THE TRELLIDOR GROUP

TRELLIDOR HOLDINGS LIMITED
(REGISTRATION NUMBER 1970/015401/06)

INTEGRATED ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Strength. Quality. Variety.
Trellidor is a proudly South African company.

TRELLIDOR® THE ULTIMATE CRIME BARRIER

TAYLOR BLINDS & SHUTTERS Est.1959

nmc DESIGN ELEMENTS

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.**

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About this report

This is the company's seventh 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 2022 to 30 June 2023.

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 refer to page 96 of this report. 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 and recommended practices 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 South 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 the 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 2023, are available on the company's website at holdings.trellidor.co.za.

Assurance

The company's external auditor, PKF Durban, 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


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Group Overview

Group Overview

Salient Points

Revenue for the year	**R502 million** (2022: R513 million)
Headline earnings per share	**4.2 cents** (2022: 0.4 cents)
Cash from operations for the year	**R39 million** (Excl. Labour Appeal Court provision) (2022: R39 million)
Return on Invested Capital	**6%** (2022: 11%)
Total dividends declared per share	**0.0 cents** (2022: 0.0 cents)

Completed the purchase of the Hillcrest franchise.

Taylor's gross profit margin's have improved to 28.9% (F22: 25.0%).

Trellidor sales into the rest of Africa have increased 32% year-on-year.

Taylor's EBITDA increasing by R8.9 million to R11.8 million.

Re-instated 30 employees as part of the Labour Court Judgement.

Who is the Trellidor Group

The Trellidor Group has a **proven track record** of over 45 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 distributor network that spans **South Africa, Africa, United Kingdom, and European countries.**

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 LIMITED

The JSE 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 and corporate branches distributed via a dedicated and skilled franchise network operating throughout South Africa, Africa, United Kingdom and other European countries.

TRELLIDOR INNOVATIONS (PTY) LTD.
100%

Incorporates Taylor, a major manufacturer and distributor of custom-made blinds, decorative and security shutters.

TRELLIDOR UK LTD.
100%

UK investment arm of the Group.

TRELLIDOR DECOR (PTY) LTD.
100%

Incorporates NMC an importer and distributor of cornicing and skirting products.

TRELLIDOR RETAIL (PTY) LTD.
100%

Currently owns and operates the Trellidor branches in Durban, Cape Town and Johannesburg. The retail arm of the local Trellidor business unit.

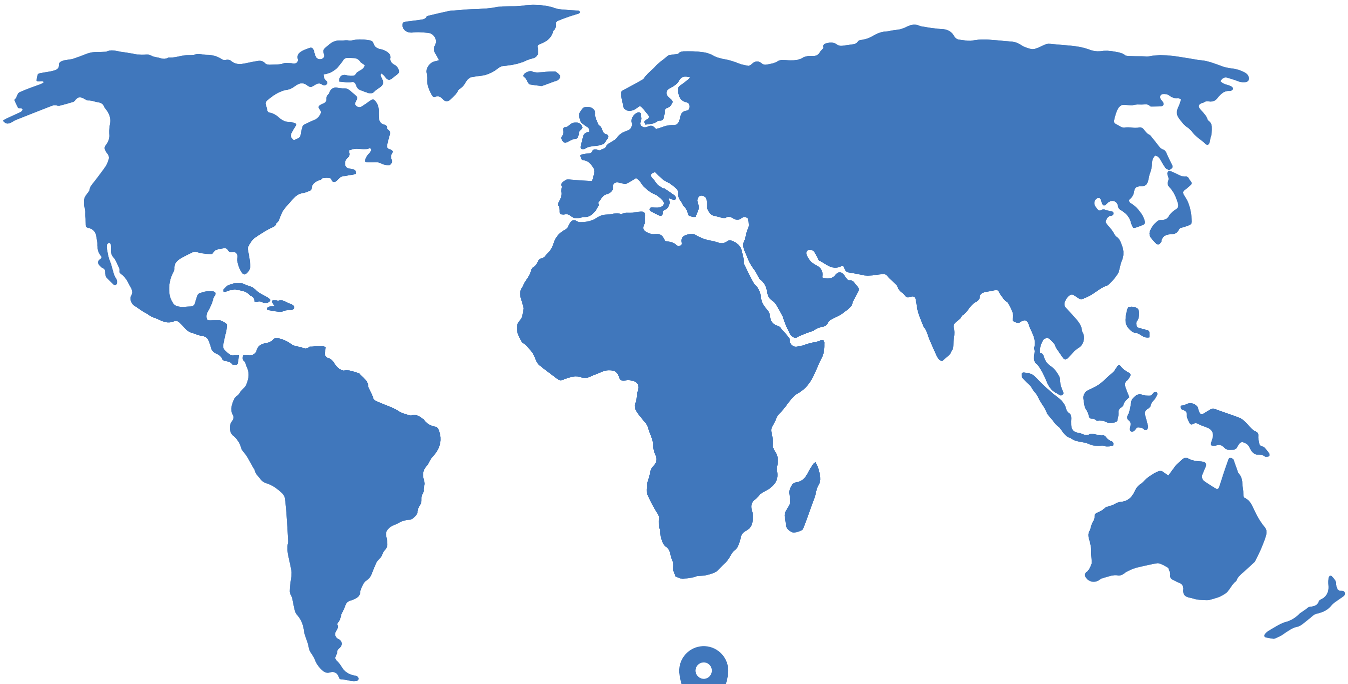
TRELLIDOR GHANA LTD.
85%

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

REALLY SECURE COMPANY UK LTD.
100%

A Group owned and operated branch in UK which includes a trim shop operation for efficient speed to market of custom-made products.

Our Brands



Australia
Botswana
DRC
Ethiopia
Ghana

Israel
Kenya
Lesotho
Malawi
Mauritius

Mozambique
Mayotte
Nigeria
Namibia
Reunion

Rwanda
Seychelles
eSwatini
Sierra Leone
South Africa

Tanzania
United Kingdom
Zambia
Zimbabwe

TRELLIDOR GROUP IS REPRESENTED IN **24** COUNTRIES

TRELLIDOR HAS **51** RSA FRANCHISES

TRELLIDOR HAS **5** BRANCHES

NMC HAS **3** BRANCHES

TAYLOR HAS **2** BRANCHES

TRELLIDOR FRANCHISES **39** DISTRIBUTING TAYLOR

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 17 African countries, United Kingdom, Israel, Australia and other European countries.

nmc DESIGN ELEMENTS

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 Durban as well as through select Trellidor franchises.

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.

Our Leadership Board of Directors

Terence Mark Dennison* (56)

Group CEO | *CA(SA) ("Terry")*

**Invitees to committee meeting*

Damian James Robert Judge* (40)

Group CFO | *CA(SA)*

Stuart Ian Bird (64)

Independent non-executive Director | *CA(SA)*

Mark Cyril Olivier (54)

Chairman | *CA(SA)*

Ralph Bruce Patmore (71)

Lead Independent | *BComm (Wits), MBL (SBL)*

Trellidor Holdings Board

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

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.

Detailed CVs are available at holdings.trellidor.co.za

 # as at the date of this report

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 reponsible for its consideration and final approval regarding the nomination, appointment and remuneration of directors, executives and senior management.

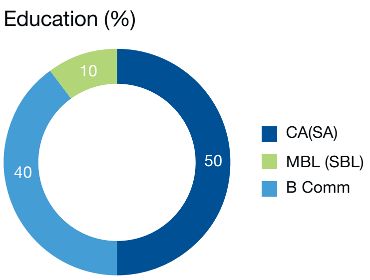
Social and Ethics Committee

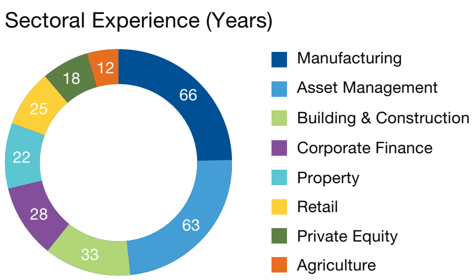
(Also referred to as the Transformation, Social, Ethics and Sustainability Committee)

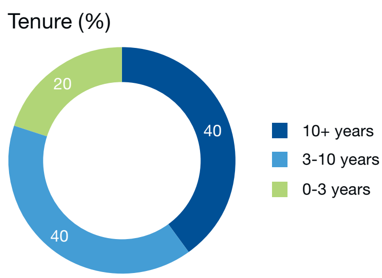
Develops strategies that empower the Group to make meaningful and measurable positive impact in the South African Community by prioritising socially and ethically conscious business practices and promoting equal opportunity and fairness for all citizens in the broader South African Community.

Committee Chair

Trellidor Skills, Tenure and Sectoral Experience







How the Group Creates Value

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, Africa and the UK
- Products distributed through more than 75 franchises and distributors across the globe
- 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
- Internationally accredited manufacturing facilities with additional capacity to meet growing demand
- Member of Proudly SA


PHOTOS

Our Growth Strategy

Internal organic growth is our key strategic objective and it is one we pursue with a long-term view. Expanding our African and UK footprint by optimising our operational efficiency and deployment of experienced sales resources, acquiring strategic franchises in RSA, investing in our franchises by implementing training interventions and recruitment assistance, and through in-house innovation in our product offering and dedicated internal sales capacity targeting the RSA commercial and retail market sector. 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 and operational efficiencies, profitability and working capital utilisation, by leveraging off information system technology.

- *The implementation of phase 4 of the factory ERP system in Trellidor will be completed during F24.*
- *The accounting ERP system has been standardised across all RSA and Ghana entities which sets the platform for our advanced business reporting solution was implemented through F23. The UK rollout of the ERP will be implemented through F24.*
- *Post implementation and rollout of the ERP systems, the utilisation of human capital will be reassessed to ensure efficiencies are being achieved to improve profitability.*

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 economic improvement.

Objective

Improve the effectiveness of the sales distribution network.

- *The purchase of two more franchises in Cape Town (1),and Durban (1) which will add scale to our existing branches in the main cities.*
- *The UK franchise continues to focus on expanding its customer base after adding an additional national retailer and having started to service the residential market during F23.*
- *Dedicated selling resources based on the main centres have been introduced during F23 targeting the commercial and retail market sector.*
- *Sales and product training courses continued to be added to our online Training Academy during F23. In support of these course, bi-annual national training workshops will be hosted from F24.*
- *Through F23 Trellidor completed its sales cadet learnership program with 5 cadets absorbed into the Retail operations during F24.*

In-house product Innovation

Development of new 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.

- *In an effort to broaden Trellidor's product offering into gated communities, a new product range was launched through F23.*
- *Following extensive research and development into the Traditional Trellidor product set, new and updated products were launched through F23.*
- *In F23 Trellidor released a high-end sectional overhead door. The sectional overhead door range, which will receive additional product derivatives during F24, targeting the commercial and industrial market.*
- *While product innovation remains a key strategy for both Trellidor and Taylor, F24 will focus on bedding down the products recently introduced.*

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 borrowings and retained income.

- Long-and short-term borrowings (interest-bearing debt)
- Effective management of cash and capital allocation
- 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 appropriate skills, 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 facilities
- Provision of training for franchisees
- Fair and reasonable remuneration

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.

- Well established franchisees and distributors
- Strong relationship with major suppliers
- Corporate social investment such as supporting schools, orphanages (community-based facilities)
- Consideration of environmental impact

Manufactured Capital

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

- Modern manufacturing facilities in Durban and Cape Town producing steel, aluminum and textile products
- Assembly plants in Africa and the United Kingdom
- 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 up our natural capital which we use in a diligent and sustainable way.

- Environmental initiatives
- Electricity consumption decreased through the installation of solar power generation
- Focus on reducing CO2 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, blinds and shutters.**

Capital inputs

- Financial Capital
- Intellectual Capital
- Human Capital
- Social and Relationship 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.

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Our Brands

TRELLIDOR
THE ULTIMATE CRIME BARRIER

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 utilise the Trellidor franchise network in an effort to increase its market reach. Taylor's blinds and shutters are produced at its 8 000m manufacturing plant in Cape Town. Customer orders are tracked using a bespoke ordering system and products are produced in industry leading time. nnovation, quality and service are the pillars of the business.

nmc DESIGN ELEMENTS

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

NMC: Importing → Distribution → Servicing

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

GROUP OVERVIEW

HOW THE GROUP CREATES VALUE

VALUE OUTCOMES

HOW THE GROUP IS GOVERNED

ANNUAL FINANCIAL RESULTS

SHAREHOLDER INFORMATION

Products	Distribution	Capital inputs

Barrier Security

Traditional Trellidor
Mesh Security
Aluminium Roller Shutters
Window Security
Aluminium Louvre Shutters
Sectional Overhead Doors

see page 36

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

The Corporate Network includes:

- **5** Corporate Branches in South Africa, the UK, and Africa
- **51** Franchises in South Africa
- **18** Franchises in 16 other African countries

Blinds and Shutters

Aluminium Louvre Shutters
PVC Louvre Shutters
Timber Louvre Shutters
Blinds

see page 41

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 43

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

Agile risk management see page 22

Strong strategic focus see page 18

Stakeholder inclusivity see page 23

Capital inputs

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

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 limiting 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, with a focus on increasing our volumes in the rest of Africa and the United Kingdom ("UK"). 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. Broad product range targets middle income, upper-middle income, upper income consumers and the commercial sector, mitigating pressure in any single market segment. Sale of select Taylor products through the Trellidor franchise network continues to grow 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. The UK franchise presents an opportunity to expand sales in the region, with both existing and new commercial customers, as well as private customers.
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. 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. Member of Proudly SA to solidify our status as a producer of home grown quality products.	Leveraging off our substantial franchise and distribution network, both locally and internationally, our market research ensures we have a thorough understanding of the competitive landscape and informs our product innovation landscape.
Foreign exchange	The group remains reliant on imported raw materials for a number of product sets and therefore is potentially, 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 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. Growth in sales volumes in the UK increases the "self-hedging" mitigation.

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** on all material issues, 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 • Social media presence on LinkedIn
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 and loyalty	• Marketing • Franchisees • Product brochures • Digital quoting and ordering systems
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

Operating environment and performance

The general macroeconomic issues in South Africa, including its causes and resulting weak consumer demand, are well known and the Board assumes they will endure.

More specifically, demand for Trellidor's traditional product has been negatively affected by consumers' applying their limited disposable income on alternative energy and water sources and trading down on physical barrier security. In addition, subdued residential sales volumes and negative real price growth over multiple years, most prominently in Gauteng, as well as the growing preference for estate living have also impacted negatively on Trellidor's market in South Africa.

In addition, although home burglaries in South Africa impact approximately 13% of the South African population annually it has not grown materially over the last five years. According to the latest survey released by Statistics South Africa in August 2023, housebreaking/burglary levels are almost similar during the years between 2018 and 2023.

Notwithstanding a weak operating environment, at the half year, the group's strategies were reflected in solid results and the Board was anticipating a significant turnaround in performance particularly as the Taylor business had stabilised. However, against a backdrop of elevated interest rates and a weaker than anticipated operating environment, the group's performance in the second half of the year was well below expectations, predominantly due to underperformance in Trellidor's markets in South Africa and the UK.

A key driver of the poor performance was the change in sales mix in the last quarter of the financial year which was heavily weighted towards lower priced and margin products. The Trellidor business has higher operational gearing, following investment in the branches and the commercial segment of the market and so the effect of lower sales on earnings was pronounced. Compounding the challenges in South Africa, in the UK, the investment in sales and installation capacity was also under-recovered due to retail customers focusing their spend on meeting regulatory changes rather than on security.

Accordingly, group revenue for the year decreased 2.1% driven by a weak performance in RSA and in the UK, which was partly offset by significant growth from the rest of Africa. The group's gross margin remained in line with the prior year driven by an improvement in Taylor's profitability which was offset by higher labour costs following the adverse labour judgement and, the inflationary impact on input costs. However, maintaining the group's gross profit margin has not compensated for lower sales, resulting in a R5m reduction in Group gross margin compared to last year.

Overheads increased by 9.6% (R15m) due predominantly to investment in sales and marketing resources, which was in line with the strategy to own distribution in the main centres and replace lost sales capacity during Covid and drive growth in the UK and into the market. A return on this investment did not materialise in F23, although improvements are anticipated in F24.

Net interest cost rose by 81.3% (R7,5m) due to increases in the prime lending rate coupled with an increase in debt primarily to finance the reinstatement of 42 employees. The increase in gearing and higher rates has compounded the group's underperformance and is discussed in more detail below.

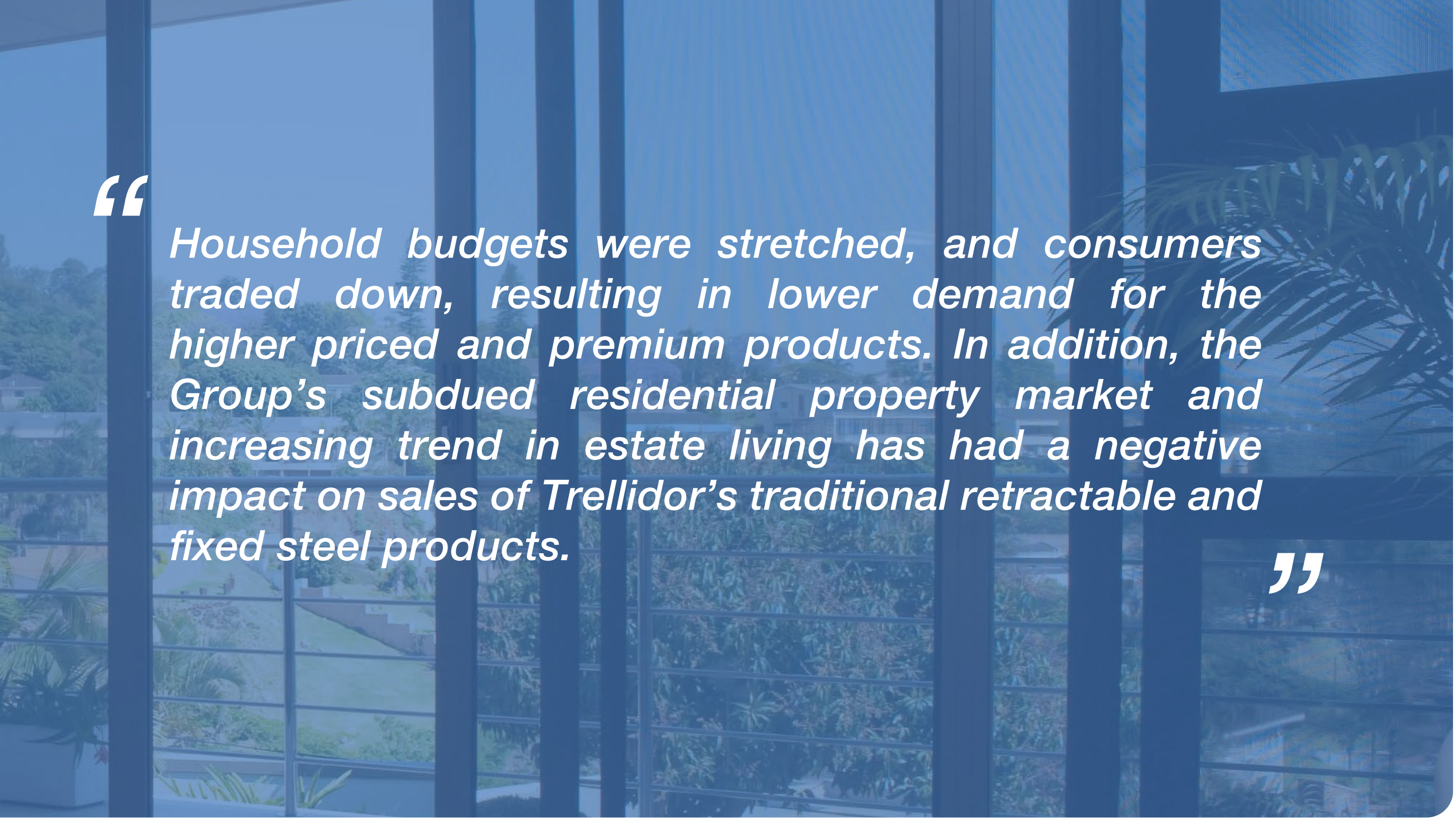
Review of growth strategies during the period

In last year's annual report the Board indicated that; given an enduring weak operating environment, capital constraints following the labour court decision, changing consumer trends impacting demand for the traditional product range, fragility of the Taylor business and significant loss of capacity in the franchise network following Covid, its strategies would need to strike a prudent balance between growth and risk.

The section below provides an assessment of the execution of the key strategies during the period.

Recovery in Africa – 32% increase in sales

Sales to African countries represented approximately 13% of Trellidor's sales last year and this has increased to 15% in 2023. An element of this recovery is due to general economic growth in Africa and was off a low base but we must also give the senior



"Household budgets were stretched, and consumers traded down, resulting in lower demand for the higher priced and premium products. In addition, the Group's subdued residential property market and increasing trend in estate living has had a negative impact on sales of Trellidor's traditional retractable and fixed steel products."

executive team kudos for rebuilding the capacity of the distribution network in Africa following the destruction caused by the Covid pandemic. With the base now re-established, management's focus is on development of both existing and new markets through distributorships.

UK customer base diversification - geographic growth

Following the acquisition of the UK, a key focus for the Board has been to diversify the retail customer base to grow and de-risk the business. Good progress was made during the year on diversifying the customer base with Trellidor being listed with three new national retailers. In addition, sales to the residential market through direct marketing, although at an early stage of its development, is producing a regular monthly revenue stream.

To support this growth, it was necessary to invest R5.8m in 2023 in sales and installation capacity in advance of any sales orders. The investment has been measured and well executed by the team but has resulted in underperformance during the year. The UK business achieved a ROIC of -3.2% in F23 (F22: 32.3%).

The UK business is appropriately resourced to capitalise on growing crime in the UK retail sector. In this respect, it has been awarded a significant supply contract which will be completed during F24.

Growth into the commercial and industrial segment

Over 90% of Trellidor's sales are currently to households. There is a significant opportunity to penetrate the commercial and industrial segment of the market with the Trellidor brand.

However, given limited capital, the Board's strategy is focused on specialised products. In this respect, Trellidor introduced the first of two new sectional overhead products during F23. Coroview primarily targets the auto-motive and emergency services sector. Again, it was necessary to support this growth initiative with an upfront investment of R3.8m in distribution capacity and product IP.

Dedicated selling resources in the main centres have been focused on building relationships with key customers in the retail, pharmaceutical, automotive, banking and fast food industries. Whilst progress has been made with some major companies, revenue generation is below expectation.

The introduction of the second sectional overhead product, Corosteel, during F24 will widen Trellidor's product offering into the industrial and warehousing segments of the market.

Acquisition of main centre franchises

The strategy to allocate capital to acquiring franchises in the main centres and to operate through owned branches was established in F19 by the Board to improve the capacity, flexibility, and quality of the distribution network. The restructure of the distribution network was necessary, prior to growing the group's product set and accessing new segments of the market e.g. commercial, and industrial. The Board's strategy was substan-tiated after the franchise network's capacity reduced by some 30% over the last few years and particularly during Covid.

However, shareholders need to appreciate that this strategy requires a measured approach given the operating constraints of the franchise agreements that are in place and the importance of this route to market to the Group. Accordingly, main centre franchises are purchased when available.

Trellidor now owns four franchises in Durban, Johannesburg and Cape Town. The acquisition of Milnerton was executed in July 2023. As at 30 June 2023, a total of R19.5 million has been invested in the branch strate-gy. The ROIC generated by this strategy is below target and is a key focus for F24.

Stabilisation of the Taylor business

Taylor was acquired for R157.9 million in F17 to diversify and expand the group's product range and distribution network in the home improvements segment of the market. Taylor's product offering was considered complementary to that of Trellidor, with substantial value realisable by selling Taylor products through the Trellidor network in Africa and in South Africa outside the Western Cape, where Taylor's distribution was predominantly focused. The strategy was underpinned by certain Trellidor franchises already selling blinds and that the acquisition would result in the group dominating the shutter segment of the market.

The business has significantly underper-formed expectations for the following key reasons:

- Trellidor's franchise network did not have the capacity or ability to effectively scale to distribute Taylor's products following the introduction of Trellidor's lifestyle range (louvre shutters, Rollerstyle and security screens) to the franchise network;
- Taylor's initial management team had a particular strength in identifying home improvement trends but were not good at managing working capital and were

were unable to manage the complexities of the manufacturing and buying processes; and

- Taylor lost credibility with its own distribution network during Covid when it was unable to deliver products on time due to stock shortages and communication with the trade was poor.

Following stabilisation of the manufacturing side of the business using group resources, the Board took the decision in F22 to replace the managing director. A new managing director was appointed and through F23 he has replaced the sales, procurement, and finance managers. Further, to enhance Taylor's management focus, the NMC operation was unbundled from the Taylor business unit in F23 and is now managed as a separate business unit within the group.

The new management team at Taylor has been focused on rebuilding the fundamentals of the business that have deteriorated in the last few years with a focus on supporting sales growth in the trade and direct routes to market, margin improvement and cash generation.

A focus on higher quality sales in F23 resulted in a reduction in sales but an improved sales mix and production efficiencies have resulted in the gross profit margin increasing to 28.9%. Under the new management team, operating costs were also well managed, decreasing compared to F22. Notwithstanding the improved profitability, the ROIC on this business is significantly below the Board's target return.

Management of financial risk

Given the current under performance of the group, the increase in operational gearing resulting from, in particular, the branch strategy and the increase in debt to finance the Labour Court ruling, the Board is acutely focused on managing financial risk through prudent capital allocation.

At 30 June 2023, the group has term debt of R121.5 million (F22: R96.4 million) excluding lease liabilities. The group's gearing is in excess of the Board's target net debt/ EBITDA ratio of 1.5x and has breached its debt covenants.

A detailed going concern assessment was performed based on the group's projected performance for a period of 12 months from 1 July 2023. The key assumptions were:

- Growth in sales based on current performance;
- The UK contract being successfully executed;
- Gross margin being maintained;
- No increase in working capital;
- Normalised level of maintenance capex and no further acquisition of franchises; and
- Below inflation increase in overhead costs following a step change in fixed costs to increase distribution capacity in F23.

The financial projections indicated that the group would meet its covenants and was a going concern. The Board is nevertheless taking a prudent approach to the management of financial risk given an uncertain operating environment.

Accordingly, the group's growth strategies in the short term will be financed by operating cash flows and capital will not be allocated to the payment of dividends and/or the buy-back of shares until gearing levels are in line with the Board's target.

In addition, the Board has mandated the executive team to investigate opportunities to materially reduce debt by the end of F25. At this stage the Board is not recommending a rights issue or the sale of any of the individual businesses to finance a reduction in debt. The Board is focused on restructuring the existing balance sheet as well as restoring the earnings and cash generating capacity of the business through the development of its existing growth strategies.

GOVERNANCE

Operation and composition of the Board

The Board and its committees have operated effectively. 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 am also satisfied, following a thorough review during the year, that the strategy established by the Board is appropriate and will, over time, create value for shareholders without putting the business at significant risk. See below for information on the strategy for F24.

Given the poor performance of the group, the non-executive directors will not receive an increase in fees for F24. This will be reviewed when performance has improved.

Shareholder interactions

The group executive conducts a webinar and roadshow presentation to shareholders on a bi-annual basis. In addition, the Chairman and CEO have made themselves available to shareholders to discuss the business.

The Board welcomes constructive interactions with shareholders. Key areas of discussion between the Chairman and shareholders during the year and covered in my report, have been as follows:

- Reasons for the under performance of the business over an extended period of time;
- Composition of the Board;
- State of the balance sheet, discussion with the bank and de-gearing options;
- Executive management succession planning;
- Traditional product ex growth and its market positioning;
- Corporate action, consolidation strategies; and
- Capital allocation to share buy backs.

Group Executive

The group executive has been under significant pressure during the year but has responded well during unprecedented times of uncertainty. Executing the growth strategies and rectifying the breach of covenants are key focuses and as a priority, the executive will need to execute on the reduction of debt.

As the majority of 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 CEO and CFO. Certain individuals in Taylor received a discretionary award as the Board recognised the progress made in stabilising the Taylor business.

The requirements for the payment of a long-term incentive have also not been met in the current year. The details of the two incentive schemes are covered in the Remuneration Committee Report. The remuneration of senior executives was adjusted by a general inflationary increase of 6% for the year ended June 2023.

A succession plan has been in progress since F22, with the CFO developing his operational skills by taking on the execution of the branch strategy and now also taking on certain responsibilities in the sales and marketing area.

Strategy 2024

The strategies established by the Board for 2024 need to be considered in the context of a capital constraint on growth and the need to materially reduce the group's debt levels. Further, a weak operating environment is set to endure, including: stagnant demand from households particularly for premium priced discretionary products and shortages in skilled labour which will slow the replacement of capacity in the franchise network. Further, the trend of increased estate living is set to continue, negatively impacting the size of market for the traditional grille product.

In this respect, the Board has reviewed its revenue growth strategies discussed in the CEO's Report and is satisfied that they remain appropriate and that if diligently executed will, over time, generate shareholder value.

To improve the group's profitability, Trellidor will focus on restoring its gross margin lost predominantly due to sales mix.

During F23 there was an above inflationary growth in overhead due to the investment in the branch and commercial and industrial strategies described above. This investment is complete and tight overhead controls will be applied in F24.

Cash flow generation is anticipated to grow compared to last year due to an improvement in the performance of the business driven essentially by the revenue growth strategies described above, an improvement in gross margin in Trellidor and the prudent management of overheads. Further, the investment in working capital is now optimal for the current operating environment and is not expected to increase in F24.

Capital expenditure is anticipated to be in line with depreciation and will be funded by operating cash flows.

The Board will be applying cash generation to the reduction of debt and considering ways to restructure the balance sheet to reduce debt.

Dividend

As per the CFO's Report, the board has deemed it prudent not to declare a final dividend in respect of the 12 months ended 30 June 2023.

Once gearing has stabilised consideration will be given by the board as to the application of excess cash to share buybacks and the payment of a dividend, after investment in growth opportunities that achieve the group's targeted return on invested capital have been assessed.

The Board will also be extending its authority, previously granted by shareholders, to continue with a programme to buy back its shares in line with the above policy.

Appreciation

I would like to thank my fellow directors for their contribution to the governance processes and for their assistance in formulating and adapting strategy to reflect the under performance of the business in a volatile operating environment.

On behalf of the Board, I would also like to thank our executive directors and the senior management team for their commitment and drive. It has been a tough year and the team has pulled together!

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

Mark Olivier
Chairman

Value Outcomes

Value Outcomes

CEO's Report

TERRY DENNISON

Trellidor Holdings Limited together with its subsidiaries ("the group") comprises the Trellidor, Taylor and NMC businesses.

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

Taylor is a major manufacturer and distributor of custom-made blinds, decorative and security shutters in South Africa and parts of Africa with a particularly strong presence in the Western Cape.

NMC is an importer and distributor of premium cornicing and skirting products throughout South Africa and neighboring countries.

OPERATING ENVIRONMENT

As expected, the operating environment for the group remained challenging throughout the financial year ended 30 June 2023 due to both demand and supply related issues.

Against a backdrop of increased interest rates, Government's failure to deliver services such as water and electricity, and a generally weak economy, the market for Trellidor's products in South Africa has been constrained. Where physical security was previously a priority spend for households in South Africa, this is not necessarily the case in the current environment.

property, most prominently in Gauteng, and the growing preference for estate living have also had a negative impact on sales of Trellidor's traditional product range.

Cost pressures due to rising inflation combined with revenue weakness have reduced margins in parts of the group. In the UK, retail sector spend was focused on in-store shop fitting in response to proposed regulation changes and as a result project spend in security related areas was lower compared to prior years.

STRATEGIC OBJECTIVES

As reported in the F22 year end results, key strategic objectives set for the group during F23 were as follows:

Focus on rebuilding franchise selling capacity

Sales consultants are being actively recruited in the main centres with additional heads being added in Cape Town and Johannesburg during F23. Trellidor has completed its initial Sales Internship program and 5 graduates have been absorbed into the three branches during F24 Q1.

Drive Trellidor's recovery in the African market sector

During F23 we have seen excellent results with sales into Africa having increased by 32% from F22. The Trellidor International team has been remanned and is being lead by an experienced Sales and Marketing executive.

As result of the increased internal capacity, additional franchises in new areas are being actively pursued.

Recruitment of additional selling resources in Trellidor UK

The UK operation has been focused on expanding its customer base, both commercially and in the residential sector. Listing as a preferred supplier has been achieved with two new retail chains with the first orders received through H2.

A successful pilot digital advertising campaign has yielded encouraging results with sales to the small business and residential markets being achieved. To ensure we maintain our service levels and prepare for future growth, additional selling and installation resources have been hired.

Sales to existing customers were slow in the period, with project type work being delayed due to alternate priorities. Reactive work, in response to crime, has however been robust.

Significant orders for project type work have since been received during F24 Q1 and the team is well equipped to fulfill these orders following our investment in resources through F23.

"Against a backdrop of increased interest rates, Government's failure to deliver services such as water and electricity, and a generally weak economy, the market for Trellidor's products in South Africa has been constrained. Where physical security was previously a priority spend for households in South Africa, this is not necessarily the case in the current environment."

Rebuilding the fundamentals of the Taylor business

The new management structure was fully populated during F23 H1 and the results through F23 are very encouraging.

Despite softer revenue, gross profit margins have improved by 3.9% to 28.9% (F22: 25.0%). Overheads have been well managed and have decreased 9.0% year-on-year. As result EBITDA has increased to R11.8m (F22: R2.9m).

Introducing new products focusing on expanding our product offering into the commercial property space in South Africa

The first sectional door product, Coroview, was launched during F23. This specific product is targeted at the automotive and emergency service industries. The second sectional door product, Corosteel, which will be launched through F24, will be marketed primarily to warehousing and industrial applications.

During F23, Trellidor launched a new Traditional Trellidor range as well as a new security mesh screen product.

PROSPECTS

Despite the challenges faced in the financial year ended 30 June 2023 and an expectation that the weak economic conditions negatively impacting household's discretionary spend will remain prevalent into the next financial year, the board has reviewed the group's strategies and is satisfied that they remain appropriate and that if diligently executed will, over time, generate significant shareholder value.

These include significantly reducing debt levels, continued focus on unlocking demand in the rest of Africa, the opportunity available in certain commercial sectors for some of our specialised product ranges, the broadening of the UK market, the investments made in sales and marketing capabilities bearing fruit, and the sustained focus on the management of costs.

In support of these strategies, the prospects for the forthcoming year include:

- Trellidor's UK business has been awarded a significant contract to manufacture security products through to F24 H1, and has started supplying against orders received;
- In an effort to further improve the group's profitability, Trellidor will focus on restoring margins;
- Market segmentation in South Africa will continue with an established B2B team targeting the commercial and retail sectors;
- While product innovation remains a key strategy for both Trellidor and Taylor no new products are anticipated to be launched through F24 and focus will be on bedding down the products recently introduced;
- The group will focus on rebuilding the franchise selling capacity in South Africa through economic support and investment in training facilities and material to facilitate the hiring and retention of quality new sales recruits;
- The Trellidor owned and managed branches in three of the major cities in South Africa continue to show positive results.
- The further acquisition of one of the Cape Town franchises, namely Milnerton, which was executed in July 2023 will provide additional scale; and
- Taylor's management team will be focusing on incremental market share growth in Gauteng through increased brand visibility and active engagement, support, lead allocation and training with the trade network through F24.

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
Group CEO

CFO's Report

DAMIAN JUDGE

RESULTS

Group revenue for the year decreased by 2.1% to R502.0 million (F22: R513.2 million) driven by weak demand in South Africa and the reduction in project related revenue in the UK, which was partly offset by significant growth in the rest of Africa.

The group's gross profit margin of 38.5% was in line with the previous financial year (F22: 38.4%). However, maintaining the group's gross profit margin has not compensated for lower sales, resulting in a R3.9 million reduction in group profitability compared to the prior year. Taylor and NMC delivered improved gross profit margins during the year which were offset by a margin decline in Trellidor.

Overheads increased by 9.1% (R14.8 million) due to investment in sales and marketing resources and initiatives, which was in line with the strategy to own distribution in the main centres and replace sales capacity lost during Covid in an effort to drive growth in the Trellidor business. Sales relating to the replacement of lost capacity did not materialise in 2023.

Net interest cost rose by 81.3% (R7.5 million) as a result of increases in the prime lending rate coupled with an increase in the group's debt level, due primarily to the costs of the adverse Labour Appeal Court judgment received in April 2022 ("Labour Court Judgement"), which saw the order for reinstatement of 42 employees with full backpay and benefits from 2017.

The net result of the above factors is a group profit after tax of R3.5 million for F23 (F22: R0.3 million) and a basic earnings per share ("EPS") of 3.7 cents (F22: 0.4 cents). Adjusting for the provision of the costs of the Labour Court Judgement raised in the financial year ended 30 June 2022, the EPS of 3.7 cents in the current year compares to an adjusted F22 EPS of 25.0 cents and R23.8 million profit after tax.

Cash from operations remained flat at R39.0 million for the year before the costs of implementing the Labour Court Judgement of R31.8 million (F22: R39.1 million). The net investment in working capital of R8.5 million during the year is a significant improvement from the investment of R25.1 million at half year, which was supported by a R7.7 million reduction in inventory levels during F23 H2.

The group has interest-bearing liabilities of R121.5 million (F22: R96.4 million) which incurred R13.6 million (F22: R6.4 million) of net interest for the financial year ended 30 June 2023 excluding lease liabilities. The group generated a free cash flow of R21.4 million which together with the additionaldebt raised and an increased utilisation of the group's overdraft facility, was applied to:

- Implement the Labour Appeal Court judgement (R32.1 million);
- Purchase the Hillcrest franchise (R2.0 million); and
- Repay debt capital and interest (R28.0 million).

TRELLIDOR

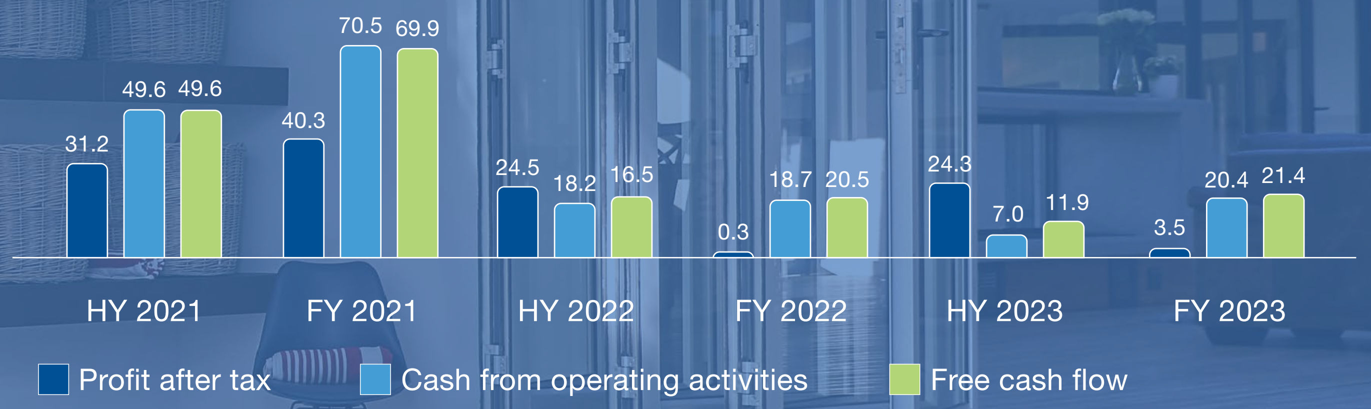
Revenue for F23 increased by 0.9% to R329.6 million (F22: R326.6 million) which was affected by weak performance in South Africa and the UK where revenues declined by 2.4% and 4.4% respectively. These declines were offset by the strategy implemented in the rest of Africa yielding better results, with revenues in this market growing by 31.2%.

Trellidor's gross profit margin decreased to 41.9% (F22: 44.2%) primarily because of increased labour costs post the reinstatement of employees in terms of the Labour Court Judgement and the inflationary increases of fixed and semi-variable costs which were not fully recovered given the weak revenue.

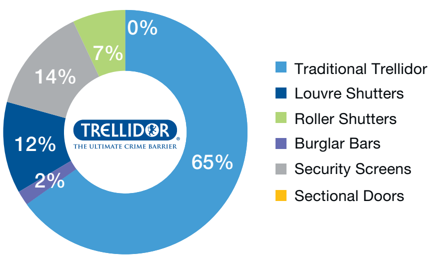
Overheads in Trellidor increased 17.9% (R18.5 million). A significant proportion of the above inflation increase in overhead was applied to bolstering the selling capacity in the UK and Gauteng branch and the absorption of the Trellidor Hillcrest and Cape Town franchises during the period. In addition, there was also additional investment in the strategy to grow the commercial segment of the market compared to previous year. Sales relating to the increase in operating capacity in Trellidor did not materialise in 2023 but, as noted below, there is a high degree of visibility in material sales growth in the UK for 2024. With the marginal increase in revenue, the decrease in gross profit margins and the under-recovery of fixed and semi-variable overheads, Trellidor's operating profit before interest decreased to R15.9 million (F22: R40.9 million excluding the provision related to the Labour Court Judgement).

Despite the challenges faced in the period, the Trellidor business generated cash from operating activities of R40.9 million excluding the costs related to the Labour Court Judgement (F22: R28.4 million).

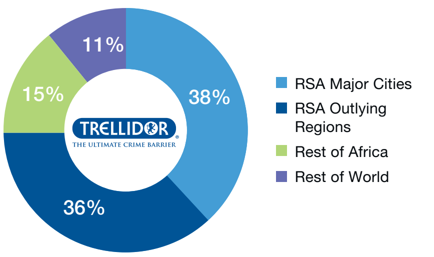
Cash conversion (RM)



FACTORY THROUGHPUT BY PRODUCT (%)



FACTORY THROUGHPUT BY GEOGRAPHY (%)



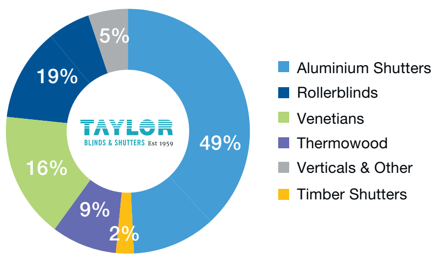
TAYLOR

Although revenue for F23 decreased by 9.6% to R140.2 million (F22: R155.0 million) because of softer revenue in Gauteng specifically, improved sales mix and production efficiencies have resulted in the gross profit margin increasing to 28.9% (F22: 25.0%). Under the new management team, operating costs were also well managed, decreasing by 9.1% from F22.

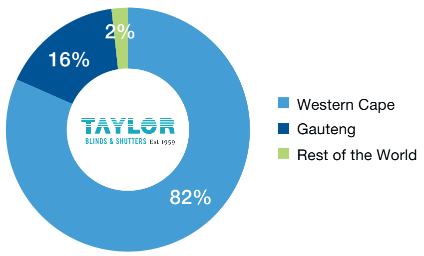
The improved gross profit margins and reduction in overheads, has resulted in Taylor's operating profit before interest increasing to R4.0 million (F22: operating loss of R5.4 million) which is a significant improvement given the current operating climate.

Cash generation has improved significantly from F22 with R5.8 million generated from operating activities in F23. Investment in net working capital of R7.9 million was significantly improved from the investment of R13.9 million at half year. The strategy to stabilise the Taylor business is progressing well.

FACTORY THROUGHPUT BY PRODUCT (%)



FACTORY THROUGHPUT BY GEOGRAPHY (%)



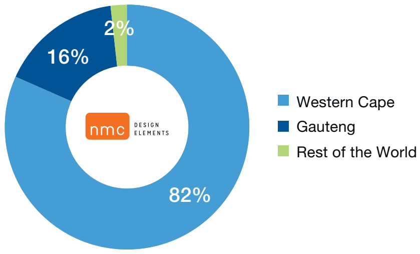
NMC

Revenue for the year increased by 3.4% to R33.4 million (F22: R32.3 million) achieved through selling price increases in response to higher cost of imported goods. The gross profit margin for F23 improved to 43.7% (F22: 43.2%).

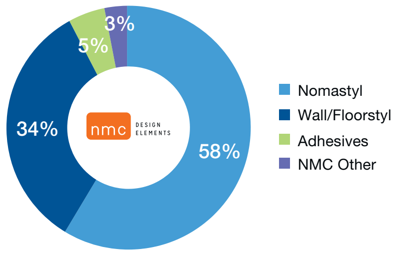
A restructuring of the business following the segregation of NMC from Taylor, which included the recruitment of additional sales and marketing resources to drive market penetration and grow market share, resulted in a decrease in operating profit in F23 to R3.2 million (F22: R6.2 million). The investment in additional resources is expected to achieve the intended results in F24.

Cash generation has come under pressure because of lower earnings and logistical challenges which resulted in an increase in inventory levels. As a result, cash generated by operations in F23 decreased to R3.3 million compared to cash generated in F22 of R6.2 million. The investment in working capital has stabilised during F23 Q4 and cash generation is expected to improve through F24.

FACTORY THROUGHPUT BY PRODUCT (%)



FACTORY THROUGHPUT BY GEOGRAPHY (%)



COVENANTS

The group is required to maintain and monitor dividend, interest and debt cover ratios in terms of its agreements with its financiers. As reported in our interim results, financial performance at the time was adequate in maintaining our covenant ratios despite the increased debt. As at 30 June 2023, driven primarily by the decrease in financial performance during F23 H2, the group's debt to EBITDA ratio (excluding IFRS 16) of 5.1x, breached the 2.0x debt to EBITDA covenant set by the group's primary lender. In addition, total senior debt service cover of 0.8 breached the covenant of 1.2.

CFO's Report (continued)

The board of directors of the company ("board"), in preparing the financial results, has performed a detailed going concern assessment which includes the group's projected performance for a period of 12 months from 1 July 2023. This performance is based on detailed operating plans prepared by the group's executive team and approved by the board.

In addition, these plans have been presented to the group's lender as part of its ongoing monitoring of the group's debt levels. Once the lender has received the signed annual financial statements, it will complete its annual review and assess the significance of the breaches. The lender has advised that it will consider the following factors in determining whether or not the breaches are material: the group's financial performance; whether the entity is loss making; the proposed rectification plan as a way forward; the proactive approach by the group in rectifying the breach; and whether or not any legal proceedings have been instituted against the group by other funders.

Given that the group continues to be profit making, despite the underperformance; that the board has provided the lender with financial and operational plans to rectify the breaches; and the fact that no legal proceedings have been instituted against the group, the board is confident that the lender will condone the covenant breaches.

In preparing the operational and financial plans, the group took into account its existing strategy of improving profitability, which will also ensure that the current breached covenants are regularised, by implementing the following:

- Addressing the factors that impacted the financial performance in F23 H2 including strategic product positioning and price reviews being implemented in Trellidor through F24 Q2;
- Fulfilment of a significant manufacture and supply contract of roller shutters in the UK. Initial orders have already been received and the project is expected to be completed during F24 Q3; and
- Overhead levels will be maintained in line with inflation through F24 after the investment in selling capacity in F23.

In addition, the board has mandated the executive team to investigate opportunities to materially reduce the debt levels by the end of F25.

Given the significant uncertainty regarding the continued weak South African economy and the related impact on the consumer, in preparing the going concern assessment and to mitigate against this uncertainty, below inflationary growth projections in revenue were used as the base for the South African related turnover.The board considers this to be appropriate in the context of the economy and after considering these factors have concluded that the group will continue to trade as a going concern for at least 12 months from the date of this report.

As at 30 June 2023, the group's and company's lender has been made aware of the potential covenant breaches, in terms of the facility agreement. The extent of the breaches and the consequences to the group and the company can only be established once the lender has completed its annual assessment referred to above.

As required by IAS 1 Presentation of Financial Statements, due to the covenant breaches, the related loans have been reclassified as current liabilities as at 30 June 2023 notwithstanding that they are long-term. Once the lender has condoned the covenant breaches and the abovementioned strategies have produced the results expected, the group will have the unconditional right to defer settlement of the liability for at least twelve months after the reporting period and they can be reclassified as non-current liabilities.

DIVIDEND

The group's dividend policy is to consider an interim and a final dividend in respect of each financial year taking into account debt covenant requirements. Depending on the need to retain funds for expansion or operating purposes, the board may pass on the declaration of dividends.

Given the current operating environment, weak financial performance and the current debt levels, the board has deemed it prudent not to declare a final dividend in respect of the 12 months ended 30 June 2023.

Once gearing has stabilised consideration will be given by the board as to the application of excess cash to share buybacks and the payment of a dividend, after investment in growth opportunities that achieve the group's targeted return on invested capital have been assessed.

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.

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 we are 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 a result of ongoing system review, improvements have been identified. The implementation of a standard ERP system across all Group entities including Ghana and the UK will be completed through F24 H1.

Phase 3 of the updated version of our bespoke online ordering and production system was implemented at Trellidor during F24 H1. The group maintains a transparent tax policy to ensure diligent and timeous reporting and payment of taxes to the respective authorities.

Damian Judge
Group CFO

How Trellidor Creates Value

Trellidor supplies our network of branches and 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 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.

Manufacturing

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, Mayotte, Kenya and Ethiopia. The branch in the United Kingdom operates an assembly plant that services the whole of the UK and Ireland.

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.

Trellidor's product range now includes Slimline Sectional overhead doors (Coroview) which primarily targets the automotive and emergency services sector.

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 (LPCB), which sets Trellidor apart from local competitors.

Trellidor Product Range

RETRACTABLE SECURITY

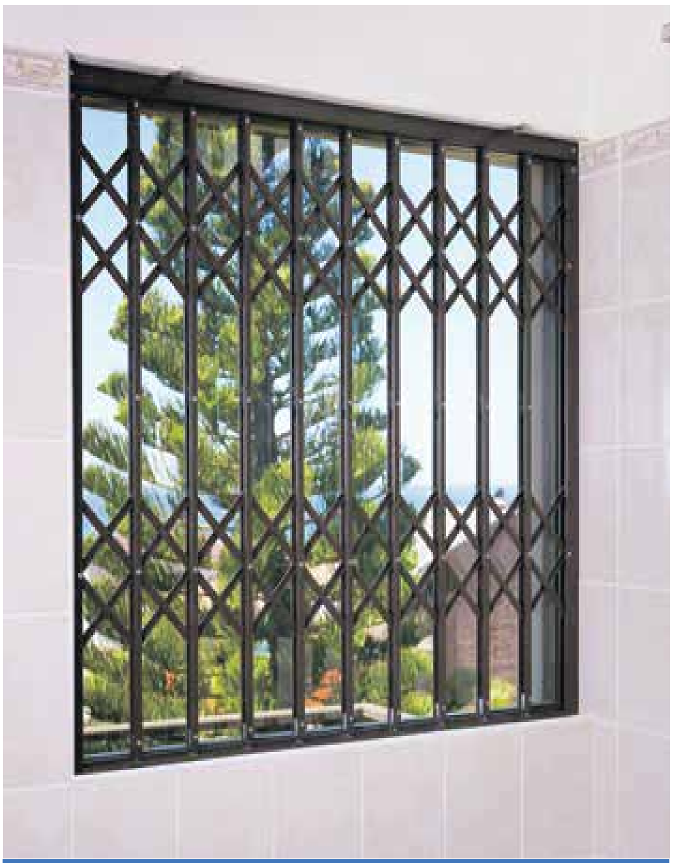
COTTAGE GUARD

POLYCARBONATE BAR

CLEAR GUARD

ROLLERSTYLE

SHUTTER SECURITY



FIXED SECURITY

BURGLAR GUARD

Trellidor Product Range (continued)

ESTATE SECURITY SHUTTER

COROVIEW

ROLLERSTYLE LDS

How Trellidor Creates Value (continued)

Distribution

Trellidor has a well-established, loyal and extremely effective national branch and 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 and branch 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.

51

RSA FRANCHISES

1 Manufacturer under license in Israel

18

INTERNATIONAL FRANCHISES

16 African countries

5

BRANCHES

Company-owned assembly plants in Ghana and the UK.
RSA sales branches in Cape Town, Durban and Johannesburg.

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 and branch. 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 and branches conduct installations on orders they generate. All product and installations include a three to five year warranty that is serviced by the franchisee or branch. 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 comprises the Taylor Blinds and Shutters and NMC South Africa businesses.

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.

Manufacturing

Taylor blinds and shutters are produced at its 8,000m2 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 material and fittings, much of which are imported.

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 timber, Thermowood® (wood substitute) shutters as well as aluminium hurricane wind resistant shutters and ShutterGuard and ShutterStyle security shutters.

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

Distribution

Taylor has a well-established, loyal distribution network and customers for both the blinds and shutters, concentrated in the Western and Southern Cape, and 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.

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.

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 specifications.

Installation is a key factor in delivering a top-quality solution and cements the overall quality and customer centric ethos. Taylor offers 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.

Taylor Product Range

SHUTTERGUARD®

HURRICANE SHUTTERS

THERMOWOOD® SHUTTERS

WOVEN BLINDS

WOODEN VENETIAN BLINDS

ALUMINIUM VENETIAN BLINDS

VERTICAL BLINDS

ROLLER BLINDS

TIMBER SHUTTER

OUTDOOR BLINDS

SHUTTERSTYLE

How NMC Creates Value

Taylor comprises the Taylor Blinds and Shutters and NMC South Africa businesses.

The Brands

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

Manufacturing

All NMC cornices and mouldings distributed in Soutrh Africa are imported under agreement from NMC Belgium where the products are manufactured.

Stock is held in the key centres of Johaneesburg, Durban, and Cape Town.

Products

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

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

Distribution

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.

Marketing and Sales

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

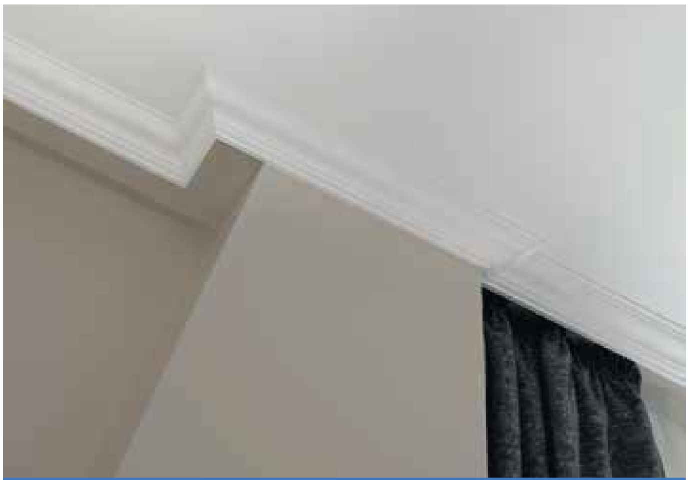
Installation & After Sales Service

Installation is a key factor in delivering a top-quality solution and cements the overall quality and customer centric ethos. NMC offers insatallation training to all our distributors on a regualr basis. A dedicated customer service department deals with all after sales service and warranty requirements.

Footprint

NMC South Africa branches are located in Gauteng, Durban and Cape Town.

NMC Product Range



CORNICES

DADO RAILS

SKIRTINGS

POLYSTYRENE MOULDINGS

How the Group is Governed

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) $
Stuart Bird $

BOARD SUB-COMMITTEES

Audit, Risk and Compliance Committee

Ralph Patmore C
Mark Olivier
Stuart Bird

Remuneration and Nominations Committees

Mark Olivier (Nominations) C
Stuart Bird (Remuneration) C
Ralph Patmore

Social and Ethics Committee

Stuart Bird C
Mark Olivier
Ralph Patmore
Damian Judge

Attendance at meetings during the financial year

Attendees at meetings	Board +			
Mark Olivier	5(5)	4(4)	4(4)	2(2)
Ralph Patmore	5(5)	4(4)	4(4)	2(2)
Stuart Bird	5(5)	4(4)	4(4)	2(2)
Terry Dennison	5(5)	4(4)#	4(4)#	2(2)#
Damian Judge	5(5)	4(4)#	4(4)#	2(2)

Invitee to the committee/board | $ Independent Non-executive director | C Chairman of particular committee | ^ Executive director | + Includes 1 special Board meeting

Meeting attendance

The 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 2023 financial year. In addition, one special Board meeting was held. 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 as well as with the Committee compositions.

Board composition

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

Board committees

- **Audit, Risk and Compliance Committee** – AR&CC
- **Remuneration and Nominations Committees** – REMCO
- **Transformation, Social, Ethics and Sustainability Committee** – SETCOM
- **Chairman of particular committee** – C

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	
Mark Olivier $	BCom CA(SA)	Appointed 26/10/2006	Asset management Property Corporate finance Private equity	- 18 years - 18 years - 28 years - 18 years
Ralph Patmore $	BCom, MBL	Appointed 28/10/2015	Manufacturing Building & Construction NED experience	- 23 years (Executive & Non-executive) - 33 years (Executive & Non-Executive) - 13 years
Stuart Bird $	CA(SA)	Appointed 01/06/2022	Retail Manufacturing Property	- 25 years (Executive) - 6 years - 4 years
Terry Dennison ^	BCom CA(SA)	Appointed 01/06/2002	Manufacturing Agri-processing Agriculture	- 25 years (Executive) - 6 years - 6 years
Damian Judge ^	BCom CA(SA)	Appointed 01/03/2019	Manufacturing	- 12 years (Executive)

$ independent non-executive | ^ executive

Note: John Winship was a member of the Audit, Risk and Compliance Comittee, a member of the Social and Ethics Committee, a member of the Nomination Committee and the Chairman of the Remuneration Committee untill he retired from the Board of Trellidor at the AGM on 9 November 2022.

Meeting attendance

The position of the Board remains unchanged in terms of their approach to governance and how governance is managed.

The Board members continue to 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 of 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. The Board assessed the application of the principles set out in King IV and continues to strive towards achieving the four desired governance outcomes, namely ethical culture, good performance, effective control, and legitimacy. The relevant 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 remains committed to continuously improving governance and continues, on an ongoing basis, to review its governance practices in line with updated recommended practice notes to fully meet the requirements of King IV.

In line with its Code of Ethics, the Company continues to promote the highest standards of ethical behaviour among all persons involved in the Group's operations. This 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's zero-tolerance policy in respect of the committing or concealment of fraudulent acts by employees, contractors, or suppliers remains in place. Trellidor's employees and directors accept that any breach of the code of ethics exposes them to the possibility of disciplinary action, which could result in the termination of employment or office.

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, mechanisms, and policies, which are appropriate to the Company's business, are in place. The Board reviews these from time to time.

By continuing to uphold the highest possible corporate governance standards, Trellidor is comfortable that it provides its stakeholders with confidence that it is a well- governed and well-conducted business.

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

Corporate Governance Report (continued)

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 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, resources planning and allocation, transformation, diversity and employment equity, standards of conduct and other important decisions. The Board has again applied its mind, as recommended by King IV, practice recommendations 7.29 and 7.30(d), to the independence of Mark Olivier who has served as a non-executive director since 2006 and is comfortable that he remains independent and that he brings valuable expertise and experience to the Board. Although not required but in the interest of enhanced governance, in 2017, the Board appointed a lead independent non-executive director. Ralph Patmore continues as the lead independent non-executive director. 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 director's age and experience is set out on pages 12 and 47 of this integrated annual report, with their detailed CVs on the Company's website at holdings.trellidor.co.za.
Frequency of meetings	Board meetings are held at least quarterly, with additional meetings convened when circumstances necessitate. The Board met five times prior to the end of the financial year. These were the four standard quarterly meetings, and one special meeting.
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. Damian Judge is appointed as the Group's full time financial director. 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 has been completed and the major material risks as well as identified opportunities, appear on page 22 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. 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 informal evaluation for the current reporting period, 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 the results of the evaluation together with the current composition of both the Board and its various committees as well as 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. In summary the Board confirmed that it is comfortable with both the performance and composition of the Board of Directors and of the individual Board sub-committees. Directors' and officers' liability insurance is provided by the Company. This cover is reviewed annually.

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 Nominations 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 dominance of any one particular shareholder.

The Board, in conjunction with the Company Secretary and Sponsors, has established a formal orientation programme which will enable any incoming directors 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, as part of their induction, 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 Committees 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, their shareholdings, additional directorships and any potential conflicts of interest 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, 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. Directors, Group employees and their associates are not permitted to deal in the Group's securities during these closed periods.

The trading 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 Group's approved delegation of authority framework.

The Board determines and amends, as necessary, the scope and responsibilities of the committees, as well as the appointment of new committee members.

The Board has approved a delegation of authority framework, which delegates certain responsibilities and/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 Nominations Committee and the Transformation, Social, Ethics and Sustainability Committee remain unchanged.

The Board remains conscious of the fact that such delegation of duties is not an abdication of their Board member 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 these meetings.

The Chairman continues to provide leadership to the Board in all deliberations ensuring independent input and oversees its efficient operation.

While the CEO reports directly to the Board, the CEO and CFO continue to be responsible for proposing, updating, implementing, and maintaining the strategic direction of Trellidor as well as ensuring controlled operations. In this regard, they are assisted by senior management of the Group.

The Board approved and adopted a Broader Diversity Policy in line with the JSE Listings Requirements and assesses factors such as gender, skill set, race, integrity, age, field of knowledge and experience. A copy is available on the Group's website holdings.trellidor.co.za

Corporate Governance Report (continued)

Trellidor Board

Audit, Risk and Compliance Committee

Composition	Three members Ralph Patmore (Chairman), Mark Olivier, and Stuart Bird, 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 with all of the members present at each meeting.
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 66. 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), Ralph Patmore and Stuart Bird, 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 bi-annually, with additional meetings convened when circumstances necessitate. The committee has however scheduled a meeting to take place prior to each quarterly board meeting and they met four times prior to the end of the financial year. All of the members were present at each meeting.
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 executive directors and senior management. A formal succession plan has been presented to, and has been approved by, the committee and recommended to and approved by the board. In the event of a vacancy the committee will consider candidates, in line with both the Board Appointment Policy and the Group's 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 Stuart Bird (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 bi-annually, with additional meetings convened when circumstances necessitate. The committee has however scheduled a meeting to take place prior to each quarterly board meeting and they met four times prior to the end of the financial year with all of the members present at each meeting.
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 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.

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

Social and Ethics Committee

(Also referred to as the Transformation, Social, Ethics and Sustainability Committee)

Composition	Four members, Stuart Bird (Chairman), Mark Olivier, Ralph Patmore and Damian Judge, which comprise three independent non-executive directors and one executive director. 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 with all of the members present at each meeting.
Responsibilities	The 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 54. The committee has fulfilled its mandate as prescribed by the Regulations to the Companies Act and confirmed that there were no instances of material non-compliance to disclose. 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.

Corporate Governance Report (continued)

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.

Race	Male	Female	Total
African	141	82	223
Indian	69	51	120
Coloured	85	27	112
White	31	17	48
Total	**326**	**117**	**503**

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 compliant with both the JSE Listings Requirements and section 13(G)(2) of the B-BBEE Act and is in the process of having the relevant documentation finalised. A copy of the relevant documents are available on the Company's website, holdings.trellidor.co.za. 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. The details of the King IV gap analysis, together with the ongoing progress that has been made, are recorded in the application register, which is included on the Trellidor website, holdings.trellidor.co.za.

The Board remains comfortable that all the relevant gaps identified have either been addressed or are well progressed in terms of being addressed.

For the 2023 financial year, the Board hereby confirms that the Company has applied the principles of King IV and explained the application of the relevant recommended practices to achieve the principles.

The Board continues to strive to ensure that the material 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.
- Broader Diversity policy.
- Form B-BBEE 1 lodged with B-BBEE Commission.
- SENS announcements.
- PAIA Manual.
- POPI Policy.

Independent advice

All independent non-executive directors have unrestricted access to management and all Company information and resources, as well as to the Company Secretary, the Group's external and internal 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 JSE 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 fulfill her duties and provide assistance to the Board. The Compa-ny 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 ("PAIA")

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. The PAIA manual is available on the Company's website. holdings.trellidor.co.za

Protection of Personal Information Act ("POPIA")

The Board is comfortable that Group remains POPIA compliant. The POPIA policy is available on the Company's website holdings.trellidor.co.za.

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.

Internal audit

The internal audit function is outsourced to an external service provider and the responsibilities of the internal auditors are set out in a written charter approved by the board. For the period under review BDO were the internal auditors.

Internal audit is an independent, objective assurance and consulting activity established to support and improve the Group's operations. It follows a systematic, disciplined approach to evaluate and improve the adequacy and effectiveness of risk management, control and governance processes. The Audit, Risk and Compliance Committee oversees the internal audit function and agrees their annual combined internal audit plan and scope of work.

The Group's internal audit activities are co-ordinated by the Group CFO and have unrestricted access to the Group CEO and Audit Committee chairman.

Internal audit has confirmed that nothing has come to its attention to indicate that there was any material breakdown in the system of internal or financial control in the group during the year. This conclusion is based on the internal audit work it performed in terms of the approved combined internal audit plan for the year, the scope of work, the results of evaluations and the overall audit opinion ratings for the audited areas, together with feedback on follow-up audits.

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. This was the first year for the new auditors PKF Durban. 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.

Combined assurance

The group has adopted a combined assurance model, which model ensures:

- The completeness of the group-wide inherent risk profile;
- That key mitigation factors and processes are documented and aligned to the group's risk management model; and
- An adequate level of assessment of the control environment by assurance providers, both internal and external.

The combined assurance model aligns with the group's integrated governance model, with key assurance provider roles overlapped, which strengthens the robustness of assurance across key elements. The model is reviewed on an annual basis by the Audit, Risk and Compliance Committee.

Legal compliance

The Company Secretary, together with the Group's JSE Sponsor, monitors compliance with the recommendations set out in King IV, as well as the requirements of 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.

The Group directors have confirmed that, to the best of their knowledge, the Group i) complied with the provisions of the Companies Act of South Africa, and ii) operated in accordance with its Memorandum of Incorporation, during the year under review.

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, in respect of the F23 financial year of Trellidor Holdings Limited. As reported on page 46, the Committee comprises Mark Olivier, Ralph Patmore, Stuart Bird and Damian Judge. The chairman during the reporting period being Stuart Bird.

During the year the committee concentrated its efforts on establishing its Scope 1 and 2 emissions for the group, enhancing its training and education programs and continued support of its flagship school sports initiative.

ENVIRONMENTAL FOCUS AREAS

GREENHOUSE GAS EMISSIONS

Trellidor has a C-Suite-led Environmental Sustainability Committee ("subcommittee"), which feeds into the Social and Ethics Committee. The subcommittee oversees the implementation of the environmental sustainability roadmap, and ensures there is ongoing:

- Development and tracking of goals, targets, and environmental audits;
- Improvements in resource-efficiency performance and financing of initiatives;
- Monitoring of low-carbon drivers and climate-change adaptation; and
- Reduction of environmental risks in the supply chain.

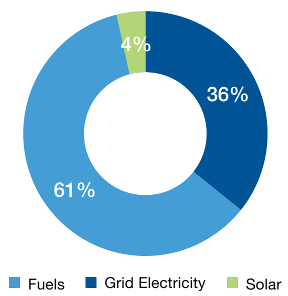
During the reporting period, the subcommittee focused on establishing the group's Scope 1 and 2 emissions for F22 and F23. Total Scope 1 and 2 emissions in F23 were 2,586 tCO_2e (F22: 2,329 tCO_2e). Of this, 70% (F22: 70%) was Scope 2 emissions which are emissions associated with purchased electricity and the balance was Scope 1 emissions which are emissions associated with the use of fossil fuels in our operations. The Trellidor business unit contributed 82% (F22: 76%) of the total group's emissions. Taylor's operations made up 17% (F22: 22%) of the emissions with NMC making up the balance.

Total emissions increased by 11% owning to additional manufacturing and powder coating equipment commissioned in Trellidor for the production of two new products and increased sales and installation capacity in main centres which includes additional vehicles.

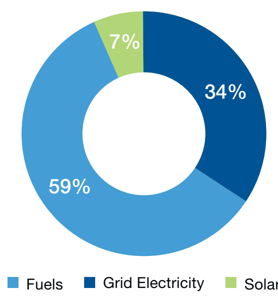
Total energy consumption in F23 was 18,960 GJ (F22: 16,386 GJ). Of this, 34% was grid electricity (F22: 36%), 59% (F22: 61%) was fuels such as diesel, petroleum and liquefied petroleum gas, and 7% (F22: 4%) of renewable energy generated by solar installed at our Durban production facility.

Total energy consumption increased by 16% in line with the total Scope 1 and 2 emissions but was offset by 12 months of solar energy compared to 6 months in F22.

F22 Energy consumption breakdown



F23 Energy consumption breakdown



SOCIAL FOCUS AREAS

MEMBER OF PROUDLY SOUTH AFRICAN

During the year the group continued its membership with Proudly South African (PSA) enabling the Trellidor and Taylor locally manufactured products to carry the iconic Proudly South African logo.

As members of PSA we contribute towards the work the organisation does in promoting and developing local businesses and products. These activities include:

- Business sector forums which present the case for local procurement to business owners.
- Public sector procurement forums which focus on the roles and responsibilities of supply chain and procurement officials from all 3 tiers of government and SOEs in respect of the PPPFA and on our tender monitoring system.

- Sector specific forums which focus on sectors in distress or those that offer the greatest number of direct as well as indirect job opportunities.
- The implementation and ongoing support of an online shopping platform dedicated to locally produced products (www.rsamade.co.za).

The hosting of the annual Buy Local Summit & Expo which showcases PSA member companies and specifically recruits procurement departments of various public and private organisations to interact with its members.

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 in conjunction with the Board Appointment Policy 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 52 of the Integrated Annual Report.

EMPLOYEE EDUCATION AND DEVELOPMENT

LEARNER EDUCATION AND TRAINING

As part of its continued commitment and focus to develop a learning organisation culture, within our internal and external communities, Trellidor successfully embarked on four South African Qualifications Authority (SAQA) recognised learnerships this year. This was done in conjunction with Innovative Shared Services (ISS), an accredited service provider.

National Certificate: Generic Management: NQF Level 5

This learnership opportunity was aimed at providing an opportunity for current Shift Leaders to enrol for the learnership, as the previous learnership excluded Shift leaders.

This qualification was specifically selected as it is designed to develop management skills for Team leaders. The learnership is aimed at the improvement of Team leaders' knowledge and skills to be more effective as Shift leaders.

Learners to become more competent in building relationships; creating effective teams; managing performance and continuous improvement; delegation; recruitment and coaching; operational strategies; risk, financial and knowledge management; and business ethics. Candidates had to have passed English and Maths or Maths Literacy at Grade 12 NQF level 4 to qualify for the course. Learning was a combination of formats, including classroom-based, online, and blended learning.

We are expecting a 100% pass rate, with all seven Learners expected to complete the qualification. The timeframe to complete the qualification was extended as a result of operational requirements following the KZN floods and strike.

National Certificate: Generic Management: NQF Level 4

As planned we offered eight NQF level 4 Learnerships for employees in leadership positions who did not meet minimum learning qualifications requirements to register for the NQF level 5 Learnerships. Some of these learnerships (x3) are funded by the Company as we did not obtain grants for all the learners.

National Certificate: Freight Handling: NQF Level 6

Learners who passed the NQF 5 learnership have requested to continue with NQF level 6. Management agreed to subsidise 33% of the cost towards their studies on the basis that learners proceed with on-line studies, in their own time. This learnership was taken up by five of the learners. All learners are progressing well.

GETC: Transport NQF Level 3

Given our success the previous year with, training People with Disabilities on site and integrating Learners into the workplace to help create a culture of inclusion for all, we continued with eight learners.

The candidates attend class on-site two days a week and work at the Trellidor production plant two days a week. This is a 12-month programme, with the possibility of providing future employment for some of the candidates. As we were unable to place learners this year, we extended the opportunity for six of the learners to do a second learnership and recruited two new learners. All learners are progressing well.

Social and Ethics Committee Report
(continued)

PROTOCOLS ON DECENT WORK AND WORKING CONDITIONS

The Group has an explicit and detailed Safety, Health, Environment, Risk and Quality (SHERQ) Policy, including Covid-19 related regulations, and a SHERQ team who are dedicated to ensuring its implementation, monitoring and compliance.

Monthly Health and Safety Committee meetings are held to receive feedback regarding SHERQ and to 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.

The Group encourages business relationships with suppliers, who pursue sound employment equity and black economic and empowerment programs.

SOCIAL AND ECONOMIC DEVELOPMENT PROJECTS

During the year, the Trellidor group responded to its social and economic development responsibilities by focusing on its flagship school sports initiative, being the support of the Durban High School's hockey program through the DHS Foundation. The DHS Foundation is committed to the development and upliftment of Durban High School ("DHS") through partnership with the school community of Old Boys, parents, staff, and learners.

In terms of upliftment, in F23 DHS produced 31 (F22: 36) Kwa-Zulu Natal Hockey representatives of which 81% (F22: 83%) of these boys were from previously disadvantaged backgrounds. We aim to ensure the continued growth of DHS as a centre of excellence, learning and opportunity.

Unfortunately, given the group's financial underperformance, our overall contribution to social economic initiatives has been reduced from R617,500 in F22 to R300,000 in the current year, of which 100% was invested in Arts, Sport and Culture. This spend ensured that we maintained our B-BBEE rating.

Trellidor sponsorship of the Durban High School 1 st Team Hockey.

GOVERNANCE FOCUS AREAS

PROCUREMENT

The Group encourages business relationships with suppliers, who pursue sound employment equity and black economic and empowerment programs.

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 B-BBEE rating. This included financial support to the value of R1,200,000 (F22: R1,150,000) by way of interest-free loans and working capital funding.

The Group continues to seek opportunities to sustainably increase its participation in enterprise development. The Trellidor business model has assisted in the development of over 51 franchises in South Africa and 18 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.

Access control protocols are in place to ensure only authorised users can access the IT environment. 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.

The Group's compliance in terms of the Protection of Personal Information Act (POPIA) is monitored in line with the recommendations of the Act.

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 nor tolerate any behavior that is deemed or perceived to be discriminatory in any way.

TAX COMPLIANCE

Through its tax principles, internal policies, Group tax committee, expert tax consultants and actions, Trellidor is committed to being a socially responsible corporate fiscal citizen. In addition, numerous self-audits were requested by SARS for Trellidor and Taylor. These were performed and submitted with no amended assessments being issued. The Group pursues a long-term sustainable tax strategy with a focus on compliance with national and international tax laws and regulations.

In their 2023 Quarterly Compliance Confirmation, all Managing Directors/General Managers confirmed that there were no violations of applicable tax laws in their entities. A strict tax strategy with active management of tax matters ensures that the Group pays the correct tax in each of the 3 countries where it operates. During the year the Group paid R2,525,029 (F22: R11,304,735) in income tax of which R2,337,935 (F22: R9,748,645) was in South Africa.

ETHICS

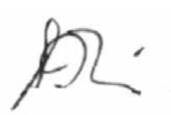
As reported in the Governance section of this report, the adopted Code of Ethics underpins both the Board and employees conduct and behavior so as to ensure that they uphold the highest standard of ethics.

Committee Oversight

In accordance with its mandate, the Committee met twice during the year under review. Attendance at Committee meetings is set out on page 46 of the Integrated Annual Report.

The committee confirms that it has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and that there were no instances of material non-compliance to disclose.

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. The Committee will continue to make enhancements to its reporting and align its strategic focus areas with SDGs that are significant to the Group.



Stuart Bird
Chairman

Remuneration Report

The Remuneration Committee ("Remco") Chairman's letter

This is the remuneration report of Trellidor Holdings Limited ("Trellidor"), in line with the King IV guidelines it outlines the philosophy, policy and the implementation details of the remuneration of the executive directors, executive management, and non-executive directors, and at a high level, the rest of the employees of the Trellidor Holdings Group ("Group").

Committee responsibilities

The Remco fulfils the role of governing remuneration related matters, as delegated to it by the board of directors. The roles and responsibilities of the Remco are determined and approved by the Board, as explained, and detailed in the corporate governance section of Trellidor's integrated annual report, which deals with Board Committee structures and responsibilities.

The Committee is an independent and objective body, which is responsible for advising on, and then on the Board's behalf overseeing and monitoring the implementation of the Group's remuneration policy.

It is tasked with ensuring that directors and executives are remunerated fairly and responsibly and to this end the Committee reviews the mix of 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 ("AGM");
- 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;
- in conjunction with the Transformation, Social, Ethics and Sustainability Committee review the human capital management practices in place with reference to key focus areas and those specifically required by 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. A formal evaluation is done every two years; and
- review the remuneration report and disclosure of directors' remuneration that accompanies the Trellidor's Annual General Meeting Notice and 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 AGM for non-binding advisory votes by shareholders.

During the period under review, the Remuneration Committee ("Remco") comprised four independent non-executive directors: John Winship (Committee Chairman, part year), Ralph Patmore and Mark Olivier and myself Stuart Bird (Committee Chairman, part year). John stepped down as the Committee Chair and as a non-executive director of the Group at the annual general meeting, held on 9 November 2022, whereafter I was appointed as the Committee Chairman. 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 has scheduled a meeting to take place prior to each quarterly Board meeting for the past year. Attendance at Committee meetings is set out in 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 and formally evaluates the Committee every two years. Having completed the formal evaluation in 2022 it will be completed again in the 2024 financial period in line with the evaluation cycle. The informal assessment and evaluation by the borad this year found that the Remuneration Committee has duly completed its responsibilities during the year, in accordance with its Charter and is functioning effectively.

Shareholder engagement

The Group presented its remuneration policy and implementation report to shareholders for non-binding advisory votes at its annual general meeting ("AGM") on 9 November 2022.

The non-binding vote in respect of the remuneration policy was 82.84% (2021: 95.08%) for and 17.16% (2021: 4.92%) against.

The non-binding vote in respect of the implementation report was 82.84% (2021: 95.08%) for and 17.16% (2021: 4.92%) against.

In the event that either the Trellidor remuneration policy (as contained in Part 1 of this report) or the remuneration implementation report (as contained in Part 2 of this report), or both, are voted against by 25.0% 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.

Where practical, the Remco continues to constructively engage with dissenting as well as other shareholders on remuneration matters.

The executive directors remained unchanged during the year. The executive directors together with the greater executive management team remain committed to and focused on the Group strategy and its implementation. The Group Strategy and results are set out in the Chairman's Report which forms part of the Integrated Report. As a consequence of the poor operating environment, as detailed in the Chairman's Report, neither SIT's nor LTI's accrued in terms of the Group's Remuneration Policies.

As in the prior year, the STI and Cash LTI scheme, as detailed and explained in the Policy section, has remained unchanged. During the year the final Share Option LTI awards expired with no benefits accruing to the share option scheme. The Share Option LTI scheme will not be renewed.

The focus of the Remuneration Committee of the Board ("Remco") for next year continues to be on ensuring that the STI and LTI drive the desired behaviors to achieve the short- and longer-term objectives aligned to stakeholders' interests as well as continuing to implement best practice protocols in accordance with the remuneration policy principles.

We believe the objectives of the remuneration policy are being achieved. If identified and where possible improvements in the report, policies and practices to ensure better alignment with the Group, shareholder, and stakeholder interests, will be undertaken.

The Remco is satisfied with the Group's application of both the requirements of King IV and the JSE Listings Requirements.

I would like to take this opportunity to thank the members of the Remco for their support over this reporting period.

Stuart Bird
Remco - Chairman

PART 1: 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.

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-caliber 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. Total Guaranteed Pay (TGP)

TGP on a cost-to-company basis consisting of, inter alia, a base salary, contributions to pension and/or provident funds, medical aid, group life and income disability. Travel allowances and/or the use of a company vehicle 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

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.

Cash Long-Term Incentive (Cash Incentive): Participation is for executives. The incentive is linked to the financial performance of the Company. The committee retains the overall discretion to review and moderate any calculated LTI to avoid unintended outcomes, as well as to modify and amend the design of the scheme from time-to-time, as it sees fit.

The Share Option 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. No new tranches have been issued after the initial two allocations and this share option scheme will not be renewed after the final tranches have vested.

The table overleaf 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
Total Guaranteed pay	Total Guaranteed pay is the fixed remuneration which comprises both a cash element and benefits. These benefits are inclusive of pension and/or provident funds, medical aid, group life and income disability. Where justified a travel allowance and/or use of a company vehicle 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: • annual financial results relative to target; and • individual performance against key performance indicators (KPIs). The STI pool is capped as follows: 6% of earnings before interest and tax (EBIT) before provision for incentive 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 TGP • CFO and senior executives - 60% of TGP • Other participants - 40% of TGP 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 key employees #	To reward successful achievement of Company targets and personal performance. The financial measures used are: • Earnings before Interest and Tax (EBIT) • Return on Invested Capital (ROIC) 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. The ROIC hurdle was reduced to 12% for the F21 financial year to take into consideration the impact of Covid-19 on the economy but reverted to 18% for F22. 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 Group 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.
Share Option Long-Term Incentive Scheme (Share Incentive 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 original Share Incentive Scheme had its final vesting in October 2021 and the subsequent award has its fifth vesting in October 2022. The original Share Incentive Scheme completed its vesting options and no subsequent awards have been or will be issued in its place. This scheme will be phased out.
Cash Long-Term Incentive (Cash Based)	The primary objective of the Cash Incentive is to incentivise and retain key employees by deferring and distributing cash incentives over a 3 year period. The LTI provides executives and key senior managers with the opportunity to receive a bonus over an extended period dependent on Group financial performance. The factors taken into consideration when making payments are: • annual financial results; • minimum shareholder return; and • the individual participant remaining employed by the Group The LTI pool is capped at 2.4% of earnings before interest and tax (EBIT) before any incentive 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. The annual pool is divided between the participants and vests in equal instalments over the following three year period, provided that the participant remains an employee as at the vesting date. Allocation of the pool is determined at the discretion of REMCO.	Executives and key employees #	To reward successful achievement of Company targets and retain key employees. The financial measures used are: • Earnings before Interest and Tax (EBIT) • Return on Invested Capital (ROIC) 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. The ROIC hurdle was reduced to 12% for the F22 financial year to take into consideration the impact of Covid-19 on the economy but reverted to 18% for F22. 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. In the event that there is no incentive pool, no LTI will be payable.

 # 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 termination, the Company has the discretion to allow the relevant employee to either work out their notice or to pay the TGP for the stipulated notice period in lieu of notice. Furthermore, the rules of the various plans 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
Cash LTI	All unpaid cash-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 payment date, they shall remain entitled to the same cash-awards for the next 12 months as if they remained employed by the Company. Any cash-awards payable after the 12 month period lapse.	If the participant is retrenched or dies prior to the payment date, they or the executor/ legal representative shall remain entitled to the same cash-awards for the next 12 months as if they remained employed by the Company. Any cash-awards payable 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 on the fees payable to the non-executive directors taking into consideration fees paid to non-executive directors of comparable companies and the importance attached to the retention and attraction of high-caliber 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.

In assessing whether or not the fees should be escalated, the remuneration and nomination committee have taken into consideration the Group's current position.

	2023		Proposed 2024	
	Annual fee Rand	Per meeting fee Rand	Annual fee Rand	Per meeting fee Rand
Board Chairman	52 840	41 105	52 840	41 105
Director	46 960	29 365	46 960	29 365
Audit, Risk and Compliance Committee				
Chairman	-	35 225	-	35 225
Member	-	23 490	-	23 490
Remuneration and Nominations Committee				
Chairman	-	17 620	-	17 620
Member	-	11 740	-	11 740
Social and Ethics Committee				
Chairman	-	11 740	-	11 740
Member	-	8 810	-	8 810

It is proposed to reflect a 0 percentage increase for 2024 on the 2023 financial year fees. These 2024 fees will be proposed to the shareholders at the Annual General Meeting on 7 December 2023. Fees exclude Value Added Tax.

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 and/or attendance at the Board or committee meetings.

Remuneration Report (continued)

PART 2: IMPLEMENTATION REPORT

Shareholders will be requested to cast a non-binding advisory vote on the remuneration implementation report as contained in this part 2 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 2023. The Remco considers these payments are in line with Company's remuneration policy.

Non-executive director fees*

2023	Directors' fees Rands	Total Rands
MC Olivier	370 728	370 728
JB Winship	168 580	168 580
RB Patmore	364 910	364 910
SI Bird	336 255	336 255
	1 240 473	1 240 473
2022		
MC Olivier	356 011	356 011
JB Winship	323 135	323 135
RB Patmore	344 985	344 985
SI Bird	-	-
	1 024 131	1 024 131

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

Guaranteed package increases

In determining the guaranteed package increases for the CEO, CFO and Prescribed Officers for F22, the Remco considered relevant market survey data from various publicly available market surveys. The remuneration for executives is benchmarked against companies of comparable size and complexity with reference to market capitalisation, revenue, profitability, and number of employees.

For F23 the committee approved an average increase of 6.00% (F22: 8.7%) for the CEO, CFO and the other Group executive.

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:

2023	Guaranteed package Rand	STI[2]	Cash LTI[1]	LTI[3]	Total remuneration Rand
TM Dennison	3 783 276	-	106 000	-	3 889 276
DJR Judge	2 481 667	-	106 000	-	2 587 667
	6 264 943	-	212 000	-	6 476 943

2022	Guaranteed package Rand	STI[1]	Cash LTI[1]	LTI[3]	Total remuneration Rand
TM Dennison	3 572 317	-	106 000	-	3 678 317
DJR Judge	2 347 906	140 000	106 000	-	2 593 906
PWE Rawson	2 636 336	-	106 000	-	2 742 336
	8 556 559	140 000	318 000	-	9 014 559

(1) For the purpose of this report, this is the amount approved by the board of directors. For the purpose of the financial statements it is the amount accrued for at year-end before approval.

(2) STI awards made for the year were based on the discretion of the remuneration committee due to the Group not achieving targeted performance

(3) The Cash LTI award relates to the 2nd tranche of the F21 award. No Cash LTI awards were made in F22 due to the Group not achieving targeted performance.

Short-term incentive payments for F23

There was no growth in EBIT over the prior year, therefore no incentive pool was created for F23. No discretionary STI awards were made at Remco's discretion.

Share options Long-term incentive payments for F23

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.

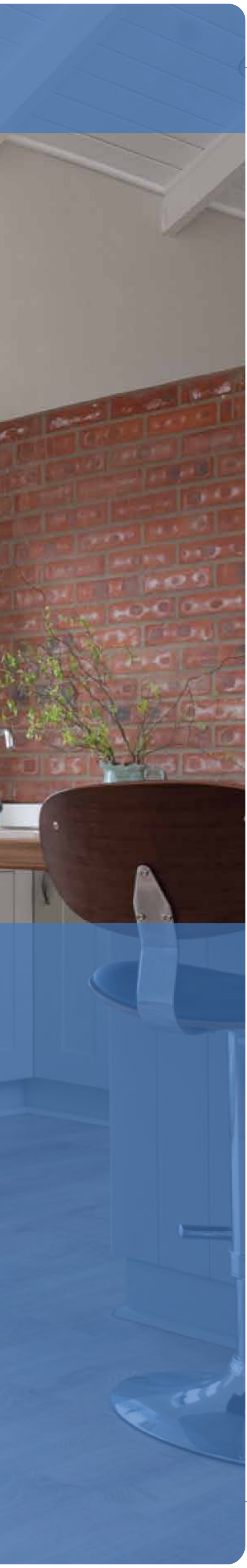
This brought the total options awarded to 6 891 904. Shareholders have approved a maximum share option allocation of 10 000 000 shares with the maximum to any individual of 5 000 000 shares.

The final vesting of the options was in October 2022 and as the options were underwater, zero value vested and the options expired. Options totaling 43 157 vested and expired in October 2022.

Cash Long-term incentive payments for F23

The incentives were determined using the Cash LTI scheme as presented in the Policy section. In F21 the ROIC hurdle target was achieved along with growth in EBIT and therefore an incentive payment pool was created. As result the second LTI distribution was made in line with the 2.4% cap of earnings before interest and tax (EBIT) before STI and LTI provision and the pool did not exceed the growth in EBIT over the prior year. In F23 the ROIC hurdle target was not achieved and there was no growth in EBIT and therefore no incentive payment pool was created for this period .

Annual Financial Results



Annual Financial Results

Audit, Risk and Compliance Committee Report

The information below constitutes the report of the Audit, Risk and Compliance Committee ('committee') in respect of the year under review, as required by the Companies Act of South Africa, for the Trellidor Holdings Limited Group.

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 which has also been incorporated in the Board charter.

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

*King IVTM (Copyright and trademarks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved).

1. Membership

During the reporting period, the committee comprised four independent non-executive directors. Three of whom served on the committee throughout the period, and the fourth JB Winship who retired on 9 November 2022, in line with his retirement from the Trellidor Board, at the Annual General Meeting. 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:

Name	Period served
RB Patmore (Chairman)	28 October 2015 - current
JB Winship	28 October 2015 – retired 9 November 2022
MC Olivier	28 October 2015 - current
SI Bird	01 June 2022 – current

The nomination committee and the board are satisfied that these members have the requisite 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. On the recommendation of the nomination committee, the reappointment 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.

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

2. 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.

A formal evaluation of the committee is completed every two years by the board whilst an assessment of its effectiveness is completed every year by the committee itself. The evaluation was completed in 2022 and will be completed again in the 2024 financial period in line with the evaluation cycle. The assessment was completed this year together with an informal evaluation and the committee was found to be effective and to have duly completed and discharged all its responsibilities in accordance with its written terms of reference.

3. 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 PKF Durban to the shareholders at the Annual General Meeting, under section 90 of the Companies Act; a registered auditor who, in the opinion of the committee, is independent;

- Determined the auditor's terms of engagement, and approved their fees;
- Ensured that the appointment of the auditor complied with the provision of the Companies Act, and any other legislation relating to the appointment of auditors;
- 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 Listings Requirements and regulatory requirements;
- Considered the JSE's proactive monitoring report as issued in November 2022 and the possible impact on the annual financial statements;
- Approved materiality for the group consolidated financial statements in terms of IFRS Practice Statement 2 – Making Materiality Judgements;
- Evaluated and concluded that it is satisfied with the accounting treatment and disclosures of the breach of covenants and the recovery plan to remediate the breach; 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:
- Annual review of the Committee's Charter;
- Annual review of 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;
- Reviewed the group's going concern status; and
- Discussed and addressed the company and group's tax matters.

The committee is satisfied that the internal controls are effective.

4. Risk management

The committee, is responsible for monitoring 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.

5. External auditor

Independence of external auditors

The committee reviewed the independence of PKF Durban ("PKF") as external auditor with R Boulle as the independent individual registered auditor who undertook the audit for the current year. The committee considered all information as required by Section 3.84 and 3.86 of the JSE Listings Requirements in assessing PKF's independence, registration as a Registered Auditor and the ability to perform a quality audit of the group. This is the first year that PKF have been the auditor of Trellidor Holdings Limited.

After considering the factors below, the committee is satisfied that PKF is independent of Trellidor Holdings Limited and the Group.

This assessment was made after considering the following:

- Confirmation from the external auditors that they, or their immediate family, do not hold any direct or indirect financial interest or have any material business relationship with Trellidor Holdings Limited and/or the Group. The external auditors also confirmed that they have internal monitoring procedures to ensure their independence;
- The current auditors do not, other than in their capacity as external auditors or rendering permitted non-audit services, receive any remuneration or other benefits from Trellidor Holdings Limited and/or the Group;
- The auditor's independence was not impaired by the non-audit work performed having regard to the nature of the non-audit work undertaken and the quantum of the audit fees relative to the total fee base;
- The auditor's independence was not prejudiced as a result of any previous appointment as auditor. Although not yet applicable, an audit partner rotation process is in place in accordance with the relevant legal and regulatory requirements;
- The criteria specified for independence by the Independent Regulatory Board for Auditors (IRBA);
- Information provided by the auditors in terms of the JSE Listings Requirements, Paragraph 22.15(h); and
- The audit firm and the designated auditor are accredited with the JSE.

The committee confirms that the external auditor has functioned in accordance with its terms of reference for the 2023 financial year.

Audit, Risk and Compliance Committee Report (continued)

External auditors' fees

The committee:

- Approved, in consultation with management, the audit fee and engagement terms for the external auditors for the 2023 financial year;
- Reviewed and approved the non-audit services fees for the year under review and ensured that the fees were in line with the non-audit service policy; and
- Determined the nature and extent of allowable non-audit services and approved the contract terms for the provision of non-audit services through the Audit Committee charter. External auditors' performance.

External auditors' performance

The committee:

- Reviewed and approved the external audit plan, ensuring that material risk areas were included, and that coverage of the significant business processes was acceptable;
- Monitored the effectiveness of the external auditors in terms of audit quality and expertise; and
- Reviewed the external audit reports and management's response and considered their effect on the financial statements and internal financial control.

6. 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 BDO.

The group's situation and needs in terms of an internal audit function are reassessed on an annual basis.

7. Annual Financial Statements

The committee has reviewed the consolidated and separate financial statements of the group and company for the financial year ended 30 June 2023, 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 presented at the forthcoming Annual General Meeting in compliance with the Companies Act.

8. Chief Financial Officer and finance function

The external auditor has expressed an unqualified opinion on the financial statements for the year ended 30 June 2023. 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.

9. Regulatory compliance

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

10. Going concern

The group is required to maintain and monitor dividend, interest and debt cover ratios in terms of its agreements with its financiers. As reported in our interim results, financial performance at the time was adequate in maintaining our covenant ratios despite the increased debt. As at 30 June 2023, driven primarily by the decrease in financial performance during F23 H2, the Group's debt to EBITDA ratio (excluding IFRS 16) of 5.1x, breached the 2.0x debt to EBITDA covenant set by the lenders. In addition, total senior debt service cover of 0.8 breached the covenant of 1.2.

The board, in preparing the financial results, has performed a detailed going concern assessment which includes the group's projected performance for a period of 12 months from 1 July 2023. This performance is based on detailed operating plans prepared by the executive and approved by the board.

In addition, these plans have been presented to the group's lenders as part of their ongoing monitoring of our debt levels. Once the lenders have received the signed annual financial statements, they will perform their annual review and assess the significance of the breaches. The lenders a way forward, the proactive approach by the group in rectifying the breach, and whether or not any legal proceedings have been instituted against the group by other funders in determining whether or not the breaches are material.

Given that the group continues to be profit making, despite the underperformance, have provided the financial and operational plans to rectify the breaches and there are no legal proceedings that have been instituted against the group, the board is confident the lenders will condone the covenant breaches.

In preparing the operational and financial plans, the group took into account its existing strategy of improving profitability, which will also ensure that the current breached covenants are regularised, by implementing inter alia, the following:

- Addressing the factors that impacted the financial performance in F23 H2 including strategic product positioning and price reviews being implemented in Trellidor through F24 Q2;
- Fulfillment of a significant manufacture and supply contract of roller shutters in the UK. Initial orders have already been received and the project is expected to be completed during F24 Q3;
- Overhead levels will be maintained in line with inflation through F24 after the investment in selling capacity in F23.

In addition, the board has mandated the executive team to investigate opportunities to materially reduce the debt levels by the end of F25.

Given the significant uncertainty regarding the continued weak South African economy and the related impact on the consumer, in preparing the going concern assessment and to mitigate against this uncertainty, below inflationary growth projections in revenue was used as the base for the South African related turnover. The directors consider this to be appropriate in the context of the economy and after considering these factors have concluded that the group and company will continue to trade as a going concern for at least 12 months from the date of this report.

As at 30 June 2023, the group and company lender's had been made aware of the potential covenant breaches, in terms of the facility agreement. The extent of the breaches and the consequences to the group and company can only be established once the lenders have completed their annual assessment referred to above. As required by IAS 1 Presentation of Financial Statements, due to the covenant breaches, the related loans have been reclassified as current as at 30 June 2023 notwithstanding that they are long-term. Once the lenders have condoned the covenant breaches and the abovementioned strategies have produced the results expected, the group will have the unconditional right to defer settlement of the liability for at least twelve months after the reporting period and the loans can be reclassified to non-current.

The directors consider this to be appropriate in the context of the economy and after considering these factors have concluded that the group and company will continue to trade as a going concern for at least 12 months from the date of this report.

11. Integrated Annual Report

The committee will review and comment on the financial information and the disclosure of sustainability issues included in the integrated annual report to ensure that they are reliable and do not conflict with the financial information disclosed in the annual financial statements. The committee will then recommend the approval of the integrated annual report, to the board, which report the board will then formally approve.

12. Subsequent events

The committee has considered the events that have occurred between the date of the financial statements and the date of this report, as disclosed in the subsequent events note to the financial statements. The committee has reviewed this note as well as management's assessment of events and where appropriate provided its input thereto.

13. Complaints and/or concerns

No complaints or concerns were received by the committee on any matters relating to the accounting practices and internal audit of the group, the content or auditing of the consolidated and separate annual financial statements, the internal financial controls of the group or on any other related matter during the year under review.

RB Patmore
Audit, Risk and Compliance Committee Chairman
Durban
26 September 2023

Directors' Approval

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the 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 International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied unless stated otherwise and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing, and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group and company's cash flow forecast for the year to 30 June 2024, which has adequately considered the weak local economy and negative global macro factors, and in light of this review and the current financial position, they are satisfied that the group and company has or will have access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the group and company's financial statements. The financial statements have been examined by the group and company's external auditor and their report is presented on pages 11 to 14.

The annual financial statements set out on pages 16 to 78, which have been prepared on the going concern basis, were approved by the board of directors on 26 September 2023 and were signed on their behalf by:

TM Dennison

DJR Judge

Group Chief Executive Officer and Group Chief Financial Officer Responsibility Statement

Each of the directors, whose names are stated below, hereby confirm that:

- The annual financial statements set out on pages 16 to 78, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements. Having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- We are not aware of any fraud involving directors; and
- Where we were not satisfied, we disclosed to the Audit, Risk and Compliance Committee and the auditors any deficiencies in the design and operational effectiveness of the internal financial controls, and remediated the deficiencies.

TM Dennison
Chief executive officer
26September 2023

DJR Judge
Chief financial officer
26 September 2023

Group Secretary's Certification

In terms of Section 88(2)(e) of the Companies Act of South Africa, as amended, I certify that 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
26 September 2023

Independent Auditor's Report

The unmodified independent auditor's report can be found on page 11 of the annual financial statements on Trellidor's website holdings.trellidor.co.za Rob Boulle is the designated audit partner responsible for the audit.

Director's Report

Directors' Responsibilities and Approval

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 2023.

1. Nature of business

Trellidor Holdings Limited is an investment holding company 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 the importing and selling of cornicing/skirting products.

The group operates principally in South Africa, United Kingdom, and Ghana.

2. Review of financial results and activities

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements, the requirements of the Companies Act of South Africa, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Listings Requirements of the JSE Limited. The accounting policies have been applied consistently compared to the prior year unless stated otherwise.

As projected, the operating environment for the group remained challenging throughout the financial year ended 30 June 2023 due to both demand and supply related issues.

Against a backdrop of elevated interest rates, Government's failure to deliver services and a generally weak economy, Trellidor's market for its products in South Africa has been constrained. Where physical security was previously a priority for households in South Africa, this is not necessarily the case in the current environment. Further, residential property sale volumes are subdued, most prominently in Gauteng, and the growing preference for estate living has also had a negative impact on sales of Trellidor's traditional product range.

Cost pressures due to rising inflation combined with revenue weakness have reduced margins in parts of the group. In the UK, retail sector spend was focused on in-store shop fitting in response to proposed regulation changes and as a result project spend in security related areas was lower compared to prior years.

Group revenue for the year decreased by 2.1% to R502.0 million (F22: R513.2 million) driven by weak demand in RSA and the reduction in project related revenue in the UK, which was partly offset by significant growth in the rest of Africa.

The group's gross profit margin of 38.4% was in line with the previous year (F22: 38.4%). However, maintaining the group's gross profit margin has not compensated for lower sales, resulting in a R3.9 million reduction in group profitability compared to last year. Taylor and NMC delivered improved gross profit margins during the year which were offset by a margin decline in Trellidor.

Overheads increased by 9.1% (R14.8 million) due to investment in sales and marketing resources and initiatives, which was in line with the strategy to own distribution in the main centres and replace lost sales capacity during Covid in an effort to drive growth in the Trellidor business. Sales relating to the replacement of lost capacity did not materialise in 2023.

Net interest cost rose by 81.3% (R7.5 million) as a result of increases in the prime lending rate coupled with an increase in the groups' debt level, due primarily to the adverse Labour Appeal Court judgment received in April 2022 ("Labour Court Judgement"), which saw the order for reinstatement of 42 employees with full backpay and benefits from 2017.

The net result of the above factors is a group profit after tax of R3.5 million for F23 (F22: R0.3 million) and a basic earnings per share ("EPS") of 3.7 cents (F22: 0.4 cents). Adjusting for the provision of the costs of the Labour Court Judgement raised in the financial year ended 30 June 2022, the EPS of 3.7 cents in the current year compares to an adjusted F22 EPS of 25.0 cents and R23.8 million profit after tax.

Cash from operations remained flat at R39.0 million for the year (F22: R39.1 million) before the costs of implementing the Labour Appeal Court judgement of R31.8 million. The net investment in working capital of R8.5 million during the year is a significant improvement from the investment of R25.1 million at half year, which was supported by a R7.7 million reduction in inventory levels during F23 H2.

The group has interest-bearing liabilities of R121.5 million (F22: R96.4 million) which incurred R13.6 million (F22: R6.4 million) of net interest for the financial year ended 30 June 2023 excluding lease liabilities. The group generated a free cash flow of R21.4 million which together with the additional debt raised and an increased utilisation of the group's overdraft facility, was applied to:

- Implement the Labour Appeal Court judgement (R31.8 million);
- Purchase the Hillcrest franchise (R0.8 million); and
- Repay debt capital and interest (R28.0 million).

Effective 01 September 2022, Trellidor Innovations Proprietary Limited sold its NMC Mouldings operations to Trellidor Décor Proprietary Limited, a wholly owned subsidiary of Trellidor Holdings Limited. This intragroup transfer has been implemented to improve the operating effectiveness of both Taylor and NMC operations and to drive strategic growth through focused management.

Full details of the financial position, results of operations and cash flows of the group and company are set out in these annual financial statements.

3. Stated capital

Refer to note 15 of the annual financial statements for detail of the movement in authorised and issued share capital.

4. Shareholder analysis

Refer to page 79 of this report for the shareholder analysis.

5. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the board of directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board of directors may pass on the payment of dividends. The board of directors, in line with the Companies Act solvency and liquidity test, have recommended that the company not make any distributions to shareholders for the 2023 financial year end (2022: Rnil). Refer to note 34 for further details relating to distributions.

6. Directorate

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

Directors	Office	Designation	Changes
TM Dennison	Chief Executive Officer	Executive	
DJR Judge	Chief Financial Officer	Executive	
MC Olivier	Chairman	INED	
JB Winship	Director	INED	Resigned 09 November 2022
RB Patmore	Director	INED	
SI Bird	Director	INED	

#INED - Independent non-executive

7. Directors' interests in shares

As at 30 June 2023, the directors of the company held direct and indirect beneficial interests in its issued ordinary shares, as set out below:

Interest in shares

	2023		2022	
Directors	**Direct**	**Indirect**	**Direct**	**Indirect**
TM Dennison	8 819 342	-	8 819 342	-
MC Olivier	-	1 884 333	-	1 884 333
JB Winship	-	1 642 039	-	1 642 039
DJR Judge	405 785	5 300	405 785	5 300
	9 225 127	3 531 672	9 225 127	3 531 672

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

8. 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.

9. Directors' emoluments and service contracts

The executive directors have service contracts with the company which include a three month notice period. The non-executive directors enter a formal letter of appointment on acceptance of their board position.

During 2022, loans were advanced to two directors of the group for the purchase of shares in the company. No further loans were granted during 2023.

Loans advanced to directors and the directors' emoluments are disclosed in notes 9 and 37 of the annual financial statements.

10. Interests in subsidiaries

Details of the group's interest in subsidiaries are presented in note 7.

11. 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.

Director's Report (continued)

12. Litigation statement

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

The directors are not aware of any other legal or arbitration proceedings apart from the previous dispute disclosed in note 21, that may have or had in the previous 12 months, a material effect on the group's financial position.

13. Insurance

The group has appropriate insurance cover against crime risks as well as professional indemnity. This cover was assessed and confirmed by the Audit, Risk and Compliance Committee and the board.

14. 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.

15. 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.

16. Special resolutions

No additional special resolutions were passed during the 2023 financial year other than those passed at the company's Annual General Meeting.

17. Going concern

The group is required to maintain and monitor dividend, interest and debt cover ratios in terms of its agreements with its financiers. As reported in our interim results, financial performance at the time was adequate in maintaining our covenant ratios despite the increased debt. As at 30 June 2023, driven primarily by the decrease in financial performance during F23 H2, the group's debt to EBITDA ratio (excluding IFRS 16) of 5.1x, breached the 2.0x debt to EBITDA covenant set by the lenders. In addition, total senior debt service cover of 0.8 breached the covenant of 1.2.

The board, in preparing the financial results, has performed a detailed going concern assessment which includes the group's projected performance for a period of 12 months from 1 July 2023. This performance is based on detailed operating plans prepared by the executive and approved by the board.

In addition, these plans have been presented to the group's lenders as part of their ongoing monitoring of our debt levels. Once the lenders have received the signed annual financial statements, they will perform their annual review and assess the significance of the breaches. The lenders have advised that they will consider the financial performance, whether the entity is loss making, understand the proposed rectification plan as a way forward, the proactive approach by the group in rectifying the breach, and whether or not any legal proceedings have been instituted against the group by other funders in determining whether or not the breaches are material.

Given that the group continues to be profit making, despite the underperformance, have provided the financial and operational plans to rectify the breaches and there are no legal proceedings that have been instituted against the group, the board is confident the lenders will condone the covenant breaches.

In preparing the operational and financial plans, the group took into account its existing strategy of improving profitability, which will also ensure that the current breached covenants are regularised, by implementing, inter alia, the following:

- Addressing the factors that impacted the financial performance in F23 H2 including strategic product positioning and price reviews being implemented in Trellidor through F24 Q2;
- Fulfilment of a significant manufacture and supply contract of roller shutters in the UK. Initial orders have already been received and the project is expected to be completed during F24 Q3;
- Overhead levels will be maintained in line with inflation through F24 after the investment in selling capacity in F23.

In addition, the board has mandated the executive team to investigate opportunities to materially reduce the debt levels by the end of F25.

Given the significant uncertainty regarding the continued weak South African economy and the related impact on the consumer, in preparing the going concern assessment and to mitigate against this uncertainty, below inflationary growth projections in revenue was used as the base for the South African related turnover. The directors consider this to be appropriate in the context of the economy and after considering these factors have concluded that the group will continue to trade as a going concern for at least 12 months from the date of this report.

As at 30 June 2023, the group and company lender's had been made aware of the potential covenant breaches, in terms of the facility agreement. The extent of the breaches and the consequences to the group and company can only be established once the lenders have completed their annual assessment referred to above. As required by IAS 1 Presentation of Financial Statements, due to the covenant breaches, the related loans have been reclassified as current as at 30 June 2023 notwithstanding that they are long-term. Once the lenders have condoned the covenant breaches and the abovementioned strategies have produced the results expected, the group will have the unconditional right to defer settlement of the liability for at least twelve months after the reporting period and the loans can be reclassified to non-current.

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 and company's financial statements.

18. Events after the reporting period

Details of all material events occurring between the reporting date and the date of authorising the annual financial statements have been disclosed in note 39 to the annual financial statements.

19. Auditors

With effect from 9 November 2022, PKF Durban was appointed as the auditor for the current year in accordance with the Companies Act of South Africa.

At the Annual General Meeting, the shareholders will be requested to approve the appointment of PKF Durban as the independent external auditors of the group and company and to confirm R Boulle as the designated lead audit partner for the 2024 financial year.

20. Secretary

The company secretary is P Nel.

- Postal and business address: 71 Cotswold Drive, Westville, 3629.

21. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 26 September 2023. No authority was given to anyone to amend the annual financial statements after the date of issue.

Statement of Financial Position

for the year ended 30 June 2023

	Notes	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Assets			
Non-current assets			
Property, plant and equipment		68 982	59 929
Right-of-use assets ('RoU assets')		40 624	42 235
Goodwill	3	59 380	55 795
Intangible assets		46 444	43 654
Loans receivable		6 456	3 253
Deferred tax		16 694	16 166
		238 580	**221 032**
Current assets			
Loans receivable		4 791	3 369
Inventories	8	127 992	122 030
Trade and other receivables		48 769	55 296
Current tax receivable		2 981	3 331
Cash and cash equivalents		7 391	13 522
		191 924	**197 548**
Total assets		**430 504**	**418 580**
Equity and liabilities			
Equity			
Equity attributable to equity holders of the parent			
Stated capital		401	401
Reserves		1 219	5 034
Retained income		172 818	162 412
		174 438	167 847
Non-controlling interest		(1 213)	(985)
		173 225	**166 862**
Liabilities			
Non-current liabilities			
Lease liabilities		29 782	31 234
Other financial liabilities	9	-	80 906
Deferred tax		1 604	764
		31 386	**112 904**
Current liabilities			
Lease liabilities		10 211	10 262
Bank overdraft		32 626	21 423
Other financial liabilities	9	121 505	15 508
Trade and other payables	10	58 923	58 366
Current tax payable		394	772
Provisions	11	2 234	32 483
		225 893	**138 814**
Total liabilities		**257 279**	**251 718**
Total equity and liabilities		**430 504**	**418 580**

Statement of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2023

	Notes	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Revenue	5	502 300	513 234
Cost of sales		(308 916)	(315 991)
Gross profit		**193 384**	**197 243**
Other operating income		7 373	8 091
Movement in credit loss allowance	6	(796)	149
Other operating expenses		(178 017)	(163 234)
Labour court settlement provision expense	11	-	(32 058)
Operating profit (loss)		**21 944**	**10 191**
Investment income		1 468	941
Finance costs		(18 232)	(10 185)
Profit (loss) before taxation		**5 180**	**947**
Taxation		(1 705)	(607)
Profit (loss) for the year	6	**3 475**	**340**
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		2 889	(905)
Total comprehensive income (loss) for the year		**6 364**	**(565)**
Profit (loss) attributable to:			
Owners of the parent		3 629	418
Non-controlling interest		(154)	(78)
		3 475	**340**
Total comprehensive income (loss) attributable to:			
Owners of the parent		6 592	(393)
Non-controlling interest		(228)	(172)
		6 364	**(565)**
Earnings (loss) per share for the period attributable to the owners of the parent			
Basic and diluted earnings per share (cents)	7	3.70	0.40

Statement of Changes in Equity

for the year ended 30 June 2023

	Stated capital R'000	Foreign currency translation reserves R'000	Share-based payment reserve R'000	Total reserves R'000	Retained income R'000	Total attributable to equity holders of the Group R'000	Non-controling interests R'000	Total equity R'000
Balance at 01 July 2021	**401**	**(932)**	**6 777**	**5 845**	**169 928**	**176 173**	**2 935**	**179 108**
Profit for the year	-	-	-	-	419	419	(78)	341
Other comprehensive income	-	(811)	-	(811)	-	(811)	(94)	(905)
Total comprehensive income for the year	**-**	**(811)**	**-**	**(811)**	**419**	**(392)**	**(172)**	**(564)**
Change in ownership interest - control not lost	-	-	-	-	2 539	2 539	(3 747)	(1 208)
Dividends	-	-	-	-	(10 473)	(10 473)	-	(10 473)
Balance at 01 July 2022	**401**	**(1 743)**	**6 777**	**5 034**	**162 413**	**167 847**	**(984)**	**166 863**
Profit for the year	-	-	-	-	3 629	3 629	(154)	3 475
Other comprehensive income	-	2 963	-	2 963	-	2 963	(74)	2 888
Total comprehensive loss for the year	**-**	**2 963**	**-**	**2 963**	**3 629**	**6 591**	**(228)**	**6 363**
Transfer between reserves	-	-	(6 777)	(6 777)	6 777	-	-	-
Balance at 30 June 2023	**401**	**1 220**	**-**	**1 220**	**172 819**	**174 438**	**(1 212)**	**173 226**

Statement of Cash Flows

for the year ended 30 June 2023

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Cash flows from operating activities		
Cash generated from operations	7 224	39 127
Interest income	1 468	941
Finance costs	(17 715)	(10 029)
Tax paid	(2 525)	(11 304)
Net cash from operating activities	**(11 548)**	**18 735**
Cash flows from investing activities		
Purchase of property, plant and equipment	(6 452)	(9 941)
Proceeds on sale of property, plant and equipment	1 649	556
Purchase of other intangible assets	(4 367)	(2 640)
Business combination	(837)	(9 500)
Proceeds from sale of intangible assets	–	–
Advances of loans receivable	–	–
Receipts from loans receivable	1 763	2 090
Net cash (used in)/from investing activities	**(8 244)**	**(19 435)**
Cash from financing activities		
Proceeds from other financial liabilities	31 683	36 194
Repayment of other financial liabilities	(17 781)	(20 920)
Repayment of loans from minority	–	(4 376)
Acquisition of minority shareholding	–	(1 208)
Repayment of lease liabilities	(11 854)	(11 484)
Dividends paid	–	(10 473)
Net cash (used in)/from financing activities	**2 048**	**(12 267)**
Total cash movement for the year	(17 744)	(12 967)
Cash at the beginning of the year	(7 901)	5 179
Effect of exchange rate movement on cash balances	410	(113)
Total cash at end of the year	**(25 235)**	**(7 901)**

Notes to the Financial Results
for the year ended 30 June 2023

1. Basis of preparation

The summarised consolidated audited results for the year ended 30 June 2023 (results for the year) have been prepared in accordance with framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, 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 2023 are in terms of IFRS and are consistent with those applied in the audited financial statements for the year 30 June 2022. The Group's directors are responsible for the preparation and fair presentation of the summarised consolidated annual results. These results have been compiled under the supervision of the Chief Financial Officer, DJR Judge CA(SA).

2. Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed, and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments. Otherwise, all subsequent changes to the fair value of contingent consideration that is deemed to be an asset or liability is recognised in either profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date. Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements whose classification remains as per their inception date.

Goodwill is determined as the consideration paid less the fair value of the identifiable assets and liabilities of the acquiree. Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Business combination during the year - Trellidor Hillcrest franchise

On 01 July 2022, the Group acquired the Trellidor Hillcrest franchise in KwaZulu-Natal, which will form an integral part of the Trellidor network. This franchise, in conjunction with the other owned franchise, will be managed as owned Trellidor branches with the expectation of improving service delivery in these regions and improve efficiency to the end user.

Goodwill of R2.0 million from the acquisition consist largely of market awareness of the brand that has been created by the previous franchise owner. Goodwill is not deductible for Income tax purposes.

	Audited 30 June 2023 R'000
FAIR VALUE OF ASSETS ACQUIRED AND LIABILITIES ASSUMED:	
Property, plant and equipment	463
Loans payable	(1 561)
Warranty provision	(100)
Goodwill	2 035
	837
ACQUISITION DATE FAIR VALUE OF CONSIDERATION PAID	
Cash	(837)

3. Goodwill

Goodwill includes the Taylor and NMC acquisition goodwill, which has a carrying value of R24.0 million and R10.6 million respectively (2022: R24 million and R10.6 million respectively), the Trellidor UK acquisition goodwill, with a carrying value of R9.6 million (2022: R7.6 million), and the Trellidor RSA franchise acquisitions with a carrying value of R13.2 million (2022: R11.2 million), which management has tested for impairment during the year and based on the results of the test performed, no impairment was identified. In assessing future income, management has considered the assumptions relating to sustainable growth.

	Opening balance R'000	Additions through business combinations R'000	Foreign exchange movements R'000	Total R'000
AS AT 30 JUNE 2023				
Goodwill	55 795	2 035	1 550	59 380
AS AT 30 JUNE 2022				
Goodwill	46 773	8 937	85	55 795

4. Segment information

The group has four reportable segments that are used by the Chief Executive Officer, as chairman of the executive committee. These operating segments are differentiated and identified by the products they manufacture and distribute, the services they provide and the markets they operate in.

During the year under review, the Taylor and NMC operations were separated in an effort to enhance the operating effectiveness of each operation. As a result, Taylor's comparative figures below have been restated from prior year to exclude NMC.

These reportable segments as well as the products, services and geographical area from which each of them derives revenue are set out below:

REPORTABLE SEGMENT	PRODUCTS AND SERVICES
Trellidor	Trellidor is the market leading manufacturer of custom-made barrier security products, distributed via a dedicated and skilled franchise and branch network operating throughout South Africa, Africa and the UK.
Taylor	Taylor, which has a strong presence in the Western Cape, is a major manufacturer and distributor of custom-made blinds and decorative and security shutters.
NMC	NMC is an importer and distributor of cornicing and skirting products.
Holdings	Management of the group treasury function and receives management fee income.

4. Segment information (continued)	Trellidor R'000	Taylor R'000	NMC R'000	Holdings R'000	Internal R'000	Consolidated R'000
AS AT 30 JUNE 2023						
South Africa	242 188	135 969	32 672	33 755	(34 353)	410 231
Rest of Africa	49 951	4 200	774	-	-	54 925
Rest of World	37 504	-	-	-	(360)	37 144
REVENUE BY LOCATION	**329 643**	**140 169**	**33 446**	**33 755**	**(34 713)**	**502 300**
Security products	327 651	-	-	-	-	327 651
Decorative products	1 114	140 169	33 446	-	(958)	173 771
Management fee	-	-	-	14 816	(14 816)	-
Royalty income	878	-	-	-	-	878
Dividends	-	-	-	9 000	(9 000)	-
Interest income	-	-	-	9 939	(9 939)	-
REVENUE BY SOURCE	**329 643**	**140 169**	**33 446**	**33 755**	**(34 713)**	**502 300**
EBITDA	**37 989**	**17 041**	**4 804**	**18 184**	**(36 469)**	**41 549**
PROFIT/(LOSS) BEFORE TAX	**8 973**	**(991)**	**1 783**	**11 082**	**(15 666)**	**5 181**
Reconciling items:						
Net finance cost	(9 376)	(9 187)	(1 536)	(7 077)	10 413	(16 763)
Depreciation	(6 239)	(854)	(88)	(25)	-	(7 206)
Depreciation of RoU assets	(3 776)	(7 443)	(1 370)	-	1 057	(11 532)
Amortisation	(292)	(549)	(27)	-	-	(868)
Other disclosable items:						
Movement in ECL allowance	(792)	(52)	48	(374)	374	(796)
Taxation	(1 757)	1 490	(238)	(1 200)	-	(1 705)
Employee costs	(91 031)	(36 908)	(6 146)	(7 480)	-	(141 565)
Advertising	(22 503)	(4 386)	(920)	-	-	(27 809)
SEGMENT ASSETS	**335 961**	**166 330**	**24 256**	**184 767**	**(280 810)**	**430 504**
Non-current asset additions	30 080	2 801	4 653	54	(4 137)	33 451
SEGMENT LIABILITIES	**(247 195)**	**(121 742)**	**(18 884)**	**(76 210)**	**206 752**	**(257 279)**

Segment assets include foreign non-current assets in Ghana of R2.8 million and R14.1 million in the UK.

In terms of security products the factory throughput of our traditional Trellidor type products made up 65% (2022: 56%), the burglar bars 2% (2022: 2%), the security screens 14% (2022: 17%), the Rollerstyle product set 7% (2022: 13%) and the aluminium louvre shutters contributed 12% (2022: 12%).

The factory throughput of decorative products were made of 49% (2022: 51%) of aluminium shutters, PVC shutters contributed 9% (2022: 9%), blind range 40% (2022: 38%) and timber shutters 2% (2022: 2%).

Sales of the NMC product set were made up of 58% (2022: 64%) of cornices, 34% (2022: 26%) of skirtings, 3% (2022: 3%) of wall panels, and 5% (2022: 6%) in glue scales.

From a South African perspective, the factory throughput of Trellidor product can be split into two key areas, Main Centres, being Durban, Cape Town, Johannesburg and Pretoria, which contributed 38% (2022: 35%), and the Outlying Regions, or the rest of South Africa, which made up 36% (2022: 39%). The rest of Africa contributed 15% (2022: 13%) and the rest of world contributed 11% (2022: 13%).

In terms of Taylor, Johannesburg contributed 16% (2022: 21%), Cape Town 82% (2022: 75%) and rest of world 2% (2022: 4%) to factory through-put. Johannesburg contributed 51% (2022: 59%), Cape Town 23% (2022: 17%) and Durban 26% (2022: 24%) of NMC's sales.

4. Segment information (continued)

	Trellidor R'000	Taylor R'000	NMC R'000	Holdings R'000	Internal R'000	Consolidated R'000
AS AT 30 JUNE 2022 - RESTATED						
South Africa	248 113	152 414	32 335	38 043	(38 800)	432 105
Rest of Africa	38 073	2 601	-	-	-	40 674
Rest of World	40 455	-	-	-	-	40 455
REVENUE BY LOCATION	**326 641**	**155 015**	**32 335**	**38 043**	**(38 800)**	**513 234**
Security products	324 463	-	-	-	-	324 463
Decorative products	1 343	155 015	32 335	-	(757)	187 936
Management fee	-	-	-	13 941	(13 941)	-
Royalty income	835	-	-	-	-	835
Dividends	-	-	-	19 000	(19 000)	-
Interest income	-	-	-	5 102	(5 102)	-
REVENUE BY SOURCE	**326 641**	**155 015**	**32 335**	**38 043**	**(38 800)**	**513 234**
EBITDA	**19 347**	**2 932**	**7 829**	**24 036**	**(24 881)**	**29 263**
PROFIT/(LOSS) BEFORE TAX	**5 618**	**(12 011)**	**5 833**	**20 951**	**(19 444)**	**947**
Reconciling items:						
Net finance cost	(4 258)	(6 648)	(398)	(3 064)	5 124	(9 244)
Depreciation	(6 180)	(1 410)	(206)	(21)	-	(7 817)
Depreciation of RoU assets	(3 117)	(6 394)	(1 374)	-	313	(10 573)
Amortisation	(173)	(491)	(18)	-	-	(682)
Other disclosable items:						
Movement in ECL allowance	327	(143)	(36)	438	(438)	149
Employee costs	(86 838)	(39 647)	(4 441)	(7 819)	-	(138 745)
Taxation	(4 876)	1 655	-	(1 114)	3 725	(609)
Advertising	(20 967)	(6 491)	(669)	-	-	(28 127)
SEGMENT ASSETS	**226 290**	**163 457**	**27 190**	**154 485**	**(152 841)**	**418 581**
Non-current asset additions	21 054	38 530	718	35	-	60 338
SEGMENT LIABILITIES	**(148 189)**	**(139 840)**	**(7 713)**	**(55 809)**	**99 832**	**(251 718)**

Segment assets include foreign non-current assets in Ghana of R2.9 million and R11.5 million in the UK.

Notes to the Financial Results continued

for the year ended 30 June 2023

5. Disaggregation of revenue from customers

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Revenue from source type	502 300	513 234
Sale of security products	327 651	324 463
Sale of decorative products	173 771	187 936
Royalty income	878	835
Revenue by geographical location	502 300	513 234
South Africa	409 871	432 105
Rest of Africa	54 925	40 674
Rest of World	37 504	40 455
Revenue recognised by timing of transfer		
Point in time – delivery date	502 300	513 234

6. Operating profit before interest and taxation

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Operating profit before interest for the year is stated after accounting for the following, amongst others :		
Advertising	27 809	28 127
Amortisation on intangible assets	867	682
Auditor's remuneration	2 334	2 042
Cartage	9 182	8 722
Commission	9 576	9 804
Consulting fees	3 034	4 100
Movement on ECL allowance	796	(149)
Depreciation on RoU asset	11 532	10 573
Depreciation on property, plant and equipment	7 206	7 817
Gas, electricity and water	8 782	7 994
Labour court settlement provision expense	-	32 058
Loss on exchange differences	2 446	801
Short-term employee benefits	141 565	133 661
Net profit on disposal of fixed assets	(42)	33
Net loss on lease modification	15	-
Net loss on disposal of intangible assets	707	-

7. Inventories

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Raw materials	112 913	116 748
Work in progress	2 244	2 028
Finished goods	8 950	4 519
Goods in transit	10 678	4 625
	134 785	**127 920**
Provision for obsolescence	(6 792)	(5 890)
	127 993	**122 030**

8. Other financial liabilities

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
FNB – Holdings Facility	37 728	46 428
FNB – Holdings Facility 2	34 628	7 033
FNB – Innovations Facility	8 014	9 917
FNB – Property Finance	30 544	33 036
FNB – Property Finance 2	10 591	-
	121 505	**96 414**

9. Trade and other payables

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Financial instruments		
Trade payables	24 930	25 829
Accrued expenses	7 814	5 082
Non-financial instruments		
Amounts received in advance	10 483	11 619
Provisions - audit fee, leave pay and bonus	9 708	8 308
VAT	1 699	2 647
Other payroll accruals	4 289	4 882
	58 923	**58 366**

Notes to the Financial Results continued
for the year ended 30 June 2023

10. Provisions

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
AS AT 30 JUNE 2023				
Labour Court judgement	32 058	1 265	(31 781)	1 542
Product Warranties	428	263	-	691
	32 486	**1 528**	**(31 781)**	**2 233**

A dispute, which has previously been disclosed, relating to former employees who were dismissed by the company during the 2013 financial period. On 17 April 2020 the Labour Court delivered its judgement in respect of the dismissal dispute and found that the dismissal of certain employees was substantively fair but the dismissal of certain "night shift employees" was substantively unfair The judgement ordered reinstatement of the 42 night shift employees and limited back-pay from 1 January 2017. Leave to Appeal the judgement was filed and was subsequently denied.

On 7 September 2020, the Judge President was petitioned for leave to appeal and on 9 November 2020 the petition was granted. The Labour Appeal Court upheld the judgement in February 2022 and as result a provision for the backpay, restructuring costs and legal fees was provided for in the prior financial year.

The board of directors received notice of the Constitutional Court's order, dated 21 October 2022, in terms of which leave to appeal the Labour Appeal Court decision, was refused. Following the ruling, the company engaged with the former employees and initiated an onboarding process. This process was conducted during November 2022 during which period 41 employees presented themselves for work. Following this process, 30 employees have returned to work and 11 opted to take a package in full and final settlement of the judgement. The returning employees have been integrated into the workforce without any notable disruption to production.

11. Earnings per share

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Profit attributable to ordinary shareholders	**3 475**	**419**
Adjusted for:		
Profit on disposal of property, plant and equipment	**(31)**	**(24)**
Gross amount	(42)	(33)
Tax effect	11	9
Loss on disposal of intangible assets	**516**	**-**
Gross amount	707	-
Tax effect	(191)	-
HEADLINE EARNINGS	**3 960**	**395**

		Audited 30 June 2023 '000	Audited 30 June 2022 '000
Number of shares in issue		95 210	95 210
Weighted and diluted weighted average number of ordinary shares in issue during the period		95 210	95 210
Earnings and diluted earnings per share	(cents)	3.7	0.4
Headline and diluted headline earnings per share	(cents)	4.2	0.4

7. Inventories

	Audited 30 June 2023 R'000	Audited 30 June 2022 R'000
Raw materials	112 913	116 748
Work in progress	2 244	2 028
Finished goods	8 950	4 519
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VAT	1 699	2 647
Other payroll accruals	4 289	4 882
	58 923	**58 366**

Shareholder Information

Shareholder Analysis

Shareholder type	Number	Shareholding	%
Non- public shareholders	6	14 546 396	15.28
• Directors and associates of the company - direct holding	3	9 673 811	10.16
• Directors and associates of the company - indirect holding	3	4 872 585	5.12
Public shareholders	3 217	80 663 424	84.72
	3 223	95 209 820	100
Fund managers with a shareholding greater than 5% of issued shares			
Mazi Asset Management Proprietary Limited	29	11 791 984	12.39
Aylett and Co. Proprietary Limited	4	9 944 649	10.44
Peresec Prime Brokers Proprietary Limited	1	6 952 104	7.28
Fortuna Investments Holdings Proprietary Limited	1	6 373 399	6.83
	35	35 062 136	36.94
Beneficial shareholders with a holding greater than 5% of issued shares			
Government Employees Pension Fund	1	4 444 819	4.67

	Number of shares 2023	2022
Authorised		
No par value shares	5 000 000 000	5 000 000 000
Issued		
Reconciliation of number of shares issued:	**95 209 820**	**95 209 820**
Opening balance as at 1 July	95 209 820	95 209 820
Shares repurchased and cancelled	-	-
Closing balance as at 30 June	95 209 820	95 209 820

Shareholder Diary

Financial year-end	30 June 2023
Announcement of annual results	28 September 2023
Integrated annual report made available	27 October 2023
Annual general meeting	7 December 2023
Announcement of interim results FY2024	Mid March 2024

Corporate Information

Trellidor Holdings Limited
(Registration number 1970/015401/06)
20 Aberdare Drive, Phoenix Industrial Park,
Durban
(PO Box 20173, Durban North 4016)
Share Code: TRL
ISIN: ZAE000209342
("Company" or "Group")

Directors of Trellidor
MC Olivier (Chairman) #
TM Dennison (Chief Executive Officer)
DJR Judge (Chief Financial Officer)
RB Patmore (Lead Independent) #
SI Bird #

Independent non-executive

Company Secretary
P Nel
(BComm ACIS)
71 Cotswold Drive
Westville, 3629

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

Date of incorporation
23 November 1970

Place of incorporation
South Africa

Auditors
PKF Durban
2nd Floor
12 on Palm Boulevard
Gateway
Durban, 4319
(PO Box 1858, Durban, 4000)

Corporate sponsor
PSG Capital (Pty) Ltd
(Registration Number 2006/015817/07)
1st Floor, Ou Kollege Building,
35 Kerk Street,
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and

Suite 1105, 11th floor,
Sandton Eye Building,
126 West Street,
Sandton, 2196
(PO Box 650957, Benmore, 2010)

Transfer Secretaries
Computershare Investor Services (Pty) Ltd
(Registration Number 2004/003647/07)
Rosebank Towers, 15 Biermann Avenue,
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

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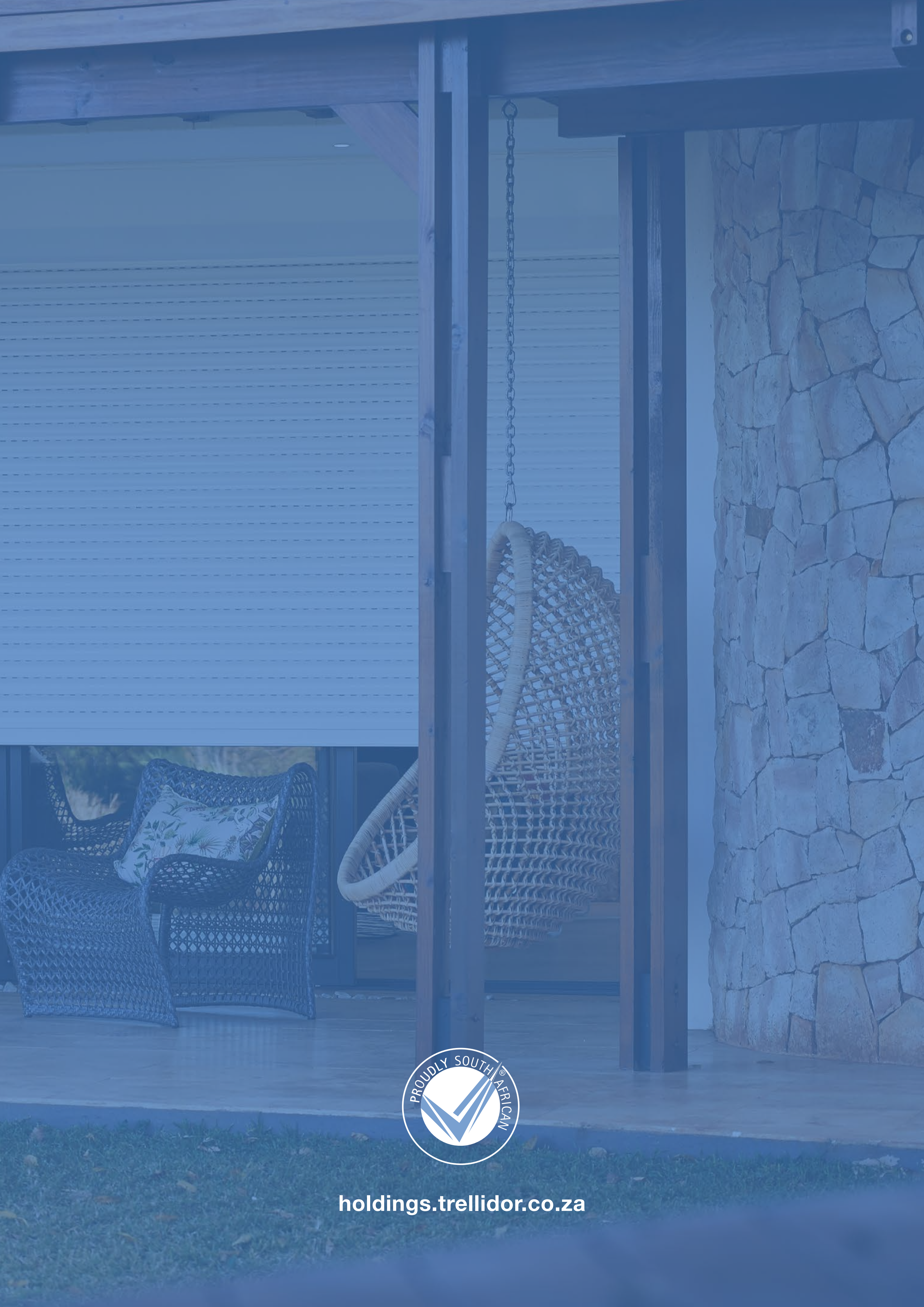

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