

CALGRO M3 HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2005/027663/06)

JSE Share code: CGR

ISIN: ZAE000109203

("Calgro M3" or "the Company" or "Group")



SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 29 FEBRUARY 2020

1. SALIENT FEATURES

Headline earnings per share increased by 108.7% to 1.77 cps (2019 restated: 20.30 cents loss per share)

Earnings per share increased by 51.8% to 3.84 cps (2019: 2.53 cps)

Revenue decreased by 1.3% to R984.1 million (2019: R997.1 million)

Net asset value increased to 636.12 cents (2019: 629.41 cents)

South Hills development won the United Nations (UN) Sustainable Cities and Human Settlements award

Cash generated from operations: R464.2 million (2019: R298 million)

Net debt to equity 1.04 : 1.00

Cash on hand R255.1 million

No dividend has been declared for the year ended 29 February 2020 (2019: Nil)

Calgro M3 specialises in Residential Property Development, Memorial Parks and Residential Rental Investments providing innovative, cost efficient solutions of the highest quality across these businesses. We are pleased to report that good progress has been made to turn the business around, with cash generated from operations increasing by 55.6% and net cash generated from operating activities increasing by 69.9%, enabling the Group to settle, on a net basis, R52.7 million in financing activities, and still being able to increase cash balances by 108.0% to R255.1 million.

Residential Property Development

With a pipeline of 36 686 opportunities, of which 7 326 are fully serviced, 2 393 (including units where construction was previously suspended) under construction in various stages across seven projects, the Group is now well positioned with sufficient working capital to recommence sales and continue with construction. With enough serviced opportunities available, the commencement of installation of new infrastructure should be forthcoming once the required Government funding is made available.

Memorial Parks

Revenue for the first six months decreased by 7.3% and actual grave sales by 15.4%, with the business experiencing a notable lag during that period. Several corrective actions were implemented, and the initiatives ensured full year revenue growth of 22.8% to R25.7 million, thereby reversing the momentum lost in the first six months, even though this period is traditionally quieter.

Residential Rental Investments

The short-term focus is to dispose of all existing rental units and to utilise proceeds from the disposals to settle debt and have cash available to invest in out of the ordinary opportunities that may become available. The Group is in advanced discussions with third parties to sell units in the Ruimsig and Scottsdene developments as a bulk transaction. In South Hills, free-standing houses are being sold in the open market as the attractiveness of these free-standing houses within security estates in the lower end of the market, is increasing.

Once the disposals are complete, Calgro M3 will no longer have a residential rental property portfolio. However, in keeping with the Group's variable cost and risk model, once liquidity returns to a satisfactory level, the residential rental property portfolio will be re-established.

2. SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the full announcement ("Full Announcement") and does not contain full or complete details. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2020/JSE/ISSE/CGRE/FY2020.pdf>

Copies of the Full Announcement is also available for viewing on the Company's website at www.calgrom3.com or may be requested in person, at the Company's registered office or the office of the sponsor, at no charge, during office hours.

Any investment decisions by investors and/or shareholders should be based on consideration of the Full Announcement, as a whole.

These annual results have been audited by the Company's auditors, PricewaterhouseCoopers Inc., who expressed an unmodified audit opinion thereon. The full auditor's report includes details of key audit matters. This auditor's report is available, along with the annual financial statements, on the Company's website at <https://www.calgrom3.com/index.php/investors/financial-results>.

By order of the Board

Wikus Lategan
Chief Executive Officer

Pumla Radebe
Chairperson

Registered office

Calgro M3 Building
Ballywoods Office Park
33 Ballyclare Drive
Bryanston
2196

Auditors

PricewaterhouseCoopers Inc.

Secretary

I April

Sponsor

PSG Capital

Transfer secretaries

Computershare Investor Services

Directors

| | |
|-----------------|---------------------------------------|
| MN Nkuhlu | Executive |
| W Williams | Executive |
| WA Joubert | Executive |
| WJ Lategan | Executive |
| GS Hauptfleisch | Independent Non-Executive |
| H Ntene | Independent Non-Executive |
| ME Gama | Independent Non-Executive |
| PF Radebe (2) | Independent Non-Executive Chairperson |
| RB Patmore | Lead Independent Non-Executive |
| LS Ntuli (1) | Independent Non-Executive |
| TP Baloyi (1) | Independent Non-Executive |

1. Appointed on 23 March 2020.

2. Indicated that she will resign after the AGM of 26 June 2020. Her resignation at that time will be immediate.

www.calgrom3.com

Johannesburg

18 May 2020

Sponsor

PSG Capital



PSG CAPITAL