, Durban and Cape Town, with the majority of the distribution out of Johannesburg.

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

TAYLOR REVENUE BY GEOGRAPHY (%)



Marketing and sales

Marketing and advertising spend focuses on creating growing awareness for Taylor's products and brands. Continued innovation is targeted to keep products up-to-date and desirable to our markets. Our improved roller-blind range launched in 2018 has shown growth and in 2019 we launched a new external blind range.

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

Installation and after sales service

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.

HOW THE GROUP **IS GOVERNED**

Corporate governance report

Governance structure at the date of this report

Trellidor Holdings Board

Terry Dennison (CEO)[^]
Damian Judge (CFO)[^+]
Mark Olivier (Chairman)[$@]
Ralph Patmore (lead independent)[$@]
John Winship[$@]

Board sub-committees

Audit, Risk and Compliance Committee

Ralph Patmore[C]
Mark Olivier
John Winship

Remuneration and Nominations Committee

Ralph Patmore
Mark Olivier (Nominations)[C]
John Winship (Remuneration)[C]

Social and Ethics Committee

Mark Olivier[C]
Ralph Patmore
John Winship
Terry Dennison
Damian Judge
Peter Rawson

Attendance at meetings during the financial year

Attendees at meetings	Board			
Mark Olivier	4(4)	4(4)	4(4)	2(2)
Ralph Patmore	4(4)	4(4)	4(4)	2(2)
John Winship	4(4)	4(4)	4(4)	2(2)
Terry Dennison	4(4)	4(4)[#]	4(4)[#]	2(2)
Damian Judge	2(2)	2(2)[#]	2(2)[#]	1(1)
Peter Rawson	3(4)[#]	–[#]	–	2(2)

[+] *Appointed 1 March 2019*
[#] *Invitee to the committee/board*
[$] *Non-executive director*
[@] *Independent*
[C] *Chairman of particular committee*
[^] *Executive director*

Meeting attendance

Board and committee meetings were held quarterly in line with the group's financial reporting cycle. All directors attended all the meetings of the Board and the committees on which they served during the 2019 financial year. The details are reflected in the schedule above.

Expertise

The Board together with the Nominations Committee have assessed the expertise of the directors and are comfortable with the Board and Committee members level of expertise.

Board composition

As evidenced below, the Board has the appropriate balance of knowledge, skills, experience, diversity and independence to objectively and effectively discharge its governance role and responsibilities. The diversity in membership experience creates value by promoting better decision-making and effective governance. The diversity of experience set out hereunder reflect the composition of the Board as at the date of this report.

Board committees

Diversity of expertise

Policy: To create an experienced Board with the appropriate balance of knowledge and skills in areas relevant to the Group.

Name	Education	Tenure	Previous sectoral experience
John Winship	B Business Science – actuarial Certificate of Investment – Institute of Actuaries	Appointed 26/10/2006	Insurance – long-term and short-term (7 years – overseeing and director) Private banking – 4 years (overseeing role) Asset management – 43 years
Mark Olivier	BCom CA(SA)	Appointed 26/10/2006	Private equity – 15 years Asset management – 15 years Property – 15 years Corporate finance – 25 years
Ralph Patmore	BCom, MBL	Appointed 28/10/2015	NED experience – 10 years Manufacturing – 20 years (Executive) Building and Construction – 30 Years (Executive)
Terry Dennison	BCom CA(SA)	Appointed 01/06/2002	Manufacturing – 21 years (Executive)
Damian Judge	BCom CA(SA)	Appointed 01/03/2019	Manufacturing – 8 years (Executive)

Custodians of governance

The Board members accept responsibility as the custodians of corporate governance within the Group and are therefore accountable to stakeholders for the provision of value-enabling governance. The Board is constituted, in terms of the Company's Memorandum of Incorporation, of a majority independent non-executive directors who bring diversity to Board deliberations and create sustained value by constructively challenging management.

Trellidor continues to be committed to upholding the highest standards of ethics and good governance while pursuing wealth and value creation for its stakeholders. This process encompasses a stakeholder inclusive approach which includes timely, relevant and meaningful reporting to shareholders and other stakeholders providing a proper and objective perspective of the Company and its activities. The members of the Board act with independence of mind and in a manner that they believe is reasonable, accountable, fair and transparent.

The Board remains the focal point of good governance and exercises sound judgement and leadership with integrity, guided by principles of responsibility, accountability, fairness and transparency. As previously reported, the Board assessed the application of the principles set out in King IV and remain aligned to achieving the four desired governance outcomes, namely ethical culture, good performance, effective control and legitimacy. The recommended practices associated with each principle are applied to give effect to that principle. The Company's King IV application register is available at holdings.trellidor.co.za. The Board is committed to continuously improving governance and will on an ongoing basis review its governance practices to fully meet the requirements of King IV.

The Company promotes the highest standards of ethical behaviour among all persons involved in the Group's operations in line with its adopted 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. The Company has a zero tolerance policy in respect of the committing or concealment of fraudulent acts by employees, contractors or suppliers.

As part of the Board's commitment to best practices in corporate governance and in order to ensure application and compliance with King IV and relevant laws, regulations and responsible corporate citizenship, they have ensured that mechanisms and policies, which are appropriate to the Company's business, are in place. The Board reviews these from time to time.

The formal steps taken by the directors are summarised on the following pages.

Trellidor Board

Composition	The Board at the time of issuing this report consisted of two executive directors and three non-executive directors, all of whom are independent. The Board has ensured that there is an appropriate balance of power and authority on the Board, such that no one individual or block of individuals can dominate the Board's decision-making. The non-executive directors are individuals of 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, diversity and employment equity, standards of conduct and other important decisions. The Board has applied its mind to the independence of Mark Olivier and John Winship who have both served as non-executive directors since 2006 and is comfortable that they remain independent. Although not required, the Board agreed that a lead independent non-executive director would be appointed. As previously reported, Ralph Patmore was appointed lead independent non-executive director on 7 September 2017. The non-executive directors are required to sign a formal letter of appointment, in which they confirm their commitment to the Board and any committees they may be appointed to. An overview of each directors age and experience is set out on pages 8 and 9 of this integrated annual report, with their detailed CVs on the Company's website holdings.trellidor.co.za.
Frequency of meetings	Board meetings are held at least quarterly, with additional meetings convened when circumstances necessitate. The Board met four times prior to the end of the financial year.
Roles and responsibilities	The Chairman, Mark Olivier, is an independent non-executive director whose role continues to be separate from that of the CEO, Terry Dennison. Their roles and responsibilities have been clearly defined and are distinct to ensure checks and balances in terms of decision-making. The Chairman is considered to be independent in terms of King IV. 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, and although still responsible for, it has delegated to the CEO and executive management the responsibility for the implementation of the Group's strategy and the day-to-day operational decisions and business activities. The Board is also responsible for key policies and for approving financial objectives and targets. The Board, as a whole, continues to act as the focal point for and custodian of the Company's corporate governance, ensuring that Trellidor is a responsible corporate citizen in light of the impact its operations might have on the environment and the society in which it operates. The Board is also responsible for identifying and managing the Group's risks. The Board has analysed these risks and agreed their tolerance levels. The ongoing management of these risks is addressed by the Audit, Risk and Compliance Committee and the executive directors. The Board is of the view that the risk management processes that are in place effectively assist in managing the Group's risks. A risk assessment identifying the various risks together with the associated mitigating measures as well as identified opportunities, appear on page 18 of this integrated annual report. The Board operates according to a Board Charter, which is available at holdings.trellidor.co.za. The Charter ensures compliance with the principles of King IV and relevant legislation, as well as South African accepted standards of best practice. It sets out the powers of the Board and provides a clear division of responsibilities and the accountability of Board members, both collectively and individually. The information needs of the Board are reviewed annually and directors have unrestricted access to all Company information, records, documents and property to enable them to discharge their responsibilities sufficiently. Efficient and timely methods of informing and briefing Board members prior to Board meetings are in place and in this regard key risk areas, key performance areas and non-financial aspects relevant to the Company have been identified and continue to be monitored. Directors are provided with information in respect of key performance indicators, variance reports and industry trends.
Evaluation	The Board has agreed that in order to improve its effectiveness, regular evaluations (formally every two years) 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. On completion of the latest evaluation, it was found that the Board has duly completed its responsibilities in accordance with its Charter. The Board together with the Nominations Committee has considered both the composition of the Board and it various committees and the independence of the non-executive directors and believe that the Board members bring a wealth of industry and financial experience with the non-executive directors remaining independent. The Board is comfortable that the size and composition of the Board and the various Committees is appropriate for the size of the Company. Directors' and officers' liability insurance is provided by the Company.

Appointments to the Board

There is both a formal 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. The appointments are subject to confirmation by the shareholders at the Annual General Meeting. They are free from any dominance of any one particular shareholder.

Any new incoming directors will be taken through a formal orientation programme which enables them to familiarise themselves with the Company's operations, senior management and its business environment, and to induct them in their fiduciary duties and responsibilities. New directors with no or limited board experience would receive development and education to inform them of their duties, responsibilities, powers and potential liabilities.

All non-executive directors will be subject to retirement by rotation and re-election by shareholders at least once every three years in accordance with the Memorandum of Incorporation.

Meetings of the Board and Committee meetings are formally minuted; these include any meetings at which appointment of directors is discussed and/or confirmed.

Directors' personal interests and conflict of interest

The Board has determined a policy for detailing the manner in which a director's interest in transactions is declared and the interested director's involvement in the decision-making process. This policy is followed by all directors. A full list of directors' interests is maintained, considered at each Board and Committee meeting 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, group employees and their associates 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, any period while the Company is trading under cautionary announcement and at any other time deemed necessary by the Board.

The policy is managed by the Company Secretary with the persons authorised to clear directors for trading in open periods being the Chairman and in his absence (or in the case of any potential conflict) the lead independent director.

Board committees and delegation of authority

The Board delegates certain functions to well-structured committees. These committees assist the Board by giving detailed attention to certain of the Board's responsibilities and they operate within defined written terms of reference/charters, as well as within the delegation of authority framework.

The Board has approved a delegation of authority framework, which delegates certain responsibilities or decisions to the Executive and the Board Committees while retaining authority, where appropriate, at Board level.

The framework in addition to delegating authority, also defines authority limits. The delegated responsibilities in terms of certain functions to the Audit, Risk and Compliance Committee, the Remuneration and Nomination Committee and the Social and Ethics Committee remain unchanged. The Board is conscious of the fact that such delegation of duties is not an abdication of the Board members' responsibilities. The Board continues to maintain effective control. The various committees' terms of reference/charters and the authority framework are reviewed at least annually.

External advisers and executive directors who are not members of specific committees are invited to attend committee meetings by invitation, if deemed appropriate by the relevant committee. These invitees are not entitled to any fees for their attendance at the meetings.

[#] *The Board approved and adopted Diversity Policy covers both gender and race diversity. A copy is available on the Company's website holdings.trellidor.co.za*

Audit, Risk and Compliance Committee

Composition	Three members Ralph Patmore (Chairman), John Winship and Mark Olivier, all of whom are independent non-executive directors. The Chairman of the Board is a member of the Committee. Despite this being contrary to the recommendations of King IV, the Board is of the opinion that Mr Olivier is sufficiently independent to discharge his duties as a member of the Committee. Members contribute extensive financial expertise and experience as well as knowledge of Trellidor.
Frequency of meetings	Committee meetings are held at least quarterly, with additional meetings convened when circumstances necessitate. The committee met four times prior to the end of the financial year.
Responsibilities	The committee's primary objective is the provision to the Board of additional assurance regarding the efficacy and reliability of the financial information used by the directors to assist them in the discharge of their duties. The committee has and will continue to provide satisfaction to the Board that adequate and appropriate financial and operating controls are in place, that significant business, financial and other risks have been identified and are being suitably managed, and that satisfactory standards of governance, reporting and compliance are in operation. Refer to further detail in the committee report on page 58. The committee operates according to a Charter, which is available at holdings.trellidor.co.za. The Committee confirms that it has fulfilled its responsibilities in terms of its charter, for the period under review.

Nominations Committee#

Composition	Three members Mark Olivier (Chairman), John Winship and Ralph Patmore, all of whom are independent non-executive directors. Members contribute extensive expertise and experience as well as knowledge of Trellidor.
Frequency of meetings	Committee meetings are held at least quarterly, with additional meetings convened when circumstances necessitate. The committee met four times prior to the end of the financial year.
Responsibilities	The Nominations Committee is responsible for assisting the Board with the appointment of directors by making appropriate recommendations in this regard. It is responsible for reviewing the Board composition and structures, including the size and composition of the various Board Committees and considering whether there is an appropriate split between executive, non-executive and independent directors. It is responsible for the appropriate induction and training of directors and conducting performance reviews of the Board and various Board Committees. It is also responsible for ensuring the proper and effective functioning of the Board and assists the Chairman in this regard. This includes the consideration of succession planning in respect of the non-executive and executive directors and senior management. A formal succession plan has been presented to, and has been approved by, the committee. In the event of a vacancy the committee will consider candidates, in line with the Group's previously adopted Diversity Policy, on merit against objective criteria and with due regard for the potential benefits of diversity at Board level. The committee will continue to discuss and annually agree on all measurable targets for achieving diversity on the Board The committee operates according to a Charter, which is available at holdings.trellidor.co.za. The Committee confirms that it has fulfilled its responsibilities in terms of its charter, for the period under review. # *The Remuneration and Nominations Committees meet jointly, the Chairmanship changes to address Nominations and Remuneration matters separately.*

Remuneration Committee#

Composition	Three members John Winship (Chairman), Ralph Patmore and Mark Olivier, all of whom are independent non-executive directors. Members contribute extensive expertise and experience as well as knowledge of Trellidor.
Frequency of meetings	Committee meetings are held at least quarterly, with additional meetings convened when circumstances necessitate. The committee met four times prior to the end of the financial year.
Responsibilities	The Remuneration Committee is constituted as a committee of the Board for the purposes of considering executive and non-executive director's remuneration. It also appraises the performance of the CEO and CFO at least annually. The committee further has the responsibility and authority to consider and make recommendations to the Board on, *inter alia,* the Remuneration Policy of the Company, the payment of performance bonuses, executive remuneration, short, medium and long-term incentive schemes and employee retention schemes. The committee uses external market surveys and benchmarks to determine executive directors' remuneration and benefits as well as non-executive directors' fees. Refer to further detail in the Remuneration Committee report on page 50. The committee operates according to a Charter, which is available at holdings.trellidor.co.za. The Committee confirms that it has fulfilled its responsibilities in terms of its charter, for the period under review.

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

Social and Ethics Committee

Composition	Six members, Mark Olivier (Chairman), Ralph Patmore, John Winship, Terry Dennison, Damian Judge and Peter Rawson which comprise three independent non-executive directors, two executive directors, and a prescribed officer. The Chairman of the Board also chairs this Committee. Despite this being contrary to the recommendation of King IV, the Board is of the opinion that Mr Olivier is sufficiently independent to discharge his duties as the Committee chair. Members contribute extensive expertise and experience and knowledge of Trellidor.
Frequency of meetings	Committee meetings are held at least bi-annually, with additional meetings convened when circumstances necessitate. The committee met twice prior to the end of the financial year.
Responsibilities	The Social and Ethics Committee's responsibilities encompass monitoring, measuring and regulating the impacts of the Group on its material stakeholders and environments, having regard to any relevant legislation, other legal requirements and prevailing codes of best practice, in respect of social and economic development, good corporate citizenship (including the promotion of equality, prevention of unfair discrimination, the environment, health and public safety, and the impact of the Company's activities and of its products or services), consumer relationships and labour and employment issues. Ethical standards, in dealings with all stakeholder groups, including suppliers, customers, business partners, government, communities and society at large, are in place and their ongoing implementation is monitored by the committee. 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 committee also takes responsibility for advising the Board on all relevant aspects that may have a significant impact on the long-term sustainability of the Group and which influence the Group's triple bottom-line reporting. The committee will also draw to the Board's attention any other matters within its mandate and also reports to the shareholders at the Company's Annual General Meeting. In order to carry out its functions, the committee is entitled to request information from any directors or employees of the Company, attend and be heard at shareholders' meetings, and receives notices in respect of such meetings. Refer to further detail in the committee report on page 48. The Committee confirms that it has fulfilled its responsibilities in terms of its charter, for the period under review. The committee operates according to a Charter, which is available at holdings.trellidor.co.za.

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. The information needs of the Board are reviewed annually.

Company Secretary

The Company Secretary advises the Board of any relevant regulatory changes and/or updates. In addition, she provides a central source of guidance to the Board, individual directors and sub-committees on how to discharge their responsibilities in the best interests of the Company as well as on matters of ethics and good corporate governance. 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. This includes any meetings at which appointment of directors is discussed and/or confirmed.

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 Company Secretary, Paula Nel, a suitably qualified, competent and experienced Company Secretary, has been appointed and appropriately empowered to fulfil duties and provide assistance to the Board. The Company Secretary is an independent contractor and not a director or employee of the Company. She has an arm's length relationship with the Board, who can also remove her from office.

The Company Secretary is subject to an annual evaluation by the Board. Having completed the evaluation process, the Board is satisfied with the expertise, experience, competence and qualifications of the Company Secretary and confirms that the relationship between the Board and the Company Secretary remains at arm's length.

Information and technology ("IT") governance

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

The Information and technology 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 and 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.

Information and technology governance is an integral part of the Company's approach to governance. Executive management is tasked with managing IT risks, with oversight from the committee.

The Board is mindful of the importance of safeguarding Company information and intellectual capital, and ensures that appropriate technology architecture is maintained to protect information.

Executive management, with the committee's oversight, ensure effective management of IT resources and facilitates achieving the Company's strategic objectives.

The committee together with the Board review opportunities for improved efficiencies and value that technology can add to the business. Equally, they are conscious of risks that may affect the security of classified information and intellectual capital.

The CFO is responsible for IT and has the appropriate levels of knowledge and experience and interacts regularly with the committee on IT governance matters.

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 as amended.

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 Board.

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.

Legal compliance

The Company Secretary, together with the Group's Sponsor, monitors compliance with the recommendations set out in King IV, the JSE Listings Requirements and the Companies Act.

Legal and legislation-related matters are addressed at each Board meeting and, specifically, new legislation which affects the Company is discussed in detail. 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.

Employment equity

The Group is compliant with the requirements of the Employment Equity Act. A summary of the Employment Equity Plan submitted to the Department of Labour is tabled below.

Group	Male	Female
African	**20%**	**13%**
Indian	**16%**	**4%**
Coloured	**20%**	**15%**
White	**8%**	**4%**

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 Broad-Based Black Economic Empowerment Act, No. 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. Trellidor is in the process of complying with both the JSE Listings Requirements and section 13(G)(2) of the B-BBEE Act. A copy of the relevant documents will be made available on the Company's website, holdings.trellidor.co.za, in due course.

The Group continues with its strategy to improve its B-BBEE scorecard.

King IV Compliance Review and Application Register

The Board endorses the Code of Corporate Practices and Conduct as contained and recommended in King IV and the JSE Listings Requirements. As reported in the prior year, a King III/IV gap analysis was completed. The details are recorded in the application register, which is included on the Trellidor website, holdings.trellidor.co.za.

The Board is comfortable that all the gaps identified have either been addressed or are being addressed.

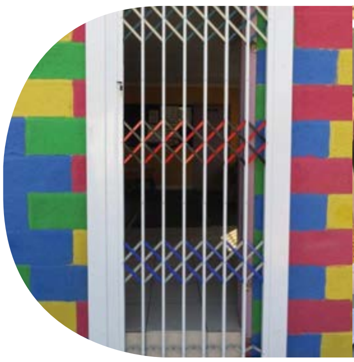
For the 2019 financial year, the Board hereby confirms that the Company has applied the principles of King IV and explained the application of all principles.

The Board continues to strive to ensure that the interests of all the Company's stakeholders are protected and that adherence to the principles of good corporate governance espoused by King IV remains a commitment of the Group. It is the intention of all directors that the principles of integrity and the highest ethical standards are upheld by all who serve the Company and its stakeholders.

The Board is satisfied that appropriate governance structures exist and are operational within the Company, and it has implemented the procedural recommendations that have emanated from King IV as well as appropriate legislation.

Governance documents available on the Company's website:

- Board and committee charters.
- Chairman's charter.
- Lead independent director charter.
- Director trading, external communication confidentiality policy.
- Declaration of interest policy.
- King IV application register.
- Ethics and code of conduct policy.
- Board appointment policy.
- Diversity policy.
- Form B-BBEE 1 lodged with B-BBEE Commission.
- SENS announcements.



Social and Ethics Committee report

TRELLIDOR believes that the livelihood of individuals can be improved through corporate initiatives which enable access to education and which support employment equity, enterprise development and preferential procurement.

The information below constitutes the report of the Social and Ethics Committee ("Committee") in accordance with the requirements of the Companies Act of South Africa, in respect of the 2019 financial year of Trellidor Holdings Limited.

As reported on page 40, the Committee is chaired by Mark Olivier and further comprises John Winship, Ralph Patmore, Terry Dennison (CEO), Damian Judge (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, measuring and regulating it's social and economic development, its corporate citizenship, labour relations and impacts of the group on its material stakeholders and environments. The committee also takes responsibility for advising the Board on all relevant aspects that may have a significant impact on the long-term sustainability of the Group and which influence the Group's triple bottom-line reporting.

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 Committee Charter sets out the committee's scope and responsibilities and it is reviewed annually to confirm compliance with King IV and the Companies Act 71 of 2008 and to ensure the incorporation of best practice developments.

The effectiveness of the Committee is assessed regularly (formally every two years) 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.

The Committee has agreed that its Strategic focus areas, in addition to its statutory responsibilities, are:

1. Workplace and employment: Employment Equity/B-BBEE Transformation, employee education and development, protocols on decent work and working conditions, prevention of unfair discrimination;
2. Social: Corporate Social Investment ("CSI"), Social Economic Development ("SED"), Community development, donations and sponsorship, reduction of corruption, consumer protection;
3. Procurement;
4. Enterprise Development;
5. Ethics;
6. Safety and environment: Public Health and Safety, environmental, sustainability and green issues
7. Preference will be given to projects where the major beneficiaries are black South African youth (10-25 years), black South African women and previously disadvantaged communities; and
8. CSI initiatives which focus on education, welfare, skills transfer and job creation.

Workplace and employment

Transformation and Employment Equity

At Board level, in respect of Board appointments, the Group has adopted a Diversity Policy which is followed when considering any future Board appointments.

From an employee perspective, the Group is compliant with the Employment Equity Act. The detail is set out on page 47 of the integrated annual report.

Employee education and development

A workplace skills plan ensures that all employees receive the skills training required to fulfil their roles as well as refresher training which ensures that industry quality and safety standards are maintained. Staff are also offered support in studying in order to improve their education and qualifications.

Trellidor employs several apprentices and interns who receive formal training and guidance onsite as well as at independent training facilities. We are proud to say that in the 2019 financial year, a commitment was made to support 11 physically challenged individuals from disadvantaged backgrounds in attaining their NQF 2 and NQF 3 qualifications. Their course fees were sponsored by Trellidor and they also received a monthly stipend. The program selected included classroom training at an independent training facility, on-the-job learning, mentoring and coaching. Once completed, employment will be sourced for the learners, either at Trellidor or at an employer closer to their homes.

The business meets with its shop stewards and union representatives to ensure that good relations with employees are maintained. Regular teambuilding events are also held for staff.

Protocols on decent work and working conditions

The company has an explicit and detailed Safety, Health, Environment, Risk and Quality (SHERQ) Policy and a SHERQ team who are dedicated to ensuring it's implementation, monitoring and compliance. Monthly Health and Safety Committee meetings are held to receive feedback regarding SHERQ and allow the committee to respond accordingly. Health and Safety performance (accidents, illnesses etc) is measured and reported on regularly. Successful completion of annual audits ensure that the Trellidor Durban production processes are ISO 9001:2015 certified.

Safety and environment

The Group measures their water consumption and to reduce water waste has installed water-saving devices in key areas and also ensures all plumbing is in efficient working condition. Gardens have been planted with waterwise plants and rain tanks harvest water for any vehicle/machinery washing and the garden. A modern effluent plant processes waste water into useable water that can be released safely back into the environment; the quality of this water is monitored and verified against set municipal standards. An accredited waste management company processes chemical waste, and where possible it is recycled for re-use. The business also makes use of recycling facilities for waste generated within the business model – this includes the separation and recycling of aluminium, steel, plastics, card and paper.

Prevention of unfair discrimination

The Committee regularly reviews the various policies and procedures that management have put in place which ensure the prevention of unfair discrimination. The Board, the Committee and management do not support and/or tolerate any behaviour that is deemed or perceived to be discriminatory in any way.

Procurement

The group encourages business relationships with suppliers, who pursue sound employment equity and black economic and empowerment programmes. The Group promotes the development of black-owned businesses and is proactively putting in place initiatives that it anticipates will assist it in improving its BBBEE rating. The Group continues to seek opportunities to sustainably increase its participation in enterprise development. The Trellidor business model has assisted in the development of some 60 franchises in South Africa and 19 in Africa.

Customer data security and privacy

An external service provider manages all IT services within the Group. Their service level agreement ensures that the Group's IT systems and data are managed to ensure compliance with world class standards. An IT Policy that governs both system use and data storage is in place and all employees are required to ensure compliance with the policy and its practices. Users gain access to systems with an authenticated username and password. Confidential paperwork is sent offsite to an accredited Service provider who deals with the storage and where required destruction of documents in terms of Industry standards. Measures have been implemented to improve backups of all systems containing customer or personal information.

Ethics

As reported in the Governance section of this report, the adopted Code of Ethics underpins both the Board and employees conduct and behaviour so as to ensure that they uphold the highest standard of ethics.

Social and economic development

During the year, the Trellidor Group responded to its social and economic development responsibilities by participating in several community development initiatives:

- Seed of Hope equips Grade 8 to 12 students through life skills, leadership development and career preparation; provides support groups for the elderly and new moms, crisis intervention and community care as well providing programs where sewing, baking and employment-seeking skills are taught. Trellidor assisted by providing products to secure their newly renovated Bake for Profit training facility.
- Feed the Babies educates the caregivers in educare centres in Early Childhood Development programs; provides centres with a fortified, concentrated cereal that contains the correct ratio of vitamins, proteins and minerals required for the development of a young child; provides educare centres with items such as blankets, mattresses, tables and chairs, stationery, toys and any other necessities and assists needy educare centres in uplifting the condition of their premises. Trellidor assisted by providing products to secure two creche buildings – one of which had burned down and been rebuilt and the other which had recently been burgled.
- A cash donation was made to Khanyisa School and Therapy Centre, which has established a trans-disciplinary school environment and extra mural programmes that successfully integrates therapy goals and independence into the classroom.
- Continues to support Young Bafana, which is a non-governmental organization in Cape Town, offering a holistic development programme for children from historically and socially disadvantaged backgrounds in South Africa by means of soccer and education by making monthly cash donations.
- Continues to make cash donations to Boystown, which is a national non-profit organisation that runs proven and successful programmes to strengthen vulnerable youth.
- Made smaller donations to a number of organisations, including the Wildtrust Noluthando School for the Deaf, Oppie Koppie Creche, The Sunflower Fund and Highway Hospice

In accordance with its mandate, the Committee met twice during the year under review. Attendance at Committee meetings is set out on page 40 of the integrated annual report. The Committee is satisfied that Trellidor is fulfilling its social and ethical obligations as a good corporate citizen as well as having fulfilled its statutory duties.

Remuneration Report

The remuneration report is structured into 3 sections in line with King IV guidelines: 1. Background statement, 2. Policy and 3 Implementation report.

PART 1: BACKGROUND STATEMENT

This remuneration report outlines the background, philosophy and policy and the implementation details of the remuneration of executive directors, executive management and non-executive directors, and at a high level, the rest of the employees of Trellidor Holdings. The changes to the report are part of the ongoing process of aligning to King IV, the JSE Listings Requirements and shareholder feedback.

The decline in the economic activity in South Africa impacted on the Company profits. Management implemented various defensive strategies to enhance efficiencies and protect margins. Management also focused on international opportunities to mitigate the weak local conditions. These actions will assist the Company going forward, but the continuing weakening of the South African economy is a major concern.

In March 2019, Damian Judge replaced Craig Cunningham as CFO. Craig Cunningham subsequently left the Company in May 2019. There were no payments made to Craig Cunningham in lieu of his termination of employment. The rest of the executive team remained the same and are committed to the continued focus on the Company strategy and its implementation.

The increases granted to the executives was 5.5% which we believe is in line with the market and appropriate considering the Company's situation. The short-term incentives are significantly less than in previous years. The current long-term incentive schemes, being option schemes, are out of the money and there is unlikely to be any value vesting this year for participants. These schemes will run their course, but no new awards will be made under these schemes.

Trellidor presented its remuneration policy and implementation report to shareholders for a non-binding advisory vote at its annual general meeting ("AGM") on 15 November 2018. The non-binding vote in respect of the remuneration policy was 82.448% for and 17.552% against. The non-binding vote in respect of the implementation report was 89.557% for and 10.443% against. These are above the thresholds recommended in King IV. However, the Remuneration Committee (Remco) established what were the main concerns raised by shareholders. These related in the main to the short (STI)- and long-term (LTI) incentive schemes.

The Remco addressed the concerns on the STI and the changes were implemented for 2019. The new STI is explained in the Policy section. The LTI scheme will be reviewed during 2020. The current scheme will remain in place until the awards already made have vested or expired. The current scheme has three years to run for the original award and four years for the subsequent award.

The focus of the Remco for next year will be on ensuring the STI drives the desired behaviours and achieves the short term objectives aligned to stakeholders' interests. A new LTI will be designed to align with best practice, the strategy of Trellidor and the shareholders and stakeholders objectives.

We will continue to improve the Company's alignment with King IV and to that end, a malus and clawback policy is being developed and will be implemented in 2020. The basic principles for the malus and clawback policy is that in the event that the Remco, in consultation with the Board and/or any committee of the Board, believes that a trigger event has occurred, for malus it has full discretion to reduce, in part or whole, unvested variable remuneration before the end of the vesting or payment period and for clawback to implement clawback for the whole or portion of vested variable remuneration. Trigger events will be specified and relate to, for example, the need for the restatement of the financial results, material non-compliance with financial reporting requirements and/or serious misconduct.

Trellidor has used remuneration consultants to assist in the drafting of the remuneration report. The contents of the report were provided by Trellidor and the final draft approved by the Chairman of the Remco. As such, the Remco is confident that remuneration consultants' input was objective and independent.

The Remco is satisfied with the Company's application of the requirements of King IV and the JSE Listings Requirements. Ongoing enhancements to the Company's remuneration policy and practices will continue to be assessed in future reporting periods. We believe the objectives of the remuneration policy are being achieved and the continued improvement in the report and policies will ensure better alignment with the Company, shareholder and stakeholder interests.

I would like to take this opportunity to thank the members of the Remco for their support and advice.

PART 2: OVERVIEW OF THE REMUNERATION POLICY

Non-binding advisory vote on remuneration policy

This remuneration policy is subject to an advisory vote by shareholders at the forthcoming AGM.

Remuneration philosophy

The philosophy is to align remuneration with the strategy, mission, vision and values of the Group by applying a total reward approach to pay. The intent is to attract, motivate and retain the right skills and talent for the Group to meet its desired outcomes whilst considering various stakeholders' perspectives. The policy aims to establish a balance between fixed and variable pay (short- and long-term incentives) which rewards and motivates superior performance. The policy aims to ensure an appropriate level of equity, transparency and consistency across the Group.

The Remuneration Committee

Committee responsibilities

The roles and responsibilities of the Remco are determined and approved by the Board, as explained in the corporate governance section of this integrated annual report, which deals with Board Committee structures and responsibilities.

The Remuneration Committee ("Committee") comprises three independent non-executive directors: John Winship (Committee Chairman), Ralph Patmore and Mark Olivier. The CEO and CFO attend 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 40 of the Corporate Governance Report. The formal Remuneration Committee Charter sets out the Committee's responsibilities. The Charter is reviewed annually to ensure compliance with King IV, the JSE Listings Requirements and the Companies Act, and to incorporate relevant best practice developments.

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.

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 remuneration, bonuses and incentives (both short- and long-term), thereby ensuring alignment of total remuneration with the needs of the business's short- and longer-term objectives.

Key responsibilities of the Committee are to:

- 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;
- make recommendations to the Trustees of the Share Incentive Trust with regard to the long-term incentive and the resultant allocation of shares;
- in conjunction with the Social and Ethics Committee 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 annual 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 and remuneration implementation report are tabled at the annual general meeting for non-binding advisory votes by shareholders.

Shareholder engagement

Where practical, the Remco continues to constructively engage with dissenting as well as other shareholders on matters related to disclosure, performance conditions and the structuring of remuneration packages.

In the event that either the Trellidor remuneration policy (as contained in Part 2 of this report) or the remuneration implementation report (as contained in Part 3 of this report), or both, are voted against by 25% or more of voting rights exercised by shareholders, on such votes the Remco will take the following steps as a minimum:

- An engagement process to ascertain the reasons for dissenting votes.
- Appropriately address legitimate and reasonable objections raised, which may include amending the remuneration policy or clarifying or adjusting the remuneration governance and/or processes.

Key principles of the remuneration policy

In designing a remuneration policy which is fair, transparent and responsible, Trellidor considered the following factors:

- remuneration which motivates executive management to achieve the business strategy and targets;
- remuneration which creates a strong, performance-oriented environment for executive management and all employees;
- remuneration which drives and rewards executives and all employees fairly based on their performance and which ensures alignment between executive management and shareholder interests to create shareholder value;
- remuneration of executive management which is fair and reasonable in the context of overall employees;
- remuneration which attracts, motivates and aims to retain high-calibre talent while keeping within market benchmark pay levels; and
- remuneration which promotes an ethical culture and responsible corporate citizenship.

Elements of remuneration

The remuneration structure for the executives and selected managers consists of the following elements:

1. Guaranteed Remuneration (GP)

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. Trellidor regularly conducts benchmarking studies to establish appropriate remuneration levels and practices to ensure fair, transparent and responsible remuneration for all staff including management. Trellidor makes use of market surveys to conduct remuneration benchmarking for all staff.

2. Variable pay

As per the background statement, the STI was reviewed and the changes implemented in 2019. The revised scheme is presented below.

A new LTI will be designed during 2019/20 and presented to the shareholders at the AGM in 2020 for a binding vote.
The information below is representative of the current LTI option scheme.

Short-Term Incentive (Annual Incentive)
Participation is for executives and selected managers. The incentive is linked to the financial performance of the Company and individual performance. 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.

Long-Term Incentive (Share Scheme)
In the form of share options for selected key employees. 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. 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.

The following table sets out the elements of the Trellidor remuneration design and how they link to Company performance and strategy:

Remuneration element	Key features	Eligibility	Link to strategy
Guaranteed pay	Guaranteed pay is the fixed remuneration which comprises both a cash element and benefits. These benefits are inclusive of pension and provident funds, medical aid, group life and income disability. Where justified a travel allowance may be structured as part of the remuneration.	All employees	Attraction, retention and recruitment of talented executives and competent employees to drive business performance.
Short-Term Incentive Scheme	The primary objective of the bonus scheme is to serve as a short-term incentive designed to motivate and reward the participants for achieving the annual goals set at the beginning of the year. The STI provides executives and senior managers with the opportunity to earn an annual bonus dependent on Group and individual performance. The factors taken into consideration when making payments are: a) annual financial results relative to target; and b) individual performance against key performance indicators (KPIs). The STI pool is capped as follows: 6% of earnings before interest and tax (EBIT) before STI provision and after LTI provision provided that the pool is less than or equal to the growth in EBIT over the prior year. ROIC must be 18% or more for any pool to be created. This is a hurdle/gatekeeper. In addition, each individual participant will have a maximum short-term incentive payment based on the following: • CEO – 100 % of GP • CFO and senior executives – 50% of GP • Other participants – 30% of GP Allocation of the pool is determined using the following: • Group Financial targets - 33.33% • Individual KPIs – 33.33% • Remco discretion – 33.33% Individual KPIs: based on assessment rating of the individual where: 0 = unacceptable = 0% 1 = progress made toward measure = 50% 2 = acceptable performance = 100% 4 = above expectation = 125%	Executives and selected managers#	To reward successful achievement of Company targets and personal performance. The financial measures used are: • Earnings before Interest and Tax (EBIT) • ROIC Return on Invested Capital calculated as follows: (EBIT – effective tax)/(Audited opening balance of operating invested capital – final dividends declared not paid) ROIC hurdle of 18% or more ensures that a minimum rate of return is provided for shareholders before the participants pool accumulates. EBIT, higher than the previous year, is directly related to the growth strategy and sharing an amount in excess of the hurdle ensures only above target performance is rewarded. Financial measures linked to Company and business units drives performance linked to an individual's area of focus. The individual KPIs for each executive and selected manager cascaded from the Company scorecard aligns all participants with the strategy. The Remco discretionary 33.33% provides Remco the opportunity to reward individuals who, over and above the other measures, have performed above expectation. In the event that there is no incentive pool, the Remco may award, at its sole discretion, one or more individuals a bonus up to a maximum of 20% of total guaranteed pay (TGP) for that individual in recognition of their exceptional performance.
Long-Term Incentive Scheme (Share Options Scheme)	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.	Executives and key employees#	To drive the long-term strategic business priorities of the Group. The Share Incentive Scheme had its first vesting in October 2018, whereafter no further awards have or will be made under this scheme. A replacement scheme will be designed and implemented in due course and the existing scheme will be phased out.

Non-executive directors do not participate

Executive and prescribed officers contracts

Employment agreements are in place for the executive directors, Terry Dennison and Damian Judge. 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.

Termination policy

In the event of a termination, the Company has the discretion to allow the relevant employee to either work out their notice or to pay the guaranteed pay for the stipulated notice period in lieu of notice. Furthermore, the various plan rules clearly outline termination provisions under different circumstances, as set out below.

Plan	Voluntary, resignation, dismissal	Retirement, ill-health disability	Retrenchment and death
STI	Automatic forfeiture of award for current year.	Award is pro-rated.	Award is pro-rated.
Share Incentive Scheme	All unvested awards shall be forfeited in their entirety and will lapse immediately on the date of termination.	If the participant retires, falls ill or is disabled prior to the vesting date, they shall remain entitled to the same rights and obligations for the next 12 months as if they remained employed by the Company. Any rights and obligations after the 12 month period lapse.	If the participant is retrenched or dies prior to the vesting date, they or the executor/legal representative shall remain entitled to the same rights and obligations for the next 12 months as if they remained employed by the Company. Any rights and obligations after the 12 month period lapse.

Non-executive directors' 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.

As required by the Companies Act the remuneration of non-executive directors will be presented for a binding vote by a special resolution at the AGM at least every second year.

The table below sets out the non-executive directors' fees template for the Board and Committees.

	2019		2020	
	Annual fee Rand	Per meeting fee Rand	Annual fee Rand	Per meeting fee Rand
Board Chairman	45 000	35 000	47 475	36 925
Director	40 000	25 000	42 200	26 375
Audit, Risk and Compliance Committee				
Chairman	–	30 000	–	31 650
Member	–	20 000	–	21 100
Remuneration and Nominations Committee				
Chairman	–	15 000	–	15 825
Member	–	10 000	–	10 550
Social and Ethics Committee				
Chairman	–	10 000	–	10 550
Member	–	7 500	–	7 913

The annual escalation in fees to be based on CPI and to be agreed by the remuneration and nominations committee. The fees proposed for the 2020 financial year ended reflect an increase of 5.5% on the 2019 financial year ended fees. Fees exclude Value Added Tax. The 2020 fees will be proposed to the shareholders at the Annual General Meeting on 14 November 2019.

Note that:

(1) No fees are paid to any invitees to the Board or committee meetings.

(2) The executive directors are not paid any fees for their membership or attendance at the Board or committee meetings.

PART 3: IMPLEMENTATION REPORT

Shareholders will be requested to cast an advisory vote on the remuneration implementation report as contained in this part 3 of the remuneration report.

In this part of the report, details are provided of the remuneration paid to executive and non-executive directors for the financial year ended 30 June 2019. The Remco considers these payments are in line with Company's remuneration policy.

Guaranteed package increases

In determining the guaranteed package increases for the CEO, CFO and Prescribed Officers for 2018/19, the Remco considered relevant market survey data from an independent consultancy company. The remuneration for executives is benchmarked against companies of comparable size and complexity with reference to market capitalisation, revenue, profitability and number of employees.

In 2018/19 the committee approved an increase of 5.5% for the CEO, CFO and the other executives.

Single figure of remuneration

The total remuneration of executive directors and prescribed officers on a single figure basis, as required by King IV is shown below:

2019	Guaranteed package Rand	STI[2]	LTI[1]	Total remuneration Rand
TM Dennison	**3 374 464**	**–**	**–**	**3 374 464**
DJR Judge	**583 408**	**150 000**	**–**	**733 408**
PWE Rawson	**2 379 989**	**–**	**–**	**2 379 989**
CG Cunningham	**1 198 446**	**–**	**–**	**1 198 446**
	7 536 307	**150 000**	**–**	**7 686 307**

[1] *The second tranche of share options due to vest in October 2019 are currently underwater and are unlikely to have any value when they vest.*

[2] *The STI figures are significantly down on last year's numbers due to the Group not achieving target performance.*

2018	Guaranteed package Rand	STI[2]	LTI[1]	Total remuneration Rand
TM Dennison	3 198 335	465 378	–	3 663 713
CG Cunningham	1 138 204	82 792	–	1 220 996
PWE Rawson	2 255 924	194 788	–	2 450 712
	6 592 463	742 958	–	7 335 421

[1] *The first tranche of share options vested in October 2018, and are included in the above table.*

[2] *The STI figures reported on in the table above are for the achievement of targets in the financial year 2017/18. These amounts were paid in October 2018.*

Non-executive director fees[1]

	Directors' fees Rand	Total Rand
2019		
MC Olivier	**325 000**	**325 000**
JB Winship	**295 000**	**295 000**
RB Patmore	**315 000**	**315 000**
	935 000	**935 000**
2018		
MC Olivier	246 100	246 100
JB Winship	246 100	246 100
RB Patmore	246 100	246 100
	738 300	738 300

[1] *These fees are approved at the AGM and the increased fee is paid from the quarter following the AGM.*

Short-term incentive payments for 2018/19

The incentives were determined using the revised scheme as presented in the Policy section.

In 2018/19 bonuses were paid to the CEO, CFO and Prescribed Officers of the Group as per the single figure tables disclosed above in the single figure table.

The hurdle of equal to or more than 18% ROIC was not achieved and therefore no pool was created. The bonus awarded to the CFO was based on Remco's discretion.

Long-term incentive payments for 2017/18

On 18 October 2016, 5 060 984 options were awarded to key employees of the Group.

Further options totaling 1 830 920 were approved for award on 18 October 2017 to key employees of the Group.

No further awards were made or will be made under this scheme. For further details refer to the Annual Financial Statements on the company website, holdings.trellidor.co.za.

This brought the total options awarded to 6 891 904. Shareholders have approved a maximum share option allocation of 10 000 000 shares with the maximum to any individual of 5 000 000 shares.

The first vesting of the options was in October 2018 and as the options were underwater, zero value vested and the options expired. There are four tranches outstanding which vest in October 2019, October 2020, October 2021, and October 2022. The results of the vesting will be reported on in the remuneration report covering the vesting period.

Options totaling 1 265 246 vested and expired in October 2018.

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 of South Africa, for Trellidor Holdings Limited.

The committee is an independent statutory committee and, in addition to having specific statutory responsibilities to the shareholders in terms of the Companies Act, also assists the board through advising and making submissions on financial reporting, oversight of the risk management process and internal financial controls, the external and internal audit functions, information and technology governance, as well as the statutory and regulatory compliance of the Company.

Terms of reference/charter

The committee has adopted a formal charter which has been approved by the Board and has been incorporated in the Board charter.

The charter sets out the committee's responsibilities and it is reviewed annually to confirm compliance with King IV and the Companies Act and to ensure the incorporation of further best practice developments.

Membership

The committee comprises three independent non-executive directors and who have served on the committee throughout the period. The Chairman of the Board is a member of the Committee. Despite this being contrary to the recommendation of King IV, the Board is of the opinion that Mr Olivier is sufficiently independent to discharge his duties. The CEO, CFO and representatives from the external and internal auditors attend the committee meetings by invitation only. The external and internal auditors have unrestricted access to the committee.

At the date of this report, the committee comprised the following directors:

Director	Period served
RB Patmore (Chairman)	28 October 2015 – current
JB Winship	28 October 2015 – current
MC Olivier	28 October 2015 – current

The Nominations Committee and the Board are satisfied that these members have the required knowledge and experience as set out in Section 94(5) of the Companies Act and Regulation 42 of the Companies Regulations, 2011. They have also considered and are comfortable with the committee composition. The re-appointment of committee members will be a matter for consideration by shareholders at the forthcoming Annual General Meeting. The Company Secretary is the secretary of this committee.

Ralph Patmore, representing the committee, attends the Annual General Meeting to answer any questions relating to matters within the committee's ambit.

Meetings

The committee performs the duties required of it by Section 94(7) of the Companies Act by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor.

Four scheduled meetings of the committee were held during the financial year, this being in accordance with its charter, King IV and the Companies Act.

The committee meets with external audit and the Chairman with internal audit and external audit without the presence of management at least once per annum.

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

Responsibilities

In the execution of its statutory duties relating to the financial year under review, the committee:

- Reviewed the principles, policies and practices adopted in the preparation of the financial statements of the Group to ensure that the financial statements of the Group and any other formal announcements relating to the financial performance complied with all statutory and regulatory requirements as was required;
- Ensured that both the consolidated interim and consolidated final financial statements of the Group, in respect of the first six-month period and the full financial period respectively, complied with all statutory and regulatory requirements;
- Nominated and recommended the appointment of the external auditors, Mazars, to the shareholders at the Annual General Meeting;
- Determined the auditor's terms of engagement, confirmed their independence, and approved their fees;
- Reviewed the Group's compliance with applicable legislation and requirements of regulatory authorities;
- Reviewed the reports of the Group's external and internal auditors to ensure the adequacy and effectiveness of the Group's financial, operating compliance and risk management controls;

- Determined the nature and extent of any non-audit services performed by the external auditors and ensured that these were kept to a minimum;
- Pre-approved any proposed agreement with the auditors for the provision of non-audit services to the Company or Group;
- Received and dealt appropriately with any concerns or complaints, whether from within or outside the Company, or on its own initiative, in relation to the matters as set out in the Companies Act;
- Performed duties that are attributed to it by its mandate from the board, the Companies Act, the JSE Limited and regulatory requirements;
- Considered the JSE's proactive monitoring report as issued in February 2019 and the possible impact on the annual financial statements;
- Reviewed the first-time adoption of IFRS 9 and 15 and assessed the impact on the Group;
- Approved materiality for the Group consolidated financial statements in terms of IFRS Practice Statement 2-Making Materiality Judgements; and
- Considered proposed changes to the Companies Act, JSE Listings Requirements and King IV.
- In addition to its statutory duties, the committee also performed the following duties:
- Reviewed and approved the Group's Internal Audit Charter;
- Reviewed the scope and report provided by the internal auditors;
- Reviewed the effectiveness of the internal financial controls;
- Reviewed the expertise and experience of the CFO, and the finance function; and
- Reviewed the Group's going concern status.
- The committee is satisfied that the internal controls are effective.

Risk management

The committee is responsible for ensuring that management's processes and procedures are adequate to identify, assess, manage and monitor group-wide risks.

The committee has performed the following duties:

- Overseen risk management by reviewing and approving the key risks facing the Group;
- Reviewed the management of risk and monitored compliance effectiveness within the Group;
- Assisted the Board in its review of the Group's risk management and compliance policies; and
- Monitored compliance with the JSE Listings Requirements.

The committee is satisfied that the appropriate risk management processes and policies are in place.

External auditor

In the execution of its statutory duties relating to the financial year under review, the committee has:

- Nominated and recommended Mazars for re-election as the independent external auditor of the Company under Section 94(8) of the Companies Act and Tertius Erasmus as the designated audit partner, who is a registered independent auditor, for the 2019 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;
- Taken into consideration such factors as the timing of the audit, the extent of the work required and the scope and in consultation with executive management agreed the engagement letter, terms, audit plan and budgeted audit fees for the financial year ended 30 June 2019. The committee considered the fee to be fair and appropriate;
- Considered and approved the external audit fee;
- Satisfied itself that the external auditor is suitable for re-appointment by considering, *inter alia* the information stated in paragraph 22.15(h) of the JSE Listings Requirements;
- Ensured that the appointment of the auditors complied with the provision of the Companies Act, and any other legislation relating to the appointment of auditors;
- Determined the nature and extent of any non-audit services that the auditors may provide to the Company or Group and pre-approved any proposed agreement with the auditors for the provision of non-audit services to the Company or Group, so as to ensure the independence of the external auditor is maintained. Separate disclosures have been made of the amounts paid to the appointed external auditors for non-audit services as opposed to audit services;
- Prepared a report, which has been included in the annual financial statements of the Company for the financial year under review; received and dealt appropriately with any concerns or complaints, whether from within or outside the Company, or on its own initiative, in relation to the matters as set out in the Companies Act; and

- Made submissions to the Board on any matter concerning the Company's accounting policies, financial control, records and reporting.

Based on processes followed by the committee and assurances received from the external auditor, nothing has come to our attention with regard to the independence of the external auditors.

The committee has requested that they be provided with any decision letters/explanations issued by IRBA or any other regulator and any summaries relating to monitoring procedures/deficiencies issued by the audit firm. There were no matters pertaining to the Group that were raised by IRBA or any other regulator.

The external auditors presented the committee with their audit findings, with no significant matters having been identified. The committee follows a comprehensive process to discuss and assess all audit findings.

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 PKF Durban and PKF Cape Town. The Group's situation and needs in terms of an internal audit function are reassessed on an annual basis.

Annual financial statements

The committee has reviewed the consolidated and separate financial statements of the Group for the financial year ended 30 June 2019, and is satisfied that they comply, in all material aspects, with the requirements of the Companies Act, International Financial Reporting Standards ('IFRS'), International Financial Reporting Interpretation Committee ('IFRIC') interpretations, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Listings Requirements of the JSE Limited.

These financial statements 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 external auditor has expressed an unqualified opinion on the financial statements for the year ended 30 June 2019.

The committee on an annual basis obtains feedback from the external auditors and considers and satisfies itself as to the appropriateness of the expertise and experience of the CFO and 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 after assessing the competence and performance of the CFO, they believe he possesses the appropriate expertise and experience to meet his responsibilities in that position. The committee is also satisfied with the expertise of the financial staff and the adequacy of resources within the finance function. The committee, in making these assessments, has satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements.

Based on the processes and assurances obtained, the committee is of the view that the accounting practices are effective and that appropriate financial reporting procedures exist and are working.

Regulatory compliance

The committee has complied with all the applicable regulatory and legal responsibilities.

Going concern

The committee through its review of the 2020 budget, cash flows, and discussions with executive management reported to the Board that it supports management's view that the Group will continue to operate as a going concern for the foreseeable future.

Integrated annual report

The committee has reviewed and commented on the annual financial statements and the disclosure of sustainability issues included in this integrated annual report to ensure that they are reliable and do not conflict with the financial information disclosed in this integrated annual report. It has recommended the approval of the integrated annual report to the Board, which report the Board has formally approved.

Directors' approval

The directors are required in terms of the Companies Act to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group and Company 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 International Financial Reporting Standards ('IFRS').
The external auditor is engaged to express an independent opinion on the consolidated and separate annual financial statements.

TM Dennison **DJR Judge**

9 September 2019

Company secretary's certification

Declaration by the Company Secretary in respect of Section 88(2)(e) of the Companies Act

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

P Nel
Company Secretary

Durban
9 September 2019

Independent auditor's report

The unmodified independent auditor's report can be found on page 9 of the annual financial statements on Trellidor's website holdings.trellidor.co.za. Tertius Erasmus 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 and the Group for the year ended 30 June 2019.

Nature of business

Trellidor Holdings Limited is an investment entity incorporated in South Africa. 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.

Review of financial results and activities

The underlying annual financial statements that have been extracted for this report, have been prepared in accordance with the International Financial Reporting Standards ('IFRS'), the International Financial Reporting Interpretation Committee ('IFRIC') interpretations, the Companies Act, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Listings Requirements of the JSE Limited.

Full details of the financial position, results of operations and cash flows of the Group are set out in these financial results, and in our view require no further comment. The company's annual financial statements are available on our website holdings.trellidor.co.za.

Stated capital

Refer to note 8 of the summarised financial statements for detail of the movement in authorised and issued share capital.

Shareholder analysis

Refer to page 78 of this report for the shareholder analysis.

Dividends

Dividends already declared and paid of 25.60 cents (2018: 30.50 cents) to the shareholders during the year after the appropriate approval was granted by the Board are R27 157 650 (2018: R32 928 459), as reflected in the Statements of Changes in Equity.

Final dividend of 11.10 cents (2018: 16.2 cents) per ordinary share was approved by the Board on 5 September 2019 in respect of the year ended 30 June 2019, which brings the total interim and final dividend declared for the year to 20.20 cents (2018: 27.20 cents) per ordinary share. The local dividends tax rate is 20%.

Directorate

CG Cunningham resigned as a director and the CFO on 1 March 2019 and DJR Judge was appointed as a director and CFO on 1 March 2019. There have been no other changes to the directorate for the year under review.

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

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

Directors' interests in shares

As at 30 June 2019, the directors of the Company held direct and indirect beneficial interests in its issued ordinary shares, as set out below.

	2019		2018	
Directors	**Direct**	**Indirect**	**Direct**	**Indirect**
TM Dennison	**8 819 342**	**–**	8 719 342	–
MC Olivier	**–**	**2 887 572**	–	2 887 572
JB Winship	**1 642 039**	**–**	1 642 039	–
CG Cunningham*	**–**	**13 940**	–	13 940
DJR Judge	**–**	**5 300**	–	–
	10 461 381	**2 906 812**	10 361 381	2 901 512

** Resigned with effect 1 March 2019.*

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

Directors' interests in contracts

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

Directors' emoluments and service contracts

The executive directors have service contracts with the Company which includes a three-month notice period. The non-executive directors receive a formal letter of appointment on acceptance of their board position. All the directors' emoluments are disclosed in note 11 of the summarised annual financial statements.

Interests in subsidiaries

Details of the Group's interest in subsidiaries are presented in note 8.

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.

Events after the reporting period

In terms of the Subscription Agreement entered into between Trellidor Holdings Limited, Trellidor Innovations Proprietary Limited and Novaspectacular Investments Proprietary Limited ('Novaspectacular') on 3 June 2016, a 'Trellidor Call Option' was incorporated which grants Trellidor Holdings Limited a call option to purchase from Novaspectacular all ordinary no par value shares held by Novaspectacular and all shareholder loans due by Trellidor Innovations Proprietary Limited to Novaspectacular.

This option will become exercisable by written notice to Novaspectacular at any time during a period of 30 days following the approval of Trellidor Innovations Proprietary Limited's audited Financial Statements for the financial year ended 30 June 2019.

The directors of Trellidor Holdings Limited have no intention of exercising this option and it will, as a result, lapse in the subsequent period.

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.

Insurance

The Group has appropriate insurance cover against crime risks as well as professional indemnity.

Promotion of Access to Information Act

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

Auditors

Mazars continued in office as auditor for the Company and its subsidiaries for 2019 in terms of Section 90 of the Companies Act.

At the 2019 AGM, the shareholders will be requested to reappoint Mazars as the independent external auditor of the Company and to confirm T Erasmus as the designated lead audit partner for the 2020 financial year.

Governance

The Board remains aligned with the King IV recommendations and continues to explore the six capitals (financial, manufactured, human, intellectual, natural, and social and relationship) and link them appropriately into the strategy.

Secretary

The Company Secretary is P Nel.

Postal address:
71 Cotswold Drive
Westville, 3629

Business address:
71 Cotswold Drive
Westville, 3629

Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 9 September 2019. 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 holdings.trellidor.co.za.

Going concern

The directors are of the opinion that the Group and Company have adequate resources to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the Group’s financial statements.

The directors have satisfied themselves that the Group and Company are in a sound financial position and that they have access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The directors have also performed the liquidity and solvency tests required by the Companies Act and are satisfied that the Group is sufficiently liquid and solvent and will continue as such after the dividends are distributed.

Special resolutions passed

No additional special resolutions were passed during the 2019 financial year other than those passed at the Company’s Annual General Meeting.

Statement of financial position
at 30 June 2019

	Notes	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
Assets			
Non-current assets			
Property plant and equipment		**64 856**	61 175
Goodwill		**74 797**	74 401
Intangible assets		**38 694**	42 363
Other financial assets		**780**	693
Deferred tax		**1 647**	3 443
		180 774	182 075
Current assets			
Inventories	6	**107 111**	106 374
Current tax receivable		**2 421**	2 202
Trade and other receivables	7	**58 389**	61 377
Other financial assets		**1 573**	1 565
Cash and cash equivalents		**12 561**	27 128
		182 055	198 646
Total assets		**362 829**	380 721
Equity and liabilities			
Equity			
Equity attributable to equity holders of the parent			
Stated capital	8	**34 056**	45 759
Treasury shares		**–**	(2 571)
Other reserves		**6 027**	4 253
Retained earnings		**180 820**	165 107
Attributable to owners of the parent		**220 903**	212 548
Non-controlling interest		**5 758**	5 626
Total equity		**226 661**	218 174
Liabilities			
Non-current liabilities			
Other financial liabilities	9	**29 528**	71 364
Deferred tax		**1 027**	2 610
		30 555	73 974
Current liabilities			
Trade and other payables	10	**52 108**	65 681
Other financial liabilities	9	**49 054**	21 687
Current tax payable		**174**	894
Provisions		**136**	311
Bank overdraft		**4 141**	–
		105 613	88 573
Total liabilities		**136 168**	162 547
Total equity and liabilities		**362 829**	380 721

Statement of profit or loss and other comprehensive income

for the year ended 30 June 2019

	Notes	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
Revenue	3	**514 947**	538 984
Cost of sales		**(283 094)**	(293 070)
Gross profit		**231 853**	245 914
Other income		**8 521**	7 395
Operating expenses		**(171 134)**	(161 409)
Operating profit	4	**69 240**	91 900
Investment revenue		**957**	1 302
Finance costs		**(8 754)**	(9 595)
Profit before taxation		**61 443**	83 607
Taxation		**(18 401)**	(24 029)
Profit for the year		**43 042**	59 578
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		**(264)**	(108)
Total comprehensive income for the year		**42 778**	59 470
Profit attributable to:			
Owners of the parent		**42 870**	58 763
Non-controlling interest		**172**	815
		43 042	59 578
Total comprehensive income attributable to:			
Owners of the parent		**42 645**	58 671
Non-controlling interest		**133**	799
		42 778	59 470
Earnings per share for profit for the period attributable to the owners of the parent during the year			
Earnings and diluted earnings per share	(cents)	**40.0**	54.4

Statement of changes in equity
for the year ended 30 June 2019

	Share capital R'000	Foreign currency translation reserve R'000	Share-based payment reserve R'000	Total other reserves R'000	Retained earnings R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 July 2017	45 759	640	1 391	2 031	139 272	187 063	4 827	191 890
Profit for the period/year	–	–	–	–	58 763	58 763	815	59 578
Other comprehensive income	–	(92)	–	(92)	–	(92)	(16)	(109)
Total comprehensive income for the year	–	(92)	–	(92)	58 763	58 671	799	59 470
Treasury shares	(2 571)	–	–	–	–	(2 571)	–	(2 571)
Employees share option	–	–	2 314	2 314	–	2 314	–	2 314
Dividends	–	–	–	–	(32 928)	(32 928)	–	(32 928)
Balance at 30 June 2018	43 188	548	3 705	4 253	165 107	212 549	5 626	218 174
Profit for the period/year	**–**	**–**	**–**	**–**	**42 870**	**42 870**	**172**	**43 042**
Other comprehensive income	**–**	**(225)**	**–**	**(225)**	**–**	**(225)**	**(39)**	**(264)**
Total comprehensive income for the year	**–**	**(225)**	**–**	**(225)**	**42 870**	**42 645**	**133**	**42 778**
Buy-back of shares	**(9 132)**	**–**		**–**	**–**	**(9 132)**	**–**	**(9 132)**
Employees share option	**–**	**–**	**1 999**	**1 999**	**–**	**1 999**	**–**	**1 999**
Dividends	**–**	**–**	**–**	**–**	**(27 158)**	**(27 158)**	**–**	**(27 158)**
Balance at 30 June 2019	**34 056**	**323**	**5 704**	**6 027**	**180 819**	**220 903**	**5 759**	**226 661**

Statement of cash flows
for the year ended 30 June 2019

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
Cash flows from operating activities		
Cash generated from operations	**70 525**	106 947
Interest revenue	**956**	1 302
Finance costs	**(9 057)**	(9 537)
Tax paid	**(19 128)**	(30 569)
Net cash (used in)/from operating activities	**43 296**	68 143
Cash flows from investing activities		
Purchase of property, plant and equipment	**(6 024)**	(16 416)
Proceeds on sale of property, plant and equipment	**13**	398
Purchase of other intangible assets	**(223)**	(725)
Purchase of goodwill	**(396)**	–
Proceeds from other financial assets	**655**	1 420
Advances of other financial assets	**(750)**	(2 597)
Net cash (used in)/from investing activities	**(6 725)**	(17 920)
Cash flows from financing activities		
Repayment of other financial liabilities	**(21 223)**	(48 709)
Advance of other financial liabilities	**2 728**	4 562
Dividends paid	**(27 158)**	(32 928)
Repayment of loan from minority	**(586)**	(1 087)
Loan from minority	**–**	2 250
Purchase of treasury shares	**(9 132)**	(2 571)
Net cash (used in)/from financing activities	**(55 371)**	(78 483)
Net increase/(decrease) in cash and cash equivalents	**(18 799)**	(28 260)
Cash and cash equivalents at the beginning of the period/year	**27 128**	55 103
Exchange gains on cash and cash equivalents	**92**	284
Cash and cash equivalents at the end of the period/year	**8 421**	27 128

Notes to the financial results
for the year ended 30 June 2019

1. Basis of preparation

The summarised consolidated audited results for the year ended 30 June 2019 (results for the year) have been prepared in accordance with framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ('IFRS'), International Financial Reporting Interpretations Committee ('IFRIC') interpretations, the Companies Act of South Africa and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The report contains the information required by International Accounting Standard (IAS) 34: Interim Financial Reporting and are in compliance with the Listings Requirements of the JSE Limited. The accounting policies as well as the methods of computation used in the preparation of the results for the year ended 30 June 2019 are in terms of IFRS and are consistent with those applied in the audited annual financial statements for the year 30 June 2018 except for the adoption of new standards.

The Group has adopted IFRS 9: Financial Instruments and IFRS 15: Revenue from Contracts with Customers with effect from 1 July 2018. There is no significant difference between the carrying amounts of financial assets and liabilities and their fair values implementing IFRS 9 and no material impact on the amount and timing of revenue recognition was identified upon adoption of IFRS 15.

The company's directors are responsible for the preparation and fair presentation of the summarised provisional consolidated results. These results have been compiled under the supervision of the Chief Financial Officer, DJR Judge CA(SA).

Adoption of new accounting standards

The impact of the new accounting standards on the group's financial statements are as follows:

IFRS 9: Financial Instruments

IFRS 9 sets out requirements for recognition and measurement of financial assets and liabilities. This standard replaces IAS 39: Financial Instruments: Recognition and Measurement. IFRS 9 is applied using the retrospective transition method to each prior reporting period. The impact on the classification, measurement and the impairment model adjustment did not have a material effect on the opening balances and as result no adjustment for restatement has been made.

IFRS 9 replaces the 'incurred loss' model with an 'expected credit loss' (ECL) model, thereby requiring an impairment of the carrying amounts of financial assets. This new model applies to financial assets measured at amortised cost and contract assets. The ECL model recognises an impairment allowance on financial assets and is calculated considering possible future losses based on past experience as well as future economic factors. In terms of IFRS 9, the group applied the simplified approach for trade receivables and the general approach for other receivables and measured the impairment allowance on the lifetime of trade receivables and other receivables. Impairment allowances are deducted from the carrying amounts of the assets.

IFRS 15: Revenue from Contracts with Customers

IFRS 15 establishes a single and comprehensive framework which sets out how and when revenue should be recognised. The group has adopted IFRS 15 and applied it retrospectively to each prior reporting period presented subject to practical expedients as defined in the standard. The adoption of this new standard has not resulted in a quantitative impact to the current or the prior period financial results, although there has been a qualitative impact on the disclosure of revenue per note 3 of this report.

Notes to the financial results
for the year ended 30 June 2019

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
2. Segmental information		
Revenue		
Trellidor	**322 741**	331 576
Taylor	**194 020**	208 820
Inter-segment	**(1 814)**	(1 412)
	514 947	538 984
Operating profit before interest and tax		
Trellidor	**59 552**	64 956
Taylor	**16 249**	31 835
Inter-segment	**(1 670)**	
	74 131	96 791
Reconciling items		
Net interest	**(7 797)**	(8 293)
Amortisation of client database	**(4 891)**	(4 891)
Profit before tax	**61 443**	83 607
EBITDA		
Trellidor	**64 785**	70 184
Taylor	**18 128**	33 292
Inter-segment	**(1 670)**	–
	81 243	103 476
Total assets		
Trellidor	**144 441**	141 356
Taylor	**205 095**	209 112
Inter-segment	**(915)**	(318)
	348 621	350 150
Reconciling items		
Cash and cash equivalents	**12 561**	27 128
Deferred tax	**1 647**	3 443
Total as per statement of financial position	**362 829**	380 721
Revenue by location of customer – geographical information		
South Africa	**443 321**	475 431
Foreign	**71 626**	63 553
	514 947	538 984

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
3. Disaggregation of revenue from customers		
Revenue from source type and timing of transfer	**514 947**	538 984
Sale of security products – point-in-time	**320 038**	329 309
Sale of decorative products – point-in-time	**193 897**	208 820
Royalty income – point-in-time	**1 012**	855
Revenue by geographical location	**514 947**	538 984
South Africa	**443 624**	475 431
Rest of Africa	**54 844**	54 777
Rest of World	**16 479**	8 776

4. Operating profit

Operating profit before interest for the year is stated after accounting for the following, amongst others:

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
Net loss on exchange differences	**2 620**	3 268
Operating lease charge – premises	**8 302**	7 728
Depreciation on property, plant and equipment	**6 910**	6 471
Amortisation of intangible assets	**5 087**	5 104
Short-term employee benefits	**121 086**	120 023
Post-employment benefits	**6 218**	5 862
Advertising	**26 595**	25 555
Cartage	**6 671**	7 307
Consulting fees	**4 443**	4 612
Commission	**5 735**	4 727
Share-based payment expenses	**1 999**	2 314
Gas, electricity and water	**6 925**	7 075

Notes to the financial results
for the year ended 30 June 2019

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
5. Earnings per share		
Profit attributable to ordinary shareholders	**42 870**	58 763
Adjusted for:		
Loss/(profit) on disposal of property, plant and equipment	**167**	(100)
Gross amount	**250**	(150)
Non-controlling interest	**(70)**	8
Tax effect	**(13)**	42
Headline earnings	**43 037**	58 663
Adjusted for:		
Amortisation of client database	**4 891**	4 891
Tax effect	**(1 370)**	(1 369)
Non-controlling interest	**(264)**	(264)
Core headline earnings	**46 294**	61 921

		Number '000s	Number '000s
Number of shares issued		**105 765**	108 340
Weighted average number of ordinary shares in issue during the period		**107 218**	108 021
Diluted weighted average number of shares		**107 218**	108 021
Earnings and diluted earnings per share	(cents)	**40.0**	54.4
Headline and diluted headline earnings per share	(cents)	**40.1**	54.3
Core headline and diluted core headline earnings per share	(cents)	**43.2**	57.3

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
6. Inventories		
Raw materials, components	**100 507**	101 053
Work in progress	**2 302**	1 805
Finished goods	**3 096**	1 335
Goods in transit	**3 745**	3 276
	109 650	107 469
Provision for obsolescence	**(2 539)**	(1 095)
	107 111	106 374
7. Trade and other receivables		
Financial instruments		
Trade receivables	**54 680**	56 196
Loss allowance	**(1 261)**	(955)
Trade receivables at amortised cost	**53 419**	55 241
Other receivables	**2 348**	2 921
Non-financial instruments		
VAT	**68**	110
Other receivables	**517**	98
Prepayments	**2 038**	3 007
Total trade and other receivables	**58 389**	61 377
Categorisation of trade and other receivables		
Trade and other receivables are catergorised as follows in accordance with IFRS 9: Financial Instruments		
At amortised cost	**55 766**	58 162
Non-financial instruments	**2 623**	3 215
	58 389	61 377

8. Stated capital

	Number of shares 2019	Number of shares 2018
Authorised		
	1 000	1000
	5 000 000	5 000 000
Issued		
Reconciliation of number of shares issued:		
Opening balance	**108 340**	108 340
Treasury shares cancelled	**(447)**	–
Shares repurchased and cancelled	**(2 128)**	–
Closing balance	**105 765**	108 340

	R	R
Reconciliation of issued shares:		
Opening balance	**43 188**	45 759
Treasury shares purchased	**–**	(2 571)
Shares repurchased and cancelled	**(9 132)**	–
	34 056	43 188

446 535 shares acquired in the previous period at an average of R5.70 per share, which were held in Treasury, were cancelled. In addition 2 128 440 shares were acquired and cancelled during the year, at an average price of R4.27 per share. The cancellations have reduced issued share equity to 105 765 143 and stated capital to R34 056 299. Subsequent to year-end a further 477 247 shares at an average cost of R4.18 per share has been repurchased as part of the share buy-back programme announced in 2019.

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000

9. Other financial liabilities

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
Held at amortised cost:		
Nedbank	**23 808**	25 000
FNB	**43 193**	61 057
Wesbank Corporate	**6 108**	693
Novaspectacular Investments Proprietary Limited	**5 473**	6 301
	78 582	93 051

10. Trade and other payables

	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000
Financial instruments		
Trade payables	**26 575**	37 590
FEC contract	**831**	–
Non-financial instruments		
Amounts received in advance	**7 217**	9 486
Accrued leave pay and bonus	**7 807**	9 960
Accrued expenses	**5 035**	5 581
VAT	**1 322**	890
Other payroll accruals	**3 322**	2 164
	52 109	65 681

11. Directors' and prescribed officer's emoluments

Executive group	2019 Short-term benefits	2019 Pension fund contributions	2019 Total	2018 Short-term benefits	2018 Pension fund contributions	2018 Total
TM Dennison	**3 664 491**	**175 351**	**3 839 842**	3 833 514	165 039	3 998 553
DJR Judge	**545 540**	**37 867**	**583 407**	–	–	–
PWE Rawson	**2 417 557**	**157 220**	**2 574 777**	2 397 364	148 560	2 545 924
CG Cunningham	**1 219 956**	**61 282**	**1 281 238**	1 254 802	63 402	1 318 204
	7 847 544	**431 720**	**8 279 264**	7 485 680	377 001	7 862 681

Non-executive group	2019 Directors' fees	2018 Directors' fees
MC Olivier	**325 000**	246 100
JB Winship	**295 000**	246 100
RB Patmore	**315 000**	246 100
	935 000	738 300

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.

	Opening balance	Granted	Lapsed	Forfeited	Exercise price	Closing balance	Annual expense
TM Dennison	**1 672 628**	**–**	**(418 157)**	**–**	**5.41**	**1 254 471**	**492 145**
PWE Rawson	**983 052**	**–**	**(245 763)**	**–**	**5.41**	**737 289**	**289 248**
CG Cunningham	**396 756**	**–**	**(99 189)**	**(297 567)**	**5.41**	**–**	**116 739**

SHAREHOLDER INFORMATION

Shareholder Analysis

Shareholder Diary

Notice of Annual General Meeting

Form of Proxy

Corporate information and advisors

Shareholder analysis

Shareholder type	Number	Shareholding	%
Non-public shareholders	**8**	**29 888 766**	**28.25**
Directors and associates of the company (direct holding)	**5**	**13 655 728**	**12.91**
Directors and associates of the company (indirect holding)	**2**	**2 892 872**	**2.73**
Shareholders (excluding fund managers)			
Holding more than 10%			
The LMO Trust	**1**	**13 340 166**	**12.61**
Public shareholders	**729**	**75 896 377**	**71.75**
	737	**105 785 143**	**100.00**
Fund managers with a shareholding greater than 5% of issued shares			
Mazi Capital Proprietary Limited	**47**	**17 735 445**	**16.77**
Aylett and Co. Proprietary Limited	**4**	**6 732 734**	**6.36**
	51	**24 468 179**	**23.13**
Beneficial shareholders with a holding greater than 5% of the issued shares			
Government Employees Pension Fund	**1**	**6 864 167**	**6.49**
Envisionit Capital Solutions Proprietary Limited	**1**	**8 025 000**	**7.59**
	2	**14 889 167**	**14.08**

	Number of shares	
	2019	2018
Authorised		
No par value shares	**5 000 000 000**	5 000 000 000
Issued		
Reconciliation of number of shares issued:	**105 765 143**	108 340 118
Opening balance	**108 340 118**	108 340 118
Treasury shares cancelled	**(446 535)**	–
Shares repurchased and cancelled	**(2 128 440)**	–
Closing balance	**105 765 143**	108 340 118

Shareholder diary

Financial year-end	30 June 2019
Announcement of annual results	9 September 2019
Integrated annual report posted	16 October 2019
Annual general meeting	14 November 2019
Announcement of interim results	Mid to end March 2020

Notice of annual general meeting

TRELLIDOR HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1970/015401/06)
(Share code: TRL)
(ISIN code: 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 Thursday, 14 November 2019 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 2019. The Integrated Annual Report ('Integrated Annual Report'), of which this notice forms part, contains the summarised condensed consolidated annual financial statements and the aforementioned reports. The Integrated Annual Report is available on the Company's website at holdings.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 2019, as required in terms of Regulation 43 of the Companies Regulations, 2011 ('the Regulations'), as set out on pages 48 of the Integrated Annual 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 8 and 10 (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 9 as well as special resolutions numbers 1 to 4 to be adopted, at least 75% of the voting rights exercised on such resolutions must be exercised in favour thereof.

ORDINARY RESOLUTIONS

1. RETIREMENT, RE-ELECTION AND CONFIRMATION OF APPOINTMENT OF DIRECTORS

ORDINARY RESOLUTION NUMBER 1

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'), any director appointed by the board of the Company is required to be confirmed by the shareholders at the next Annual General Meeting of the Company.

'Resolved that the appointment of Damian Judge, as an executive director of the Company in terms of the MOI of the Company, be and is hereby confirmed.'

An overview of Damian Judge's age and experience appears on page 8 of the Integrated Annual Report and a brief *curriculum vitae* is available on the company's website, holdings.trellidor.co.za

ORDINARY RESOLUTION NUMBER 2

In accordance with the Company's MOI, the Listings Requirements of the JSE ('Listings Requirements') and, to the extent applicable, the Companies Act, require that a component of the non-executive directors rotate at every Annual General Meeting of the Company and, being eligible, may offer themselves for re-election as directors.

An overview of John Winship's age and experience appears on page 9 of the Integrated Annual Report and a brief *curriculum vitae* is available on the company's website, holdings.trellidor.co.za

'Resolved that John Winship, 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 an independent non-executive 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 annual general meeting. The purpose of ordinary resolution number 3 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 NUMBER 3

'Resolved that Mazars be and is hereby re-appointed as auditors to the Company, and Tertius Erasmus as the designated audit partner, for the ensuing financial year or until the conclusion of the next annual general meeting whichever is the later, 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.'

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

Note:

For avoidance of doubt, all references to the Audit Committee of the Company is a reference to the Audit Committee as contemplated in the Companies Act.

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 Annual General Meeting, all of whom must, in terms of the King IV Report on Corporate Governance™ for South Africa, 2016 ('King IV™'), be independent non-executive directors. It is accordingly proposed to re-appoint the members of the Audit, Risk and Compliance Committee, proposed by the Nomination and Remuneration Committee and as set out below.

An overview of age and experience of each of the Audit, Risk and Compliance committee members appears on 8 and 9 of the Integrated Annual Report of which this notice forms part and a brief *curriculum vitae* is available on the company's website, holdings.trellidor.co.za

ORDINARY RESOLUTION NUMBER 4

'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 Nomination and Remuneration Committee of the Company, until the next Annual General Meeting of the Company.'

ORDINARY RESOLUTION NUMBER 5

'Resolved that 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 and Remuneration Committee of the Company, until the next annual general meeting of the Company.'

ORDINARY RESOLUTION NUMBER 6

'Resolved that, subject to the passing of ordinary resolution number 2, 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 and Remuneration Committee of the Company, until the next annual general meeting of the Company.'

4. NON-BINDING ADVISORY VOTES ON THE REMUNERATION POLICY AND ON THE IMPLEMENTATION REPORT ON THE REMUNERATION POLICY OF TRELLIDOR

In terms of King IV™, shareholders should (a) approve the Company's remuneration policy and (b) approve the implementation report on this policy, through separate non-binding advisory votes. The purpose of ordinary resolutions numbers 7 and 8 is therefore to indicate to the board, shareholders' approval of the Company's remuneration policy and its implementation report on the policy. Ordinary resolutions numbers 7 and 8 are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to existing remuneration policy and on the implementation report. However, the board will take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy and its implementation report on the policy.

ORDINARY RESOLUTION NUMBER 7: NON-BINDING ADVISORY VOTE ON TRELLIDOR'S REMUNERATION POLICY

'Resolved that, by way of a non-binding advisory vote, the Company's remuneration policy, as set out on pages 51 to 54 of this Integrated Annual Report, be and is hereby approved.'

ORDINARY RESOLUTION NUMBER 8: NON-BINDING ADVISORY VOTE ON TRELLIDOR'S IMPLEMENTATION REPORT ON THE REMUNERATION POLICY

'Resolved that, by way of a non-binding advisory vote, the Implementation Report on the Remuneration Policy, as set out on page 58 of this Integrated Annual Report, 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 number 9 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 Listings Requirements.

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.

ORDINARY RESOLUTION NUMBER 9

'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, provided that:

- the approval shall be valid until the date of the next Annual General Meeting of the Company, provided it shall not extend beyond 15 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 528 857 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 the Stock Exchange News Service of the JSE ("SENS")."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers and/or in connection with duly approved share incentive schemes), it is necessary for the board of the Company to obtain prior authority from shareholders in accordance with the Listings Requirements and the MOI of the Company. Accordingly, the reason for ordinary resolution number 9 is to obtain such general authority from shareholders to issue shares for cash in compliance with the Listings Requirements and the MOI of the Company.

6. AUTHORITY TO ACTION ALL ORDINARY AND SPECIAL RESOLUTIONS

ORDINARY RESOLUTION NUMBER 10

'Resolved that any one director of the Company or the company secretary be and is hereby authorised to do all such things as are necessary and to sign all such documents issued by the Company so as to give effect to all ordinary resolutions and special resolutions passed at the annual general meeting with or without amendment.'

SPECIAL RESOLUTIONS

7. REMUNERATION OF NON-EXECUTIVE DIRECTORS

SPECIAL RESOLUTION NUMBER 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, which includes serving on various sub-committees, (in terms of Section 66(9) of the Companies Act) be and are hereby approved for the financial year ending 30 June 2020 and for a period of two years from the passing of this resolution or until its renewal, whichever is the earliest, as follows:

	2019		2020	
	Annual fee Rand	Fee per meeting Rand	Annual fee Rand	Fee per meeting Rand
Board Chairman	45 000	35 000	47 475	36 925
Director	40 000	25 000	42 200	26 375
Audit, Risk and Compliance Committee				
Chairman	–	30 000	–	31 650
Member	–	20 000	–	21 100
Nomination and Remuneration Committee				
Chairman	–	15 000	–	15 825
Member	–	10 000	–	10 550
Social and Ethics Committee				
Chairman	–	10 000	–	10 550
Member	–	7 500	–	7 913

The annual escalation in fees to be based on CPI and to be agreed by the Nomination and Remuneration Committee."

The fees proposed for the 2020 financial year ended reflect an increase of 5.5% on the 2019 financial year ended fees. Fees exclude Value Added Tax.

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, if passed, 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 annual general meeting of the Company.

8. SHARE REPURCHASES BY THE COMPANY AND ITS SUBSIDIARIES

SPECIAL RESOLUTION NUMBER 2: SHARE REPURCHASES BY TRELLIDOR AND ITS SUBSIDIARIES

'Resolved, as a special resolution, that the directors be authorised in terms of the Company's MOI, until this authority lapses at the next Annual General Meeting of the Company or unless it is then renewed at the next Annual General Meeting 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 Listings Requirements and the Companies Act, on the following bases:

- the general 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;
- this general authority shall only be valid until the next annual general meeting of the Company, provided that it shall not extend beyond 15 months from the date of this resolution;
- the Company (or any subsidiary) must be authorised to do so in terms of its MOI;
- the number of shares which may be repurchased pursuant to this authority in any financial year (which commenced 1 July 2018) 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;
- 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;
- repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the Listings Requirements) unless a repurchase programme is in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in paragraph 5.72(h) of the Listings Requirements;
- 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 Listings Requirements applicable from time to time;
- the Company (or any subsidiary) shall appoint only one agent to effect repurchases on its behalf; and
- 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 Group.

The reason for and effect of special resolution 2

The reason for special resolution number 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, if passed, will be that the directors will have the authority, subject to the 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 Listings Requirements is set out in the attached Annexure, which forms part of this notice.

9. APPROVAL OF FINANCIAL ASSISTANCE

SPECIAL RESOLUTION NUMBER 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" and "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 Annual General Meeting of the Company.'

Reason for and effect of special resolution 3

The reason for and effect of special resolution number 3, if passed, is to grant the directors of the Company the authority, until the next Annual General Meeting 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 guarantee the debt of its subsidiaries.

SPECIAL RESOLUTION NUMBER 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 person, including any company or corporation that is related or inter-related to the Company ("related" and "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 annual general meeting of the Company.'

Reason for and effect of special resolution 4

The reason for and effect of special resolution number 4, if passed, is to grant the directors the authority, until the next Annual General Meeting of the Company, to provide financial assistance to any person, including 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 wholly-owned 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 wholly-owned 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 resolutions 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.

10. OTHER BUSINESS

To transact such other business as may be transacted at an Annual General Meeting or raised by shareholders with or without advance notice to the Company.

11. 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 Friday, 8 November 2019 via email 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.

Please note that the teleconference facility will only allow shareholders to listen in and raise questions during the allocated time. Shareholders will not be able to vote using the teleconference facility. Should such shareholders wish to vote, they must either:

- complete the proxy form and return it to the transfer secretary in accordance with paragraph 9 on page 87; or
- contact their CSDP or broker in accordance with paragraphs 10 and 11 on page 87.

The Company cannot guarantee there will not be a break in communication which is beyond the control of the Company.

The participant acknowledges that the telecommunication lines are provided by a third party and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use of the telecommunication lines, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the telecommunication lines or any defect in it or from total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the AGM.

Voting and proxies

1. 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, 11 October 2019.
2. 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, 8 November 2019 with the last day to trade being Tuesday, 5 November 2019.
3. 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.
4. 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.
5. A shareholder of the Company entitled to attend, speak and vote at the AGM is entitled to appoint one or more proxies to attend, speak and to vote in his/her stead. The proxy need not be a shareholder of the Company.
6. 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.
7. 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.
8. Such shareholders must complete and return the attached form of proxy and lodge it with the transfer secretaries of the Company.
9. 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, faxed or emailed 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, which AGM is at 09h30 on 14 November 2019. Any form of proxy not delivered to the transfer secretaries by this time may be handed to the Chairman of the AGM prior to the commencement of the AGM, at any time before the appointed proxy/ies exercise/s any shareholder rights at the AGM. 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.
10. 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.
11. 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.

By order of the board

Paula Nel

Paula Nel Corporate Solutions
Per Paula Nel BCom ACIS
Trellidor Company Secretary

16 October 2019

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)
proxy@computershare.co.za

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 Listings Requirements with regard to the resolution granting a general authority to the Company and its subsidiaries to repurchase shares in the Company (Special resolution number 2).

The 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 78
- Capital structure of the Company page 74

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 2019 and up to the date of this notice.

Directors' responsibility statement

The directors whose names are given on pages 8 and 9 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 Listings Requirements

Statement by the Company's board of directors in respect of repurchases of shares

Pursuant to and in terms of the 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:

- the Company and the Group will be able to pay their debts as they become due in the ordinary course of business;
- 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, fairly valued; and
- 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 Annual General Meeting ('AGM') of the Company on Thursday, 14 November 2019 at 09h30 or any adjournment if required. Additional forms of proxy are available at the Company's registered office.

This form is 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 (address)

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 ordinary and special 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 your voting instruction by way of inserting the number of shares or with an 'X' in the space provided should you wish to vote all of your shares. Unless this is done, the proxy will vote as he/she deems fit.

ORDINARY RESOLUTIONS		For	Against	Abstain
1.	To confirm the appointment of Damian Judge as an executive director			
2.	To re-elect John Winship as an independent non-executive director			
3.	To re-appoint Mazars as independent auditors to the Company			
4.	To re-elect Ralph Patmore as a member of the Company's Audit, Risk and Compliance Committee			
5.	To re-elect Mark Olivier as a member of the Company's Audit, Risk and Compliance Committee			
6.	To re-elect John Winship as a member of the Company's Audit, Risk and Compliance Committee			
7.	Non-binding advisory vote on Trellidor's remuneration policy			
8.	Non-binding advisory vote on Trellidor's implementation report on the remuneration policy			
9.	General authority to issue ordinary shares for cash			
10.	To authorise any one director or the company secretary to action all ordinary and special resolutions			
SPECIAL RESOLUTIONS		**For**	**Against**	**Abstain**
1	Remuneration of non-executive directors			
2.	Share repurchases by Trellidor and its subsidiaries			
3.	Inter-company financial assistance			
4.	Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company			

Signed at on the of 2019

Signature

Assisted by (where applicable)

Each Trellidor 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 the notes on the reverse page
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.

Notes to the form of proxy

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 AGM’. 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 48 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). Several executors or administrators of a deceased shareholder, in whose name any shares stand, shall be deemed joint holders thereof.

    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 completed and lodged with, or posted or emailed to Computershare Investor Services Proprietary Limited:

    Hand deliveries to:
    Computershare Investor Services (Pty) Ltd
    Rosebank Towers, 15 Biermann Avenue
    Rosebank, 2196

    Postal deliveries to:
    Computershare Investor Services (Pty) Ltd
    PO Box 61051
    Marshalltown, 2107

    Email deliveries to: proxy@computershare.co.za

    to be received by no later than 09h30 on 12 November 2019 (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 AGM prior to the commencement of the AGM, at any time before the appointed proxy exercises any shareholder rights at the AGM.
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

Notes

Corporate information

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

Executive directors and officers
TM Dennison (Chief Executive Officer)
D Judge (Chief Financial Officer)
PWE Rawson

Independent non-executive directors
MC Olivier (Chairman)
RB Patmore
JB Winship

Website
holdings.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 Building
35 Kerk Street, Stellenbosch, 7600
(PO Box 7403, Stellenbosch 7599)

and

2nd Floor, Building 3, 11 Alice Lane
Sandhurst
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
BCom ACIS
71 Cotswold Drive
Westville
3629

Enquiries relating to the Integrated Annual Report
Investor.relations@trellidor.co.za

holdings.trellidor.co.za