

CALGRO M3 HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2005/027663/06)

JSE Share code: CGR

ISIN: ZAE000109203

Company Alpha Code: CGRI1

LEI: 3789003B0859E9438F25

(“Calgro M3” or “the Company”)



SUMMARISED AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2023

1. SALIENT FEATURES

Headline earnings per share increased by 45.0% to 153.18 cents per share (“cps”) (2022: 105.63 cps)

Earnings per share increased by 41.3% to 153.37 cps (2022: 108.58 cps)

Revenue increased by 15.4% to R1.525 billion (2022: R1.322 billion)

Net asset value per share increased by 19.8% to R9.51 (2022: R7.94)

Net cash generated from operating activities was R2.1 million

Net debt to equity ratio decreased by 12.7% to 0.62 (2022: 0.71)

Gross profit margin improved by 2.2% to 23.5% (2022: 21.3%)

Cash on hand totaling R172.6 million

No dividend was declared for the year ended 28 February 2023 (2022: Nil)

Residential Property Development

The Group handed over 3 186 completed opportunities in the current year, and has 2 719 opportunities currently under construction, with more to be commenced with, and just over 3 100 opportunities being serviced in the 2024 financial year. The Group aims to manage cash flow more evenly by distributing handovers throughout the year. With revenue diversification between projects and provinces, along with a sustainable mix of customers, the Group expects consistent handovers, and in turn, consistent cash flow generation over the next 6 to 12 months.

The revenue pipeline for the Residential Property Development business is R15.9 billion (more than 22 000 opportunities), excluding the addition of Frankenwald (with an anticipated minimum 20 000 opportunities), that will be added to this pipeline during the years to come.

Calgro M3 has made major strides in containing costs and will continue working on efficient building designs and layouts that contain costs and improve margins. These efficient design layouts added more than 1 600 units to the pipeline at no additional capital

cost. Diligent cost management is evident from consistently maintaining a gross profit margin above 20%.

Memorial Parks

We remain confident in the strategy of the Memorial Parks business. It has taken effort to understand the market dynamics and build critical mass. The newly implemented lay-by offerings are resonating well with the market and ongoing strategic marketing and data processing will ensure the sales momentum continues. While consumers are impacted by negative market conditions, we continue to investigate and develop favourable payment plans and remain confident that the business can achieve its annuity income targets in the medium term. Sales momentum should further be boosted through burial rights received for the Bloemfontein Memorial Park

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/2023/JSE/ISSE/CGRE/FY2023.pdf>

The Full Announcement is also available for viewing on the Company’s website at www.calgrom3.com or a copy thereof 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, Mazars, who expressed an unmodified audit opinion thereon. The full auditor’s report includes details of key audit matters and is available, along with the annual financial statements, on the Company’s website at <https://www.calgrom3.com/index.php/investors/annual-reports>

By order of the Board

Wikus Lategan
Chief Executive Officer

Hatla Ntene
Chairperson

Johannesburg
15 May 2023

Equity and Debt Sponsor
PSG Capital



PSG CAPITAL