YORK TIMBERS

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS AND NOTICE OF THE ANNUAL GENERAL MEETING 2021

Key features

REVENUE UP **29%** TO
R1 851 million

EBITDA (earnings before interest, taxation, depreciation and amortisation) AND FAIR VALUE ADJUSTMENT ON PINE AND EUCALYPTUS TREES INCREASED BY
R314 million
to R326 million

DEBT REDUCTION BY
R69 million
Net debt now stands at **R444 million**.
Net debt to EBITDA was 1,4 times at year-end

CASH GENERATED FROM OPERATIONS INCREASED TO
R429 million
from R96 million

BIOLOGICAL ASSET VALUE REDUCED BY
1%

EARNINGS PER SHARE INCREASED TO
44 cents per share
from a loss of 69 cents per share

HEADLINE EARNINGS PER SHARE INCREASED TO
43 cents per share
from a loss of 70 cents per share

CORE EARNINGS PER SHARE INCREASED TO
41 cents per share
from a loss of 33 cents per share

NET ASSET VALUE PER SHARE INCREASED BY
4%
to 952 cents per share

These summarised consolidated annual financial statements are a summary of the audited consolidated annual financial statements as at and for the year ended 30 June 2021, which audited consolidated annual financial statements were prepared under the supervision of the Chief Financial Officer, Gabriël Stoltz CA(SA) and are available from the Company's website at www.york.co.za or from the Company's registered office.

Commentary

OPERATIONAL RESULTS

York's operations post the COVID-19-related lockdown returned to full production capacity at the beginning of July 2020. Notwithstanding the challenging economic environment, the Company achieved its highest EBITDA in its history of R326 million, buoyed by strong demand for plywood and lumber.

Overall, our **Processing segment** delivered a record operating profit of R150 million compared to R8 million in the prior year.

York's domestic plywood sales volumes reached record levels. Our plywood exports continued, with demand and pricing also remaining strong over the period.

Despite the closure of the unprofitable Nicholson & Mullin sawmill, York's lumber production increased from the prior year. Lumber demand returned to pre-lockdown levels, with York selling its production volume and maintaining low stock levels.

The **Wholesale division** achieved its best operating performance to date and reported an operating profit of R34 million, with good margins achieved.

The **Forestry segment** delivered an operating profit of R145 million (which included a planting cost of R37 million). It established its budgeted hectares with high survival rates of over 95%. Capital investments were made at the nursery that will increase plant availability for the upcoming planting season with the aim to reduce temporary unplanted areas.

External log purchases of R248 million were made in the current year (R231 million in the prior year) to assure long-term sustainability of log supply while we wait for our plantations to reach normalised production. Our mechanical harvesting machines were refurbished during the year in accordance with their planned maintenance schedules. This resulted in more external contractors being used in the Highveld to supplement our own capacity, which resulted in additional costs.

Overall, fixed costs were well managed and increased by only 7%, as compared to the prior period.

During the year, York acquired the businesses of Twycross and Skillfull1016 CC as part of its newly established **Agricultural segment** and proceeded to establish approximately 40 hectares of soft citrus. The segment delivered a small operating profit of R4 million. The returns from soft citrus will only be realised from year four onwards.

BALANCE SHEET

The biological asset value decreased by 1% from R2 907 million to R2 878 million as a result of the slight increase in the discount rate.

York's self-insurance fund balance increased by R44 million to R98 million. This is largely attributable to a claims-free fire season.

Working capital was carefully managed and net working capital decreased by 26% from the prior year to R117 million. Stock decreased by R46 million to R183 million.

Additions to property, plant and equipment included log transport vehicles and other yellow equipment. The spindleless peeler project, new enterprise resource planning system and nursery upgrades contributed to capital expenditure of R82 million.

The acquisition of the Twycross and Skillfull 1016 CC businesses required an investment of R78 million.

Cash balances at year-end stood at R71 million.

York's net debt position improved from R581 million to R444 million.

OUTLOOK

York's plantations are its key strategic asset. While significant log volumes are still required from external sources until our own plantations enter a normal rotation cycle, this key asset will be carefully managed to deliver the optimal mix of cash flows and returns to shareholders.

The recent installation of the spindleless peeler enables us to better align our log inventory and processing to our final product requirements. Going forward, we will be able to better utilise York's own plantations, improve processing yields and reduce raw material costs in our plywood division, where we continually face the threat of lower-priced imports.

York continues to focus on driving cost efficiencies, with a number of opportunities identified in our logistics and supply chain. In addition, we will focus on improving our plant availability metrics, specifically in our Sabie complex, where we are currently operating below standard.

The outlook for demand remains uncertain but is expected to stay at current levels over the next period. Pricing is starting to stabilise. With the current tailwinds being experienced in the market, we understand the critical importance of ensuring our processing operations run at maximum uptime and efficiency levels and this remains a key focus area in the year ahead.

York has recently established its **Agricultural segment**. While still a small contributor to Group profits, there is an opportunity to utilise our land and water resources more efficiently to significantly grow this segment. The expected returns from these investments are attractive and are part of our focus to maximise the returns from our vast landholdings. We will continue to evaluate various expansion options and will keep shareholders updated with developments in this regard.

The Board of Directors (Board) acknowledges the current suboptimal returns on capital being generated by the Group and is committed to improving these going forward. Given the improving cash flow and debt profile of the Group, the Board is also committed to returning excess cash flow to shareholders and to only invest in projects that deliver attractive risk-adjusted returns to shareholders.

York mourns the passing of Mr Pieter van Zyl, an inspirational leader and visionary in the industry. The Board has initiated the recruitment of a new CEO.

Statement of financial position

As at 30 June 2021

	Audited As at 30 June 2021 R'000	Audited As at 30 June 2020 R'000
ASSETS		
Non-current assets		
Biological asset (refer to note 5)	**2 502 597**	2 391 304
Investment property	**34 180**	30 740
Property, plant and equipment	**905 645**	844 129
Goodwill	**357 630**	357 630
Intangible assets	**9 556**	6 076
Other financial assets	**97 583**	53 331
Deferred tax	**4 336**	7 353
Total non-current assets	**3 911 527**	3 690 563
Current assets		
Biological asset (refer to note 5)	**375 554**	515 586
Inventories	**183 265**	229 191
Trade and other receivables	**271 933**	164 796
Current tax receivable	**1 072**	477
Cash and cash equivalents	**108 030**	48 430
Non-current assets held for sale	**750**	–
Total current assets	**940 604**	958 480
Total assets	**4 852 131**	4 649 043

	Audited As at 30 June 2021 R'000	Audited As at 30 June 2020 R'000
EQUITY AND LIABILITIES		
Equity		
Share capital	**1 484 157**	1 480 232
Reserves	**2 193**	4 148
Retained income	**1 537 978**	1 396 492
Total equity	**3 024 328**	2 880 872
Liabilities		
Non-current liabilities		
Lease liability	**394**	4 971
Deferred tax	**887 618**	848 624
Borrowings	**347 330**	417 922
Provisions	**16 576**	16 249
Retirement benefit obligations	**25 658**	26 910
Total non-current liabilities	**1 277 576**	1 314 676
Current liabilities		
Current tax payable	**2 934**	2
Borrowings	**167 461**	165 976
Lease liability	**4 690**	7 331
Deferred income	**502**	–
Trade and other payables	**337 534**	234 769
Provisions	**256**	–
Bank overdraft	**36 850**	45 417
Total current liabilities	**550 227**	453 495
Total liabilities	**1 827 803**	1 768 171
Total equity and liabilities	**4 852 131**	4 649 043

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	Audited Year ended 30 June 2021 R'000	Audited Year ended 30 June 2020 R'000
Revenue	**1 850 670**	1 438 825
Cost of sales	**(1 337 549)**	(1 180 758)
Gross profit	**513 121**	258 067
Other operating income	**28 743**	15 049
Other operating (losses)/gains	**(9 154)**	8 287
Other operating expenses	**(308 439)**	(363 511)
Operating profit/(loss)	**224 271**	(82 108)
Other non-operating gains/(losses)	**19 227**	(159 301)
Profit/(loss) before finance costs	**243 498**	(241 409)
Investment income	**3 618**	3 017
Finance costs	**(48 447)**	(61 049)
Profit/(loss) before taxation	**198 669**	(299 441)
Taxation	**(59 025)**	81 804
Profit/(loss) for the year	**139 644**	(217 637)
Other comprehensive income		
Remeasurement on net defined benefit liability	**2 001**	361
Taxation related to remeasurement on defined benefit liability	**(560)**	(101)
Other comprehensive income for the year net of taxation	**1 441**	260
Total comprehensive income/(loss) for the year	**141 085**	(217 377)
Basic earnings/(loss) per share (cents) (refer to note 7)	**44**	(69)
Diluted earnings/(loss) per share (cents) (refer to note 7)	**44**	(69)

Statement cash flows

For the year ended 30 June 2021

	Audited Year ended 30 June 2021 R'000	Audited Year ended 30 June 2020 R'000
Cash generated from operations	**429 022**	96 191
Investment income	**3 618**	3 017
Finance costs	**(47 046)**	(59 002)
Taxation (paid)/refunded	**(23 400)**	10 506
Net cash from operating activities	**362 194**	50 712
Cash flows applied to investing activities		
Purchase of property, plant and equipment	**(82 096)**	(42 085)
Proceeds from disposal of property, plant and equipment	**937**	5 002
Purchase of intangible assets	**(3 607)**	(2 603)
Purchase of investment property	**(1 150)**	–
Acquisition of business net of cash acquired	**(77 805)**	–
Purchase of other financial assets at amortised cost	**(62 728)**	(36 680)
Proceeds from other financial assets at amortised cost	**18 476**	45 252
Net cash applied to investing activities	**(207 973)**	(31 114)
Cash flows from financing activities		
Proceeds from borrowings	**101 097**	11 580
Repayment of borrowings	**(170 204)**	(111 542)
Repayment of lease liability	**(8 124)**	(10 106)
Net cash applied to financing activities	**(77 231)**	(110 068)
Total cash movement for the year	**76 990**	(90 470)
Cash at the beginning of the year	**3 013**	88 941
Effect of exchange rate movement on cash balances	**(8 823)**	4 542
Cash at the end of the year	**71 180**	3 013

Statement of changes in equity

For the year ended 30 June 2021

Audited	Share capital R'000	Defined benefit plan reserve R'000	Share-based payment reserve R'000	Retained income R'000	Total equity R'000
Balance as at 1 July 2019	1 480 232	(871)	3 227	1 614 129	3 096 717
Loss for the year	–	–	–	(217 637)	(217 637)
Other comprehensive income	–	260	–	–	260
Total comprehensive income/(loss) for the year	–	260	–	(217 637)	(217 377)
Employee share option scheme	–	–	1 532	–	1 532
Total contributions by and distributions to owners of the Company recognised directly in equity	–	–	1 532	–	1 532
Balance as at 30 June 2020	**1 480 232**	**(611)**	**4 759**	**1 396 492**	**2 880 872**
Profit for the year	**–**	**–**	**–**	**139 644**	**139 644**
Other comprehensive income	**–**	**1 441**	**–**	**–**	**1 441**
Total comprehensive income for the year and total transactions with owners	**–**	**1 441**	**–**	**139 644**	**141 085**
Employee share option scheme	**–**	**–**	**2 371**	**–**	**2 371**
Employee share option vested	**3 925**	**–**	**(5 767)**	**1 842**	**–**
Total contributions by and distributions to owners of the Company recognised directly in equity	**3 925**	**–**	**(3 396)**	**1 842**	**2 371**
Balance as at 30 June 2021	**1 484 157**	**830**	**1 363**	**1 537 978**	**3 024 328**

Notes to the consolidated and separate annual financial statements

For the year ended 30 June 2021

1. BASIS OF PREPARATION

These summarised consolidated annual financial statements have been prepared in accordance with the JSE Limited Listings Requirements, the Companies Act of South Africa, 71 of 2008 and the Companies Regulations, 2011. The Group has applied the recognition and measurement requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the presentation and disclosure requirements of International Accounting Standard (IAS) 34: Interim Financial Reporting. The financial results have been compiled under the supervision of Gabriël Stoltz CA(SA), the CFO. The accounting policies are in terms of IFRS. The directors take responsibility for the preparation of the summarised consolidated annual financial statements and for the correct extraction of the financial information.

These summarised results do not include all the information required for full consolidated annual financial statements and should be read in conjunction with the audited consolidated annual financial statements as at and for the year ended 30 June 2021, which are available on the Company's website, **www.york.co.za**, or from the Company's registered office.

The Company's external auditor, PricewaterhouseCoopers Inc., has issued an unmodified unqualified audit opinion on the Group's consolidated annual financial statements for the year ended 30 June 2021. The audit was conducted in accordance with International Standards on Auditing. The auditor's report does not necessarily report on all of the information contained in this announcement.

Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report, together with the accompanying financial information, available for inspection from the issuer's registered office. These summarised consolidated annual financial statements have been extracted from audited information, but are not audited. These summarised consolidated annual financial results have been prepared on the going concern basis and were approved by the Board by way of round-robin resolutions on 27 September 2021.

There have been no material changes to judgements or estimates relating to amounts reported in prior reporting periods.

The Group financial results are presented in Rand, which is the Company's functional currency. All financial information presented has been rounded to the nearest thousand.

The significant accounting policies and methods of computation are consistent in all material respects with those applied during the year ended 30 June 2020, except for the below changes to the accounting policies relating to the bearer fruit plants and agricultural produce included in the business combination as per note 10.

Biological assets

The Group recognises a biological asset from unharvested avocados and macadamias when, and only when:

- the Group controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the Group; and
- the fair value or cost of the asset can be measured reliably.

1. BASIS OF PREPARATION

continued

Avocados and macadamias growing on bearer plants (recognised as part of property, plant and equipment) are accounted for as biological assets until the point of harvest. Biological assets are measured on initial recognition and at the end of each reporting period at fair value less costs to sell at the point of harvest. A gain or loss arising on initial recognition of unharvested agricultural produce at fair value less cost to sell is included in operating profit or loss for the period in which it arises as a fair value adjustment. Any fair value adjustments subsequent to initial recognition will be included in operating profit or loss for the period.

Property, plant and equipment

Bearer fruit plants are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses as per IAS 16. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of 5 to 40 years.

Inventory

The cost of harvested timber and fruit produce is its fair value at the date of harvest, determined in accordance with the accounting policy for biological assets. Any change in value as at the date of harvest is recognised in profit or loss and thereafter measured at the lower of cost and net realisable value.

Revenue

Sale of nuts and fruit

Revenue is recognised at a point in time for sales of nuts and fruit.

For the sale of fruit, the final packed produce is sent to the marketing and distribution agent (agent) for local and export consumers. The title of the produce remains with the Company until the final payment for the product has been received by the agent, and the risk in the produce will only pass to the end consumer on the sale between the agent and end consumer. Deferred revenue is recognised for produce where the Company has received partial payment for the produce from the agent.

For the sale of nuts, revenue is recognised when the nuts are delivered to the customer.

Income from fruit packaging

Revenue is recognised at a point in time.

Revenue derived from fruit packaging services rendered is recognised when the goods are packed from the growers based on the pack-out distribution of the produce delivered by the grower.

2. ADDITIONAL DISCLOSURE ITEMS

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Authorised capital commitments		
– Contracted, but not provided	**16 749**	20 322
– Not contracted	**49 315**	91 694
Capital expenditure	**86 853**	44 688
Depreciation of property, plant and equipment	**101 163**	93 456
Amortisation of intangible assets	**127**	144
Impairment of trade receivables	**(3 490)**	4 779

- At year-end, the invoice discounting facility granted by Absa Bank was secured by the cession of a clearing account held with Absa Bank and the cession of trade receivables with a maximum exposure limit of R150 million, and Credit Guarantee Insurance Corporation of Africa Limited insurance. The invoice discounting facility bears interest at the prime interest rate on the utilised amount. The general banking facility is available to all companies within the Group.
- During the year, 1 472 032 shares previously held as treasury shares by a wholly-owned subsidiary, were transferred to qualifying individuals in terms of the share based payment scheme awarded in 2018 under the 2015 Share plan.

3. COMPARATIVE FIGURES

The summarised consolidated annual financial statements for the year ended 30 June 2020 are presented as published. In the 2019 financial year, the loan to Group companies in York's separate annual financial statements was not stated at amortised cost on the adoption of IFRS 9 and subsequently investment income was not recorded. This restatement relates to the Company's separate annual financial statements only and has no impact on the consolidated annual financial statements where inter-company transactions are eliminated. The results for the 2019 and 2020 financial year for York's separate annual financial statements have been restated. The effect of this restatement is set out in note 38 to the audited consolidated annual financial statements for the year ended 30 June 2021.

4. OPERATING SEGMENTS

The Group has four reportable segments (2020: three reportable segments), which are the Group's strategic divisions. The Group operates in three geographic segments, namely South Africa, Southern Africa Development Community (SADC) and non-SADC regions. The non-SADC sales refer to plywood sales to the United Kingdom, Belgium, Italy, Canada and the United States of America.

The segmental analysis is as follows:

	Processing plants R'000	Wholesale R'000	Forestry and Fleet R'000	Agricultural R'000	Total R'000
For the year ended 30 June 2021					
Revenue: external sales	**1 219 940**	**542 601**	**66 512**	**19 021**	**1 848 074**
Revenue: inter-segment sales	**304 732**	**–**	**812 168**	**3 420**	**1 120 320**
Total revenue	**1 524 672**	**542 601**	**878 680**	**22 441**	**2 968 394**
Depreciation, amortisation and impairments	**(70 630)**	**(7 093)**	**(19 389)**	**(1 685)**	**(98 797)**
Reportable segment profit*	**150 486**	**34 163**	**145 117**	**4 492**	**334 258**
As at 30 June 2021					
Capital expenditure	**41 482**	**282**	**25 156**	**12 079**	**78 999**
Fair value adjustment (pine and eucalyptus trees)	**–**	**–**	**12 958**	**–**	**12 958**

	Processing plants R'000	Wholesale R'000	Forestry and Fleet R'000	Total R'000
For the year ended 30 June 2020				
Revenue: external sales	933 437	448 816	53 119	1 435 372
Revenue: inter-segment sales	218 883	–	645 376	864 259
Total revenue	1 152 320	448 816	698 495	2 299 631
Depreciation, amortisation and impairments	(61 117)	(8 386)	(18 780)	(88 283)
Reportable segment profit/(loss)*	8 187	9 147	(4 977)	12 357
As at 30 June 2020				
Capital expenditure	27 457	409	13 379	41 245
Fair value adjustment (pine and eucalyptus trees)	–	–	(159 301)	(159 301)

* *Being EBITDA and fair value adjustments on pine and eucalyptus trees.*

4. OPERATING SEGMENTS continued

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Revenue per geographical area		
South Africa	**1 538 666**	1 177 936
Southern Africa Development Community (SADC)	**204 375**	167 823
International (non-SADC)	**107 629**	93 066
Total	**1 850 670**	1 438 825
Reconciliation of reportable segment profit/(loss)		
Total EBITDA for reportable segments	**334 258**	12 357
Depreciation and amortisation for reportable segments	**(98 797)**	(88 283)
Depreciation, amortisation and impairment for non-reporting segments	**(2 607)**	(5 472)
Non-reporting segments EBITDA	**(8 583)**	(710)
Operating profit/(loss)	**224 271**	(82 108)

5. BIOLOGICAL ASSET

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Reconciliation of pine and eucalyptus biological asset		
Opening balance	**2 906 890**	3 154 557
Reconciliation of biological assets due to changes in standing volume:		
– Increase due to growth and enumerations[1]	**362 074**	176 181
– Adjustment to standing timber values to reflect changes to sales price, cost and discount rate assumptions[2]	**(6 484)**	(143 329)
– Decrease due to harvesting and disposal	**(342 632)**	(192 153)
Standing timber purchased	**935**	44 880
Standing timber harvested	**(44 880)**	(133 246)
Closing balance	**2 875 903**	2 906 890
Classified as non-current assets	**2 502 597**	2 391 304
Classified as current assets[3]	**373 306**	515 586

[1] *Enumerations refer to updates that are made to the merchandising model's data due to more accurate information being collected about the trees in the plantations. These are used to adjust the model's theoretical yields to actual yields and are done systematically over the life of the plantations.*

[2] *Being the movement after the increases in growth and enumeration and decreases due to harvesting, from the opening balance value, and consists of the impact of changes to the discount rate, log sales prices and operating costs from the prior year balance.*

[3] *The biological assets to be harvested and sold in the 12 months after year-end.*

	Audited 30 June 2021	Audited 30 June 2020
Key assumptions used in the discounted cash flow valuation		
Risk-free rate	**9,26%**	9,26%
Beta factor	**1,16**	1,13
Cost of equity	**16,45%**	16,48%
Pre-tax cost of debt	**7,00%**	7,25%
Debt:equity ratio	**25:75**	29:71
After-tax weighted average cost of capital (WACC)	**13,61%**	13,17%

5. BIOLOGICAL ASSET continued

The additional key assumptions underlying the discounted cash flow valuation have been updated as follows:

Methodology and key assumptions used in determining the fair value of the pine and eucalyptus trees

- **Volumes:** The expected yields per log class are calculated with reference to growth models relevant to the planted area. The growth models are derived from actual trial data that has been measured annually since 1976. A merchandising model, using the modelled tree shapes at various ages, is used to divide the trees into predefined products as the basis for calculating log yields.
- **Volume adjustment factor:** In a manner consistent to prior years, volumes expected from York plantations in MicroForest are adjusted downwards with 8% (2020: 8%). In the 2021 financial year, the harvesting volumes expected from York plantations in MicroForest were further reduced by a weighted average of 5% (2020: 4%), based on the most recent actual yield reconciliation data. The further reduction in volumes was done in an effort to acknowledge deviations such as the impact from damage caused by baboons and other natural elements, genetic defects and pests and diseases from the planned harvesting volumes.
- **Log prices:** The price per cubic metre per log class is based on current and future expected market prices per log class. It was assumed that prices will increase at 4,40% over the next year, 4,50% over the following year and at 4,50% over the long term (2020: 4,60% over the next year, 4,40% over the following year and at 4,80% over the long term). Log prices are computed at a weighted average of external market prices and internal prices, which are based on an internationally recognised log paying capability calculation. This calculation references the final product value derived from the log based on market prices.
- **Operating costs:** The costs are based on the unit cost of the forestry management activities required for the trees to reach the age of felling. The costs include the current and expected future costs of harvesting, maintenance and risk management, as well as associated fixed overhead costs. The costs exclude the costs necessary to get the asset to the market. An inflation rate of 4,40% over the next year, 4,50% over the following year and 4,50% over the long term (2020: 4,60% over the next year, 4,40% over the following year and 4,80% over the long term) was used.
- **Costs to sell:** Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income taxes. The only costs to sell applied are harvesting costs, which are included under operating costs. No other selling costs are included.
- **Discount rate:** In determining the WACC, a comparable group of forestry companies' Beta is used to determine the Beta applied in WACC.

5. BIOLOGICAL ASSET continued

Level 3 fair value

The valuation model considers the present value of the net cash flows expected to be generated from the plantations. The cash flow projections include specific estimates for 20 years (2020: 20 years). The expected cash flows are risk adjusted for current economic conditions. The expected net cash flows are discounted using a risk-adjusted discount rate that takes into account the Beta factors of a comparable group of forestry companies. York applied the debt:equity ratio of the market participants included in its comparable company basket.

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Reconciliation of unharvested fruit biological asset		
Additions through business combinations	**3 892**	–
Avocados and macadamias harvested	**(2 859)**	–
Change in fair value of avocados and macadamias	**1 215**	–
Closing balance	**2 248**	–
Classified as non-current assets	**–**	–
Classified as current assets[3]	**2 248**	–

Methodology and key assumptions used in determining the fair value of the avocado and macadamia produce

The agricultural produce volumes were reduced by a weighted average of 1% based on the most recent actual volumes harvested compared to estimated volumes. Volume distribution between the export, local and reject markets is based on the year-to-date actual pack-out rate. The fair value of avocados and macadamias growing on the bearer plants is determined by reference to market prices for local, export and reject classes, adjusted for expected costs to reach maturity, which is typically one to two months after the end of the reporting period. Costs to sell include harvesting and packaging costs. Significant estimates include the expected agricultural produce yields and quality and the expected market price.

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Total biological assets (pine, eucalyptus and unharvested fruit)		
Closing balance	**2 878 151**	2 906 890
Classified as non-current assets	**2 502 597**	2 391 304
Classified as current assets[3]	**375 554**	515 586

[3] *The biological assets to be harvested and sold in the 12 months after year-end.*

6. RELATED PARTIES

The Group's related parties are its subsidiaries and key management, including directors.

7. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on:

	Audited 30 June 2021	Audited 30 June 2020
Basic earnings/(loss) attributable to ordinary shareholders (R'000)	**139 644**	(217 637)
Reconciliation of weighted average number of ordinary shares		
Weighted average number of ordinary shares used for basic earnings per share ('000)	**316 416**	316 048
Bonus element of share-based payment ('000)	**664**	2 825
Weighted average number of ordinary shares in issue ('000)	**317 080**	318 873
Earnings/(loss) per share (cents)	**44**	(69)
Diluted earnings/(loss) per share (cents)	**44**	(69)

8. HEADLINE EARNINGS PER SHARE

The calculation of headline earnings per share is based on:

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Reconciliation of basic earnings to headline earnings		
Basic earnings/(loss) attributable to ordinary shareholders	**139 644**	(217 637)
Loss/(profit) on sale of assets (net of tax)	**1 115**	(2 699)
Impairment of plant and equipment (net of tax)	**82**	112
Fair value adjustment on investment property	**(2 189)**	–
Bargain purchase	**(4 413)**	–
Impairment on goodwill	**1 184**	–
Headline earnings/(loss) for the year	**135 423**	(220 224)
Weighted average number of ordinary shares in issue ('000)	**317 080**	318 873
Headline earnings/(loss) per share (cents)	**43**	(70)
Diluted headline earnings/(loss) per share (cents)	**43**	(70)

9. CORE EARNINGS PER SHARE

The calculation of core earnings per share is based on:

	Audited 30 June 2021 R'000	Audited 30 June 2020 R'000
Basic earnings/(loss) attributable to ordinary shareholders	**139 644**	(217 637)
Fair value adjustment on biological assets (net of tax)	**(10 205)**	114 697
Core earnings for the year	**129 439**	(102 940)
Weighted average number of ordinary shares in issue ('000)	**317 080**	318 873
Core earnings/(loss) per share (cents)	**41**	(33)
Diluted core earnings/(loss) per share (cents)	**41**	(33)

10. BUSINESS COMBINATIONS

On 1 February 2021, Stadsrivier Vallei Proprietary Limited (previously known as York Agri Proprietary Limited), a wholly owned subsidiary of the Group, acquired the businesses of PVT Timber Products Proprietary Limited, Twycross Farms Proprietary Limited and Twycross Packers Proprietary Limited, as going concerns, for a net cash consideration of R64 million. These businesses comprise sawmilling and pallet-making, farming of avocados and macadamias and a fruit packing facility. R62 million of the acquisition was funded by way of a loan. This transaction was published on SENS on 15 December 2020.

The acquisition will enable the Group to diversify its earnings.

A bargain purchase was recognised as a result of the net assets purchased at fair value, as determined based on transactions in an external market, exceeding the consideration paid agreed between the Group and the seller. A deferred tax liability was recognised as a result of the immovable assets acquired for farming operations that are not deductible for taxation purposes in terms of paragraph 12 of the first schedule of the Income Tax Act.

Acquisition-related costs of R618 970 were incurred as legal fees and due diligence costs. The costs have been included as part of the other operating expenses in the Statement of Profit or Loss and Other Comprehensive Income as well as cash flow from operating activities in the Statement of Cash Flows for the period ended 30 June 2021.

On 12 May 2021, Stadsrivier Vallei Proprietary Limited (a wholly owned subsidiary of the Group) entered into a purchase agreement with Skillfull 1018 CC to acquire the business of farming of avocados and macadamias for a net cash consideration of R13,5 million. R13 million of the acquisition was funded by way of a loan. Although registration at the deeds office was not completed at year-end, the substance over form of the transaction was considered and Stadsrivier Vallei Proprietary Limited accounted for the transaction as at 30 June 2021.

10. BUSINESS COMBINATIONS continued

The acquisition will enable the Group to diversify its earnings.

The fair value was determined based on a revaluation performed by an independent external valuer and the most recent transactions in the external market. Goodwill was recognised due to the net cash consideration paid exceeding the fair value of the net identifiable assets purchased as a result of the immovable assets acquired for farming purposes not being deductible for taxation purposes. A deferred tax liability was recognised as a result of the immovable assets acquired for farming operations that are not deductible for taxation purposes in terms of paragraph 12 of the first schedule of the Income Tax Act.

Acquisition-related costs of R68 122 were incurred on legal fees. The costs have been included as part of the other operating expenses in the Statement of Profit or Loss and other Comprehensive Income as well as cash flow from operating activities in the Statement of Cash Flow for the period ended 30 June 2021.

	Audited 30 June 2021 R'000
Property, plant and equipment (including bearer plants)	**83 182**
Biological asset: unharvested fruit	**3 892**
Deferred tax	**(8 163)**
Inventory	**2 312**
Trade and other payables	**(189)**
Total identifiable net assets	**81 034**
Goodwill	**1 184**
Bargain purchase gain in a business combination	**(4 413)**
Consideration paid	**(77 805)**
Funded through	
Cash	**(2 805)**
Borrowing facility	**(75 000)**
Total consideration paid	**(77 805)**

11. CHANGE IN DIRECTORS

Mr Shakeel Meer resigned as a non-executive director of the Company on 30 April 2021. Mr Gabriël Stoltz, the Company's CFO, was appointed as interim CEO after the untimely passing of Mr Pieter van Zyl, the former CEO of the Group on 17 July 2021. Mr Adrian Zetler was appointed as a non-executive director of York and Mr Andre van der Veen was appointed as an alternate director to Mr Zetler on 1 September 2021. Ms Lindani Dhlamini was appointed as an independent non-executive director on 21 September 2021.

12. EVENTS AFTER THE REPORTING PERIOD

Pursuant to the rules of the 2015 Share Plan, the late CEO's restricted shares have vested and will be settled to his estate. The number of shares that vested on 19 July 2021 have a deemed value of R6 430 730.

Notice of annual general meeting

YORK TIMBERS

YORK TIMBER HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1916/004890/06)
(**York** or the **Company** or the **Group**)
ISIN: ZAE000133450
Share code: YRK

Notice is hereby given that the annual general meeting (**AGM**) of shareholders of the Company will be held remotely on Thursday, 11 November 2021 at 09:00, through an interactive electronic platform, subject to any cancellation, postponement or adjournment, to deal with such business as may lawfully be dealt with at an AGM and to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act of South Africa, 71 of 2008, as amended (the **Companies Act**), the memorandum of incorporation of the Company (**MOI**) and the JSE Limited Listings Requirements (**JSE Listings Requirements**).

The Company has retained the services of The Meeting Specialist Proprietary Limited (**TMS**) to remotely host the AGM on an interactive electronic platform in order to facilitate remote attendance, participation and voting by shareholders and/or their proxies.

The notice of the Company's AGM has been sent to shareholders who were recorded as such in the Company's securities register maintained by the transfer secretaries (Computershare Investor Services Proprietary Limited) on Friday, 1 October 2021, being the record date used to determine which shareholders are entitled to receive this notice of AGM.

The record date on which shareholders must be recorded as such in the Company's securities register for the purpose of being entitled to participate in and vote at the AGM is Friday, 5 November 2021. The last day to trade in order to be entitled to participate in and vote at the AGM will be Tuesday, 2 November 2021.

Meeting participants (including shareholders and proxies) are required to provide satisfactory identification before being entitled to electronically attend or participate in the AGM. Forms of identification include valid identity documents, driver's licences and passports.

In accordance with regulation 43(5)(c) of the Companies Regulations, 2011, promulgated under the Companies Act, a member of the Social and Ethics Committee is required to report to shareholders at the AGM on the matters within the mandate of the Social and Ethics Committee. The Social and Ethics Committee's report is contained on page 20 of the annual report.

Shareholders are requested to consider, and if deemed fit, pass, with or without modification, the following resolutions by way of separate resolutions:

ORDINARY RESOLUTION NUMBER 1

Adoption of the consolidated and separate annual financial statements for the year ended 30 June 2021

"Resolved that the consolidated and separate annual financial statements of the Company and its subsidiaries, incorporating the reports of the external auditor, Audit Committee of the Company (**Audit Committee**) and directors of the Company (**directors**) for the year ended 30 June 2021, be and are hereby adopted."

The consolidated and separate annual financial statements of the Company, as approved by the Board of Directors of the Company (the **Board**), incorporating the reports of the external auditor, Audit Committee and directors for the year ended 30 June 2021, have been distributed as required and are presented.

The percentage of voting rights that will be required for this resolution to be adopted is more than 50% of the votes exercised on the resolution.

The complete consolidated and separate annual financial statements and annual report are available on the Company's website:
http://www.york.co.za/downloads/annualreport2021.pdf

ORDINARY RESOLUTIONS NUMBERS 2.1 TO 2.7

Re-election and appointment of directors

"Resolved that shareholders elect each director listed below, by way of a separate vote, who retire by rotation in terms of the MOI, and who, being eligible, have offered themselves for re-election:

2.1 Dr Jim Myers;
2.2 Dr Azar Jammine; and
2.3 Dinga Mncube.

It is further resolved that the shareholders ratify the appointment of the following directors:

2.4 Adrian Zetler;
2.5 Andre van der Veen *(alternate director to Adrian Zetler)*;
2.6 Lindani Dhlamini; and
2.7 Election of Andre van der Veen as a non-executive director of the Company with effect from the date of the AGM."

Adrian Zetler is a qualified chartered accountant (South Africa) (CA(SA)) and CFA® Charterholder. Mr Zetler started his career at PricewaterhouseCoopers Inc. where he first completed his articles and then spent two years as a valuation specialist in their UK corporate finance team. For the past 12 years, Mr Zetler was an analyst and portfolio manager at Coronation Fund Managers where he co-managed Coronation's Houseview strategies and the Coronation Industrial Fund. Mr Zetler is currently a partner at A^2 Investment Partners Proprietary Limited (A^2 Investment) – a recently incorporated active investment partnership.

Andre van der Veen is a CA(SA), Chartered Global Management Accountant and CFA® Charterholder. During his 30-year career, he has invested in and managed several companies across a wide range of industries. He has served as a director of numerous companies including Tsogo Sun Holdings Limited, Clover Industries Limited, Hosken Consolidated Investments (HCI) and Montauk Energy Holdings Limited. Mr van der Veen was the chief executive officer (CEO) of Johnnic Holdings Limited, KWV Holdings Limited, Niveus Investments Limited and E-Media Holdings Limited, the parent company of ETV. He established and served as chairman of HCI Coal Proprietary Limited. Mr van der Veen is currently a partner at A^2 Investment and is the chairman of Alphawave Holdings, a specialised technology holding company. Following A^2 Investment's investment in Novus Holdings Limited (Novus) he was recently appointed a director of Novus.

Lindani Dhlamini holds a bachelor of science degree in Computer Science, a bachelor of commerce and postgraduate diploma in Accounting from the University of Cape Town, a Master in Business Administration from Liverpool University and is a qualified CA(SA). Having completed her articles at Deloitte and Touche, she joined its corporate finance division specialising in transaction support services. Ms Dhlamini has over 25 years' experience in corporate finance, financial management and auditing and is well informed in governance and risk. Ms Dhlamini currently serves as the CEO and co-founder of

SkX Protiviti and previously served as a member of the boards of Mustek Limited, Afrocentric Limited, Old Mutual Alternative Solutions, Old Mutual Investment Group SA and the Industrial Development Corporation.

The percentage of voting rights that will be required for each of these resolutions to be adopted is more than 50% of the votes exercised on each resolution.

ORDINARY RESOLUTION NUMBER 3

Re-appointment of the external auditor

"Resolved that PricewaterhouseCoopers Inc. (with Mr Schalk Barnard being the designated external audit partner) be and are hereby re-appointed as the external auditor of the Company from the conclusion of this AGM."

The percentage of voting rights that will be required for this resolution to be adopted is more than 50% of the votes exercised on the resolution.

ORDINARY RESOLUTIONS NUMBERS 4.1 TO 4.3

Re-election of the Audit Committee members

"Resolved that shareholders elect, by way of a separate vote, the following independent non-executive directors as members of the Audit Committee, subject to the re-election of Dr Azar Jammine as a director in terms of ordinary resolution number 2.2, with effect from the end of this AGM until the conclusion of the next AGM of the Company:

4.1 Andries Brink;

4.2 Dr Azar Jammine; and

4.3 Max Nyanteh."

Brief résumés of these directors offering themselves for election as members of the Audit Committee are contained on page 15 of the annual report.

The percentage of voting rights that will be required for each of these resolutions to be adopted is more than 50% of the votes exercised on each resolution.

ORDINARY RESOLUTIONS NUMBERS 5.1 AND 5.2

Endorsement of the Company's remuneration policy and implementation report

5.1 "Resolved that shareholders endorse, by way of a non-binding advisory vote, the Company's remuneration policy, as set out on page 23 of the annual report."

5.2 "Resolved that shareholders endorse, by way of a non-binding advisory vote, the Company's remuneration implementation report, as set out on pages 23 to 28 of the annual report."

The percentage of voting rights that will be required for each of these non-binding advisory resolutions to be adopted is more than 50% of the votes exercised on each resolution.

SPECIAL RESOLUTION NUMBER 1

General authority to acquire/repurchase shares

"Resolved that the Company and its subsidiaries be and are hereby authorised by way of a general authority, to acquire from time to time the issued ordinary shares of the Company upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the MOI, the JSE Listings Requirements and the provisions of the Companies Act, where applicable and provided that:

- any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement with the counterparty;
- this general authority shall be valid until the Company's next AGM, provided that it shall not extend beyond 15 months from the date of passing of this special resolution number 1;
- an announcement will be published as soon as the Company or any of its subsidiaries have acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue and for each 3% in aggregate of the initial number acquired thereafter, in compliance with paragraph 11.27 of the JSE Listings Requirements;
- acquisitions of shares in aggregate in any one financial year may not exceed 10% of the Company's ordinary issued share capital, as the case may be, as at the date of passing of this special resolution number 1, provided that the acquisition of shares as treasury shares by a subsidiary of the Company shall not be effected to the extent that in aggregate more than 10% of the number of issued shares in the Company are held by or for the benefit of all the subsidiaries of the Company taken together;
- ordinary shares will not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary shares for the five business days immediately preceding the date the transaction is effected;
- the Company has been given authority by its MOI;
- at any point in time, the Company and/or its subsidiaries may only appoint one agent to effect any such acquisition;
- a resolution has been passed by the Board confirming that the Board has authorised the general repurchase, that the Company and its subsidiaries passed the solvency and liquidity test and that, since the test was done, there have been no material changes to the financial position of the Group; and
- the Company and/or its subsidiaries will not acquire any shares during a prohibited period, as defined in the JSE Listings Requirements, unless a repurchase programme is in place, where dates and quantities of ordinary shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed to the JSE, in writing, prior to the commencement of the prohibited period. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE."

The JSE Listings Requirements require, in terms of paragraph 11.26(b), the following disclosures, which appear in the annual report:

- Major shareholders on page 104; and
- Share capital of the Company on page 104.

Litigation statement

The directors, whose names appear on page 15 of the annual report, of which this notice of AGM forms part, are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names appear on page 15 of the annual report of which this notice of AGM forms part, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution number 1 contains all information required by law and the JSE Listings Requirements.

Material changes

Other than the facts and developments reported on in the annual report, there have been no material changes in the financial or trading position of the Company and its subsidiaries since the date of signature of the audit report and up to the date of this notice of AGM.

Statement of the Board's intention

The directors consider that such a general authority should be put in place should an opportunity present itself during the upcoming financial year, which is in the best interests of the Company and its shareholders.

The directors are of the opinion that it would be in the best interests of the Company to extend such general authority and thereby allow the Company or any of its subsidiaries to be in a position to acquire issued shares through the order book of the JSE, should the market conditions, tax dispensation and price justify such an action.

The percentage of voting rights that will be required for this resolution to be adopted is at least 75% of the votes exercised on the resolution.

Reason for and effect of special resolution number 1

The reason for and effect of special resolution number 1 is to grant the Company and/or its subsidiaries general approval to acquire the Company's issued shares on such terms and conditions and at such amounts determined from time to time by the directors and subject to the limitations set out above.

SPECIAL RESOLUTION NUMBER 2

Financial assistance in terms of sections 44 and 45 of the Companies Act

"Resolved that the Board be and is hereby authorised, subject to sections 44 and 45 of the Companies Act, the MOI and the JSE Listings Requirements, to authorise the Company to provide direct or indirect financial assistance, to the Company's wholly owned subsidiaries and their respective subsidiaries which assistance is done at commercial arm's-length terms, provided that no such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of this special resolution number 2."

The percentage of voting rights that will be required for this resolution to be adopted is at least 75% of the votes exercised on the resolution.

Reason for and effect of special resolution number 2

The reason for and effect of the special resolution referred to above, is to permit the Company to provide direct or indirect financial assistance to the entities referred to above.

SPECIAL RESOLUTIONS NUMBERS 3.1 TO 3.4

Remuneration of non-executive directors

"Resolved that the fees payable by the Company to non-executive directors for their services as directors (in terms of section 66 of the Companies Act) be and are hereby approved, by way of separate votes, for the period from January 2022 to December 2022 as follows:

	January 2022 to December 2022	
	Annual retainer R	Fee per meeting R
Chairman of the Board	384 462	78 316
Board members	98 462	20 057
Chairman of the subcommittee	86 595	22 050
Subcommittee members	46 838	11 926

The fees for the period from January 2022 to December 2022 have been split into an annual retainer fee and a fee per meeting, which constitutes a 4,9% increase from the approved non-executive director fees for January 2021 to December 2021."

The annual scheduled meetings for the Board and Audit Committee are four meetings. The Remuneration and Nomination Committee, Risk and Opportunity Committee and Social and Ethics Committee have two annual scheduled meetings. If more meetings are required and held by the Board and/or other subcommittees, the chairman and members are paid a fee per meeting as set out above.

The percentage of voting rights that will be required for each of these resolutions to be adopted is at least 75% of the votes exercised on each resolution.

Reason for and effect of special resolutions numbers 3.1 to 3.4

The Companies Act requires shareholder approval of non-executive directors' fees prior to payment of such fees.

VOTING INSTRUCTIONS

In terms of the Companies Act, any shareholder entitled to electronically attend, participate in and vote at the AGM may appoint one or more persons as proxy, to electronically attend, participate in and vote in his/her stead. A proxy need not be a shareholder of the Company.

TMS will assist shareholders with the requirements for electronic attendance, participation in, and/or voting at the AGM. Shareholders who wish to electronically attend, participate in and/or vote at the AGM are required to contact TMS at **proxy@tmsmeetings.co.za** or on +27 (0)11 520 7950/1/2 as soon as possible and not later than 48 hours before the time fixed for the AGM (excluding Saturdays, Sundays and public holidays), being Tuesday, 9 November 2021 at 09:00. Shareholders participating in this manner may still appoint a proxy to vote on their behalf at the AGM. Access by means of electronic communication will be at the expense of the individual shareholder.

Forms of proxy must be emailed to TMS via **proxy@tmsmeetings.co.za** or deposited at the office of TMS at JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196, not later than 48 hours before the time fixed for the AGM (excluding Saturdays, Sundays and public holidays), being Tuesday, 9 November 2021 at 09:00 or be submitted to the Chairman of the AGM or the meeting facilitator, TMS, as set out in this notice of AGM, before the appointed proxy exercises any of the relevant shareholder's rights.

If your York shares have been dematerialised and are held in a nominee account, then your Central Securities Depository Participant (**CSDP**) or broker, as the case may be, should contact you to ascertain how you wish to cast your vote at the AGM and thereafter cast your vote in accordance with your instructions.

If you have not been contacted, it would be advisable for you to contact your CSDP or broker, as the case may be, and furnish them with your instructions. If your CSDP or broker, as the case may be, does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them, or if the mandate is silent in this regard, to abstain from voting.

Dematerialised shareholders whose shares are held in a nominee account must not complete the attached form of proxy. Unless you advise your CSDP or broker timeously in terms of the agreement between yourself and your CSDP or broker by the cut-off time advised by them that you wish to electronically attend the AGM or appoint a proxy to represent you at the AGM, your CSDP or broker will assume you do not wish to electronically attend the AGM or appoint a proxy.

If you wish to electronically attend the AGM, your CSDP or broker will issue the necessary letter of representation to you to electronically attend the AGM.

Shareholders who have dematerialised their shares through a CSDP or broker, other than "own name" registered dematerialised shareholders, who wish to electronically attend the AGM, must request their CSDP or broker to issue them with a letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement/mandate entered into between them and the CSDP or broker.

SHAREHOLDER RIGHTS

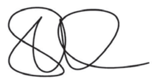
In terms of section 58 of the Companies Act, shareholders have rights to be represented by proxy as herewith stated. An extract of section 58 is included in the explanatory notes to the notice of AGM on page 29.

PRINTING AND DISTRIBUTION OF THE ANNUAL REPORT

In line with York's continuous efforts to contain costs, and the environmental benefits of electronic communication with shareholders, the Company hereby proposes to shareholders that various documents, records, statements and notices (report(s)) in respect of the Company, be, as far as possible, delivered to shareholders by electronic mail (email) or posted on the Company's website with an email alert being sent to shareholders notifying them that, inter alia, the reports are available on the Company's website.

Should you wish to avail yourself of these options, kindly request this via email to **ecomms@computershare.co.za**.

By order of the Board



Sue Hsieh
Company Secretary

27 September 2021

Meeting facilitator
The Meeting Specialist Proprietary Limited
JSE Building
One Exchange Square, 2 Gwen Lane
Sandown, 2196
PO Box 62043, Marshalltown, 2107
+27 (0)11 520 7951/0/2
proxy@tmsmeetings.co.za

Explanatory notes to the notice of annual general meeting and proposed resolutions

ORDINARY RESOLUTION NUMBER 1: CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

The ordinary business to be considered at the AGM is more fully governed in terms of the MOI. In summary, the ordinary business at an AGM is to receive and consider the consolidated and separate annual financial statements, to declare or sanction dividends (where applicable), to elect directors, the auditor and other officers in the place of those retiring by rotation or otherwise and to elect the Audit Committee members. No special business shall be transacted at an AGM unless due notice thereof has been given.

ORDINARY RESOLUTIONS NUMBERS 2.1 TO 2.7: RE-ELECTION AND APPOINTMENT OF DIRECTORS

The rotation of directors is more fully governed in terms of paragraphs 5.1.3 to 5.1.8 of the MOI, which require one-third of the non-executive directors to retire from office at the AGM. The retiring directors at each AGM shall be those who have been longest in office since their last election or appointment. If, at the date of the AGM, any director will have held office for a period of three years since his last election or appointment, he shall retire at such AGM either as one of the directors to retire in pursuance of the foregoing or additionally thereto. A retiring director shall act as a director throughout the AGM at which he retires. The retiring directors may be re-elected provided that they are eligible. Dr Jim Myers, Dr Azar Jammine and Dinga Mncube offer themselves for re-election.

Paragraph 5.1.12 of the MOI provides that the appointment of a director, whether to fill a casual vacancy or as an addition to the Board (or otherwise), must be confirmed by shareholders at the AGM following such appointment.

Adrian Zetler was appointed as a non-executive director and Andre van der Veen as an alternate director to Adrian Zetler, by the Board, with effect from 1 September 2021. Lindani Dhlamini was appointed as an independent non-executive director, with effect from 21 September 2021. Their appointments require ratification by shareholders at the AGM.

Andre van der Veen's experience covers a broad range of industries, and his track record reflects an ability to deliver substantial returns for shareholders. His experience includes operational experience in managing businesses and as a director of listed companies. He has experience in improving the returns of companies that are not performing and has successfully completed a number of turnaround investments. The York share price reflects a large discount to NAV and a wide range of shareholders have indicated their dissatisfaction with the discount and the capital allocation process at York. Mr van der Veen's experience will assist the Board to reassess their plans to deliver returns to shareholders, manage operational efficiencies, allocate capital and to communicate effectively with the market. The passing of ordinary resolution 2.7 will result in the appointment of Mr van der Veen to the board of directors of York.

ORDINARY RESOLUTION NUMBER 3: APPOINTMENT OF THE EXTERNAL AUDITOR

The Audit Committee has nominated PricewaterhouseCoopers Inc. for appointment as the external auditor of the Company under section 90 of the Companies Act. In accordance with paragraph 3.84(g)(iii), as read with paragraph 22.15(h) of the JSE Listings Requirements, the Audit Committee has assessed the suitability of PricewaterhouseCoopers Inc.

(with Mr Schalk Barnard being the designated external audit partner) for appointment as the external auditor.

Furthermore, the Audit Committee has, in terms of paragraph 3.86 of the JSE Listings Requirements, considered and satisfied itsel that PricewaterhouseCoopers Inc. is accredited and appears on the JSE list of Auditors and Accounting Specialists, and that Mr Schalk Barnard does not appear on the JSE list of disqualified individual auditors, as set out in section 22 of the JSE Listings Requirements. The Board has accepted the recommendation of the Audit Committee, subject to shareholder approval as required in terms of section 90(1) of the Companies Act. In addition, notwithstanding the provisions of section 90(6) of the Companies Act, the Audit Committee has ensured that the appointment of the external auditor (including the designated external audit partner) is presented and included as a resolution at the AGM pursuant to section 61(8) of the Companies Act.

The external auditor will remain the appointed external auditor until the conclusion of the next AGM of the Company.

ORDINARY RESOLUTIONS NUMBERS 4.1 TO 4.3: ELECTION OF AUDIT COMMITTEE MEMBERS

In terms of section 94(2) of the Companies Act, and in compliance with the King IV Report on Corporate Governance for South Africa, 2016™ (**King IV™**), the Company must elect an Audit Committee comprising at least three independent non-executive directors as members. While the members of the Audit Committee are nominated by the Board, the election of each member to the Audit Committee must be individually approved by the shareholders at each AGM. The proposed members of the Audit Committee have experience in audit, accounting, economics, human resources, commerce and general industry, among others.

The Board confirms that Andries Brink, Dr Azar Jammine and Max Nyanteh are independent non-executive directors as contemplated in King IV™ and the JSE Listings Requirements.

Each proposed member of the Audit Committee is a suitably qualified and skilled director. The proposed members of the Audit Committee are, inter alia, not:

- involved in the day-to-day management of the Company and have not been so involved at any time during the previous financial year;
- prescribed officers or full-time employees of the Company or another related or inter-related company, or have been such an officer or employee at any time during the previous three financial years;
- material suppliers or customers of the Company; and
- related to any person who falls within the criteria set out above.

ORDINARY RESOLUTIONS NUMBERS 5.1 AND 5.2: ENDORSEMENT OF THE COMPANY'S REMUNERATION POLICY AND IMPLEMENTATION REPORT

King IV™ recommends, and the JSE Listings Requirements require, that a company's remuneration policy and implementation report be tabled as separate non-binding advisory votes by shareholders at each AGM.

This enables shareholders to express their views on the Company's remuneration policy and implementation thereof.

Ordinary resolutions numbers 5.1 and 5.2 are of an advisory nature only and failure to pass one or both of these resolutions will therefore not have any legal consequences relating to existing remuneration arrangements.

The Board will, however, take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.

Shareholders are reminded that in terms of King IV™ and the JSE Listings Requirements, should 25% or more of the votes cast be against one or both of the non-binding advisory resolutions, York undertakes to engage with its shareholders as to the reasons therefore, and undertakes to make recommendations based on the feedback received.

SPECIAL RESOLUTION NUMBER 1: GENERAL AUTHORITY TO ACQUIRE/ REPURCHASE SHARES

This is to grant the Company and its subsidiaries a general authority to facilitate the acquisition by the Company and/or its subsidiaries of the Company's shares, which general authority shall be valid until the next AGM of the Company, provided that this general authority shall not extend beyond 15 months from the date of the passing of special resolution number 1. Having considered the current cash flow position of the Company, the Board could contemplate a general repurchase of shares.

SPECIAL RESOLUTION NUMBER 2: FINANCIAL ASSISTANCE IN TERMS OF SECTIONS 44 AND 45 OF THE COMPANIES ACT

This general authority would assist the Company with, inter alia, making inter-company loans to wholly owned subsidiaries as well as granting letters of support and guarantees in appropriate circumstances. The existence of a general shareholder authority would avoid the need to refer each instance to shareholders for approval which might impede the negotiations and add time and expense. If approved, this general authority will expire at the end of two years from the date of the passing of the resolution.

The Board must, when considering such assistance, either for the specific recipient or generally for a category, ensure that:

- the Company will satisfy the solvency and liquidity test immediately after providing the financial assistance; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

SPECIAL RESOLUTIONS NUMBERS 3.1 TO 3.4: REMUNERATION TO NON-EXECUTIVE DIRECTORS

In terms of sections 66(8) to (9) of the Companies Act, remuneration may only be paid to directors, for their service as directors, in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in terms of the MOI.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
- a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;

- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by:
  (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
  (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise; and
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
  – the relevant shareholder; or
  – the proxy or proxies, if the relevant shareholder has:
    (i) directed such company to do so, in writing; and
    (ii) paid any reasonable fee charged by such company for doing so.

Electronic participation

in the York Timber Holdings Limited (Company) virtual AGM to be held on 11 November 2021 at 09:00

YORK TIMBERS

York Timber Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1916/004890/06)
(**York** or the **Company**)
ISIN: ZAE000133450 | Share code: YRK

Electronic participation in the York Timber Holdings Limited ("Company") virtual annual general meeting held on 11 November 2020 at 09:00

ANNUAL GENERAL MEETING

- Shareholders or their proxies who wish to participate in the AGM via electronic communication (participants), must apply to the Company's meeting scrutineers to do so by emailing the form below (the application) to the email address of the Company's meeting scrutineers, TMS, by no later than 09:00 on Tuesday, 9 November 2021. The email address is as follows: **proxy@tmsmeetings.co.za**.
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their CSDP or broker in the manner and time stipulated in their agreement with their CSDP or broker:
  – to furnish them with their voting instructions; and
  – in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the AGM through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the AGM, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between 9 November and 10 November 2021 via email/cell phone with a unique link to allow them to participate in the virtual AGM.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate in the meeting will be 09:00 on 11 November 2021.
- The participant's unique access credentials will be forwarded to the email/cell number provided below.

APPLICATION FORM

Name and surname of shareholder	
Name and surname of shareholder representative (If applicable)	
ID number of shareholder or representative	
Email Address	
Cell number	
Telephone number	
Name of CSDP or broker	
(If shares are held in dematerialised format)	
SCA number/broker account number or	
Own name account number	
Number of shares	
Signature	
Date	

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the AGM.

Terms and conditions for participation at York Timber Holdings Limited's AGM to be held on 11 November 2021 at 09:00 via electronic communication

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the AGM is for the expense of the participant and will be billed separately by the participant's own telephone service provider.
- The participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies the Company and TMS and/or their third-party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company and TMS and/or its third-party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the AGM.
- Participants will be able to vote during the AGM through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the AGM, must act in accordance with the requirements set out above.
- The AGM will be recorded by TMS and the recording will be available upon request.
- Given the above, the participant agrees not to record the meeting by any another means.
- Participants will be muted throughout the AGM. There will be a question and answer session where participants may post questions on the virtual platform.
- Participants are required to have a stable internet connection to successfully participate in the AGM.
- Once the participant has received the link, the onus to safeguard this information remains with the participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the participant and delivered or emailed to TMS at **proxy@tmsmeetings.co.za**

____
Shareholder name

____
Signature

____
Date

Important: You are required to attach a copy of your identity document/driver's licence/passport when submitting the application.

Form of proxy

York Timber Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1916/004890/06)
(**York** or the **Company**)
ISIN: ZAE000133450 | Share code: YRK

Form of proxy for the annual general meeting (AGM) to be held on Thursday, 11 November 2021 at 09:00 held remotely through an interactive electronic platform – for use by certificated ordinary shareholders and dematerialised ordinary shareholders with "own name" registration only.

Holders of dematerialised ordinary shares other than "own name" registration must inform their Central Securities Depository Participant (**CSDP**) or broker of their intention to attend the AGM and request their CSDP to issue them with the necessary authorisation to attend the AGM in person or provide their CSDP or broker with their voting instructions should they not wish to attend the AGM in person but wish to be represented thereat.

I/We ______________________________
(Please print)

of (address) ______________________________

being the registered holder(s) of __________ ordinary shares in the capital of the Company do hereby appoint

1. ______________________________ or failing him/her,

2. ______________________________ or failing him/her,

the Chairman of the AGM as my/our proxy to act on my/our behalf at the AGM of the Company which will be held on Thursday, 11 November 2021 at 09:00 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name/s, in accordance with the following instructions:

		For	Against	Abstain
1.	**Ordinary resolution number 1:** Adoption of the annual financial statements			
2.	**Ordinary resolution number 2:** Re-election of directors who retire by rotation (by separate resolutions):			
2.1	Dr Jim Myers			
2.2	Dr Azar Jammine			
2.3	Dinga Mncube			
2.4	To ratify the appointment of the following directors who were appointed by the Board as non-executive directors of the Company: Adrian Zetler (with effect from 1 September 2021)			
2.5	Andre van der Veen (alternate director with effect from 1 September 2021)			
2.6	Lindani Dhlamini (with effect from 21 September 2021)			

		For	Against	Abstain
2.7	Election of Andre van der Veen as a non-executive director of the Company with effect from the date of the AGM			
3.	**Ordinary resolution number 3:** Re-appointment of the external auditor (with Mr Schalk Barnard being the designated external audit partner)			
4.	**Ordinary resolution number 4**: Re-election of Audit Committee members (by separate resolutions):			
4.1	Andries Brink			
4.2	Dr Azar Jammine			
4.3	Max Nyanteh			
5.	**Ordinary resolution number 5:** Endorsement of the Company's remuneration policy and implementation report (by separate resolutions):			
5.1	Endorsement of York's remuneration policy			
5.2	Endorsement of York's remuneration implementation report			
1.	**Special resolution number 1:** General authority to acquire/ repurchase shares			
2.	**Special resolution number 2:** Financial assistance in terms of sections 44 and 45 of the Companies Act			
3.	**Special resolution number 3:** Remuneration of non-executive directors (by separate resolutions):			
For the period January 2022 to December 2022				
3.1	Chairman of the Board			
3.2	Board members			
3.3	Chairman of the subcommittee			
3.4	Subcommittee members			

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit.

Signed at on 2021

Signature Assisted by me (where applicable)

Notes to the form of proxy

1. An ordinary shareholder holding dematerialised shares with "own name" registration, or who holds shares that are not dematerialised, may insert the name of a proxy or the names of up to two alternative proxies of the ordinary shareholder's choice in the space provided, with or without deleting "the Chairman of the AGM". The person whose name stands first on the proxy form and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the Chairman of the AGM. A proxy need not be a shareholder of the Company.

2. An ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him/her bears to the aggregate amount of the nominal value of all the shares issued by the Company. An ordinary shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the ordinary shareholder in the appropriate box(es). An "X" in the appropriate box indicates the maximum number of votes exercisable by that shareholder. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of the entire shareholder's votes exercisable thereat. An ordinary shareholder or his/her proxy is not obliged to use all the votes exercisable by the ordinary shareholder, or to cast all those votes exercised in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the ordinary shareholder.

3. If any ordinary shareholder does not indicate on this instrument that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may be properly put before the AGM be proposed, the proxy shall be entitled to vote as he/she deems fit.

4. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat instead of any proxy appointed in terms hereof.

5. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the Company or waived by the Chairman of the AGM.

6. The Chairman of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.

7. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.

8. It is requested that this form of proxy be emailed to TMS via **proxy@tmsmeetings.co.za** or deposited at the office of TMS at JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196, not later than 48 hours before the time fixed for the AGM (excluding Saturdays, Sundays and public holidays), being Tuesday, 9 November 2021 at 09:00 or be submitted to the Chairman of the AGM or the meeting facilitator, TMS, as set out in this notice of AGM, before the appointed proxy exercises any of the relevant shareholder's rights.

Delivery: The Meeting Specialist
JSE Building
One Exchange Square
2 Gwen Lane
Sandown
2196

Post: PO Box 62043
Marshalltown
2107

Email: proxy@tmsmeetings.co.za

Additional forms of proxy are available from the transfer secretaries and/or TMS on request.

Corporate information

York Timber Holdings Limited

Incorporated in the Republic
of South Africa
Registration number: 1916/004890/06
JSE share code: YRK
ISIN: ZAE000133450
(**York** or the **Company** or the **Group**)

Directors

Executive director

Gabriël Stoltz *(Chief Financial Officer and interim Chief Executive Officer)*

Non-executive director

Dr Jim Myers* *(Chairman, USA)*
Dr Azar Jammine*
Dinga Mncube*
Andries Brink*
Hetisani Mbanyele-Ntshinga*
Maxwell Nyanteh*
Lindani Dhlamini*
Adrian Zetler
Andre van der Veen *(alternate director to Adrian Zetler)*

** Independent*

Registered office

York Corporate Office
3 Main Road, Sabie, 1260
Mpumalanga, South Africa

Postal address
PO Box 1191, Sabie, 1260
Mpumalanga, South Africa

Auditor

PricewaterhouseCoopers Inc.

Company Secretary

Sue Hsieh

Chief Financial Officer

Gabriël Stoltz

Sponsor

One Capital

Transfer secretaries

Computershare Investor Services
Proprietary Limited

www.york.co.za

purple.frog

YORK TIMBERS

www.york.co.za