

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

TRADING STATEMENT AND TRADING UPDATE

York is in the process of finalising its results for the six months ended 31 December 2022 for release on or about 30 March 2023.

In terms of paragraph 3.4(b) of the Listings Requirements of the JSE Limited, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 20% from the previous corresponding period.

Profitability for the six-month period ended 31 December 2022 has been impacted by price increases in logs and transport costs which could not be recovered in selling prices. The significant diesel costs incurred to mitigate loadshedding further decreased profitability during the period.

York's strategy to increase the clearfell age of its plantations resulted in reduced harvesting from its own plantations. This required an increase in external log purchases where prices have increased significantly despite a reduction in lumber selling prices. The value of the biological asset (the movement of which is excluded from core earnings per share ("Core EPS")) increased due to additional planting and less harvesting.

The results for the six-month period ended 31 December 2021 ("Prior Comparative Period") included the Driekop sawmill, which closed during the strike action last year. The mill was not operational during the six-month period ended 31 December 2022.

Shareholders are advised that, for the six-month period ended 31 December 2022:

- earnings per share ("EPS") is expected to decrease from 17.04 cents* to between 11.42 cents and 12.28 cents, being

a decrease of between 28% and 33% compared to the Prior Comparative Period; and

- headline earnings per share ("HEPS") is expected to decrease from 17.11 cents* to between 11.56 cents and 12.41 cents, being a decrease of between 27% and 32% compared to the Prior Comparative Period.

Furthermore, shareholders are advised that:

- Core EPS (based on EPS attributable to ordinary shareholders less the fair value adjustment to the biological assets, net of tax) is expected to decrease from 10.55 cents* to a loss of between 7.10 cents and 7.63 cents, being a decrease of between 167% and 172% compared to the Prior Comparative Period.
- Earnings before interest, taxation, depreciation, amortisation and fair value adjustments on biological assets is expected to be between 64% and 69% lower than the Prior Comparative Period amount of R120.4 million*.
- Cash generated from operations is expected to be between 30% and 35% lower than the cash generated from operations in the Prior Comparative Period of R120.5 million*.

* The Group restated its prior year figures following the International Financial Reporting Interpretations Committee ("IFRIC") agenda decision on the accounting treatment of costs of configuring or customising a supplier's application software in a cloud computing or Software as a Service (SaaS) arrangement in March 2021. The Group has reconsidered its accounting treatment and adopted the treatment set out in the IFRIC agenda decision. The cost of customisation and configuration has been expensed in the Statement of profit or loss and other comprehensive income in the annual financial results for the year ended 30 June 2022. This change in accounting treatment has been accounted for retrospectively and comparative information has been restated. The results for the Prior Comparative Period have been restated. A detailed assessment and impact of the restatement was included in the results for the year ended 30 June 2022.

As a result of the issue of York shares, pursuant to the York rights offer which was implemented in January 2023, at a discount to the York share price, the Prior Comparative Period weighted average number of ordinary

shares used for the EPS, HEPS and Core EPS calculations were retrospectively adjusted in terms of IAS 33.

A detailed assessment and impact of the restatements above will also be included in the results for the six months ended 31 December 2022.

Shareholders are advised that the information included in this announcement has not been reviewed or reported on by the Company's auditors and is the responsibility of the directors of the Company.

Sabie, Mpumalanga
20 March 2023

Sponsor
One Capital