

CALGRO M3 HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration Number 2005/027663/06)

Share code: CGR ISIN: ZAE000109203

("Calgro M3" or "the Company")

TRADING UPDATE

In accordance with paragraph 3.4 of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it becomes aware, with a reasonable degree of certainty, that the financial results for the next period to be reported on are likely to vary by more than 20% from the previous corresponding period.

Calgro M3 wishes to advise shareholders that the Company's headline earnings per share ("HEPS") for the six months ending 31 August 2019, is expected to be a loss of 3.24 cents per share compared to a profit of 3.11 cents per share reported in the previous corresponding period. This equates to a decrease in excess of 100%.

Earnings per share ("EPS") for the six months ending 31 August 2019, is expected to be a loss of 1.46 cents per share compared to a profit of 23.78 cents per share reported in the previous corresponding period. This equates to a decrease in excess of 100%.

The suspension of operations on various developments, to preserve capital and mitigate risk, resulted in additional costs being incurred. As anticipated, the protection of cash resources by reducing operations, impacted on the gross profit reported as a result of standing time and associated costs incurred, to scale down across operations.

The Group has stabilised cash flows through various debtor and progress draw recoveries that resulted in positive cash generated from operations of R449.5 million, without having to sell off any of its assets outside of the ordinary course of business. Cash on hand increased by 67.5% to R205.4 million.

The Company did not undertake any corporate action during the current six months when compared to the prior period.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors.

Johannesburg

10 October 2019

Sponsor

Grindrod Bank Limited