Unaudited condensed consolidated interim results

for the six months ended 31 August 2018

Calgro M3 Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2005/027663/06)
Share code: CGR ISIN: ZAE000109203

CALGRO M3 Group

Calgro M3 Holdings Limited ("Calgro M3" or "the Company") is a property and property-related investment company that is a market leader in the development of Integrated Residential Developments, Residential Rental Investments and the development and management of Memorial Parks.

The period under review was one of the most difficult ever experienced due to:

(1) Macro and micro economic uncertainty coupled with uncertainty pertaining to land expropriation;
(2) Scottsdene and Fleurhof projects being shut down as a result of "illegal occupation" with additional security and repair cost, which was slightly offset by a variation order received on Fleurhof;
(3) Major electrification challenges on Fleurhof which resulted in standing time cost;
(4) Impact of the adoption of IFRS 15;
(5) Drought in the Western Cape; and
(6) Cancellation of the executive share scheme and corresponding fast-tracked expense.

Furthermore, this had a negative impact on our operational cash flow, leading to the deliberate slowdown in levels of activity on other sites.

Despite these uncertainties and challenges, management has worked tirelessly to ensure that the Company has:

- A healthy balance sheet;
- 10 projects in the ground at various phases to mitigate risk; and
- Expanded its Memorial Parks business.

It is important to note that neither the accounting change for revenue recognition (based on the principles of IFRS 15), nor the various current short-term challenges in the operational environment have a long-term impact on the underlying fundamentals of the business or any of its integrated development projects.

The Board resolved not to declare a dividend, opting to retain the available cash to fund growth within the Group.

This short-form announcement is the responsibility of the Directors of the Company. It is a summary of the full announcement released on SENS and published on the Company's website (www.calgrom3.com) on 22 October 2018, and does not contain the complete or full announcement details. Copies of the full announcement may also be requested at the Company's registered office or the office of the Sponsor, during office hours at no charge. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement.

By order of the Board

Wikus Lategan
Chief Executive Officer

Pumla Radebe
Chairperson

22 October 2018

Earnings per share ("EPS") decreased by **50.16%** to 23.78 cents per share ("cps")
(August 2017: 47.71 cps)

Headline earnings per share ("HEPS") decreased by **93.48%** to 3.11 cps
(August 2017: 47.71 cps)

Revenue decreased by **37.77%** to R629 million (August 2017: R1.01 billion)

Second tranche of international funding of **R109 million** secured

Level 1 B-BBEE contributor

Memorial Parks sales increased by **128.24%**

Directors
PF Radebe (Chairperson)*#, WJ Lategan (Chief Executive Officer), FJ Steyn, WA Joubert (Financial Director), W Williams, VJ Klein*#, H Ntene*#, RB Patmore*#, ME Gama*#, BP Malherbe*, MN Nkuhlu, G Hauptfleisch*#
** Non-executive # Independent*

Registered office
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Transfer Secretaries
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Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

Sponsor
Grindrod Bank Limited

Company secretary
I April

Auditors
PricewaterhouseCoopers Inc.

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