

YORK TIMBERS

RESULTS PRESENTATION

FOR THE YEAR ENDED 30 JUNE 2019

CHALLENGES DURING THE PAST YEAR

Strikes:

April/ May, August/ September, November – January 2019

Total production days lost 239 days (18%) combined

Impact:

EBITDA loss of ca. R130 million

Board changes:

Four resignations

Three independent non-executive directors appointed

Investigations:

Accusations of impropriety

Conspired effort to disrupt

FINANCIAL OVERVIEW

3

Revenue

↓12%

to R1 601 million
(2018: R1 812 million)

EBITDA

↓28%

to R205 million
(2018: R284 million)

Core earnings per share

↓70%

to 8 cents
(2018: 26 cents)

Total debt

↓15%

to R683 million
(2018: R805 million)

Cost excluding log purchases

↓13%

to R1 237 million
(2018: R1 415 million)

Strike (reduction) R1 411 million
Cost at 77% of revenue maintained

Other salient features

- EBITDA for the **six months** ended 30 June 2019 at R201 million
- Investment in supply chain logistics fleet
- Sale of outlier plantation at R54 million
- Re-finance of original purchase loan of R337 million

EIGHT-YEAR HISTORICAL FINANCIAL RESULTS

| | | CAGR % 2012- 2019 | Audited 2019 | % change | Restated Audited 2018 | Audited 2017 | Audited 2016 | Audited 2015 | Audited 2014 | Audited 2013 | Audited 2012 |
|---|-------|-------------------------|------------------|-------------|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Group revenue | R'000 | 5% | 1 600 522 | (12%) | 1 812 350 | 1 832 805 | 1 771 049 | 1 543 149 | 1 323 976 | 1 131 994 | 1 112 843 |
| Gross profit | R'000 | 1% | 460 355 | (17%) | 552 631 | 497 502 | 500 566 | 404 415 | 377 945 | 410 298 | 421 519 |
| <i>Gross profit margin</i> | % | (4%) | 28.8% | (6%) | 30.5% | 27.1% | 28.3% | 26.2% | 28.5% | 36.0% | 38.0% |
| Operating (loss)/profit | R'000 | (194%) | (106 314) | (154%) | 196 045 | 151 369 | 182 933 | 144 021 | 116 811 | 161 365 | 166 068 |
| <i>Operating margin</i> | % | (189%) | (6.6%) | (161%) | 10.8% | 8.3% | 10.3% | 9.3% | 8.8% | 14.0% | 15.0% |
| EBITDA | R'000 | 1% | 204 668 | (28%) | 283 666 | 246 101 | 240 048 | 199 390 | 156 262 | 187 153 | 194 726 |
| <i>EBITDA to revenue</i> | % | (4%) | 12.8% | (18%) | 15.7% | 13.4% | 13.6% | 12.9% | 11.8% | 16.5% | 17.5% |
| Net profit before finance costs | R'000 | (14%) | 106 856 | (61%) | 272 271 | 599 038 | 390 032 | 196 272 | 123 531 | 192 834 | 303 395 |
| Finance costs | R'000 | (2%) | 77 537 | (8%) | 84 325 | 88 595 | 56 632 | 58 385 | 56 440 | 54 672 | 87 308 |
| Cash flow from operations | R'000 | 2% | 223 822 | (21%) | 283 173 | 169 979 | 284 963 | 182 574 | 151 461 | 106 486 | 197 088 |
| Biological assets | R'000 | 6% | 3 154 557 | 8% | 2 918 550 | 2 828 518 | 2 334 327 | 2 140 067 | 2 103 092 | 2 100 870 | 2 070 222 |
| Interest bearing borrowings | R'000 | 3% | 683 436 | (15%) | 804 595 | 912 302 | 894 145 | 743 360 | 562 616 | 597 173 | 558 400 |
| Investment in property, plant and equipment | R'000 | 12% | 81 170 | 25% | 64 680 | 154 258 | 283 241 | 203 288 | 66 169 | 51 958 | 36 340 |
| Net working capital | R'000 | 4% | 161 517 | (30%) | 230 155 | 245 991 | 162 685 | 219 485 | 213 182 | 180 446 | 119 372 |

EIGHT-YEAR HISTORICAL FINANCIAL RESULTS | CONTINUED

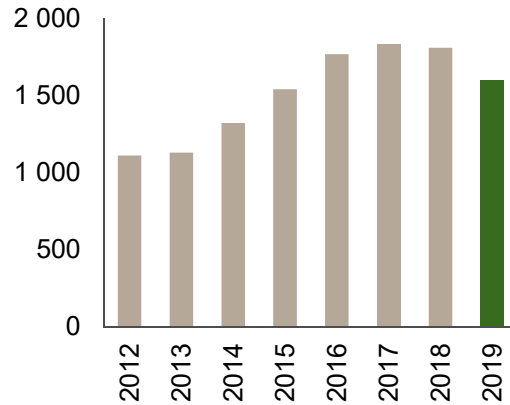
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| | | CAGR % 2012- 2019 | Audited 2019 | % change | Restated Audited 2018 | Audited 2017 | Audited 2016 | Audited 2015 | Audited 2014 | Audited 2013 | Audited 2012 |
|------------------------------------|--------|-------------------------|------------------|-------------|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Basic (loss)/earnings | R'000 | (183%) | (36 268) | (126%) | 138 280 | 367 286 | 238 212 | 101 468 | 50 994 | 106 864 | 137 818 |
| Weighted average number of shares | Number | (1%) | 317 439 | 0% | 316 874 | 317 209 | 325 286 | 331 032 | 331 241 | 331 241 | 331 241 |
| (Loss)/earnings Per Share | Cents | (183%) | (11) | (126%) | 44 | 116 | 73 | 31 | 15 | 32 | 42 |
| Core Earnings Per Share | Cents | (7%) | 8 | (70%) | 26 | 17 | 31 | 21 | 16 | 26 | 13 |
| Headline Earnings Per Share | Cents | 3% | 50 | 9% | 45 | 116 | 73 | 29 | 14 | 33 | 42 |
| EBITDA Per Share | Cents | 1% | 64 | (29%) | 90 | 78 | 74 | 60 | 47 | 57 | 59 |
| Net Asset Value Per Share | Cents | 6% | 980 | (1%) | 990 | 943 | 809 | 731 | 703 | 688 | 655 |
| Tangible Net Asset Value Per Share | Cents | 9% | 862 | 6% | 809 | 765 | 635 | 559 | 531 | 516 | 484 |
| Underlying TNAV | Cents | 8% | 1134 | 7% | 1061 | 1007 | 834 | 739 | 708 | 692 | 657 |
| Return on equity | % | (179%) | (1.2%) | (127%) | 4.4% | 12.3% | 9.0% | 4.2% | 2.2% | 4.7% | 6.4% |
| Total Cost | R'000 | 7% | 1 499 024 | (7%) | 1 616 305 | 1 681 436 | 1 588 116 | 1 399 128 | 1 207 165 | 970 629 | 946 775 |
| External Log purchases | R'000 | 11% | 261 728 | 30% | 201 723 | 269 982 | 140 887 | 210 886 | 182 086 | 146 305 | 122 203 |
| Cost excluding log purchases | R'000 | 6% | 1 237 296 | (13%) | 1 414 582 | 1 411 454 | 1 447 229 | 1 188 242 | 1 025 079 | 824 324 | 824 572 |
| Cost as % of revenue | % | 1% | 77.3% | (1%) | 78.1% | 77.0% | 81.7% | 77.0% | 77.4% | 72.8% | 74.1% |

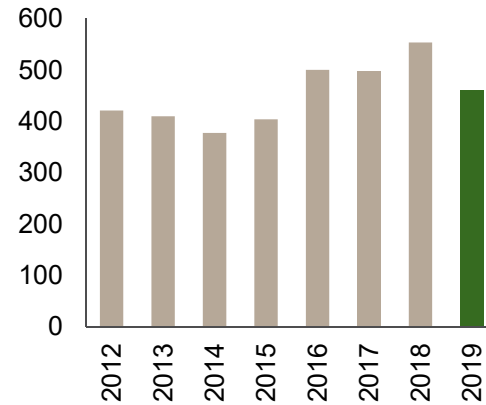
* Underlying TNAV represents the tangible net asset value adjusted for the deferred tax related to the biological asset, which will only become payable after York ceases re-establishment or sale of plantations.

FINANCIAL OVERVIEW | CONTINUED

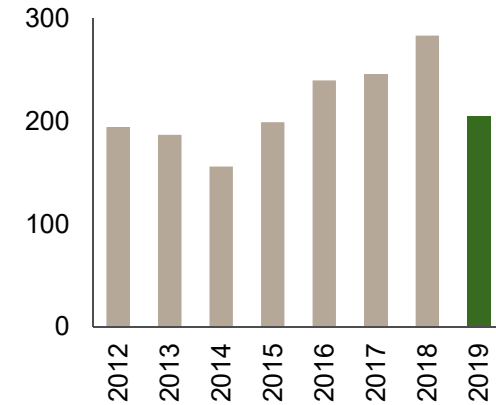
GROUP REVENUE | R million



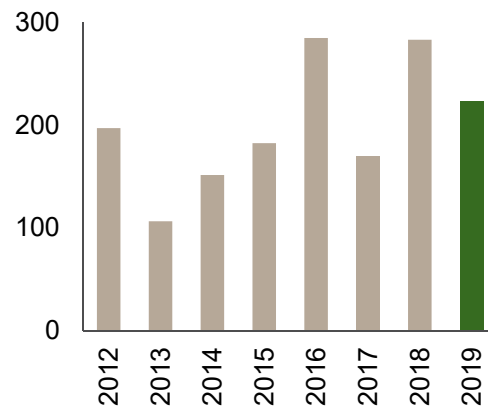
GROSS PROFIT | R million



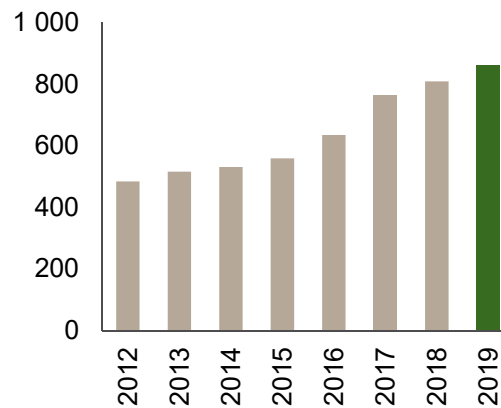
EBITDA | R million



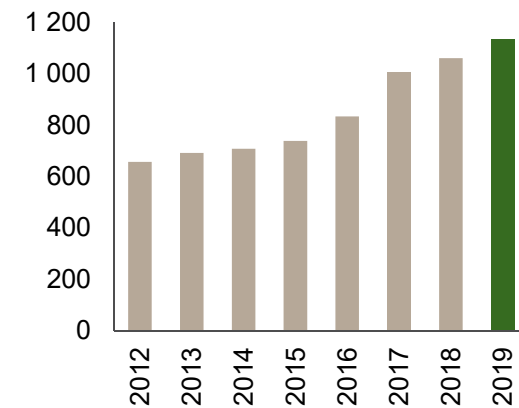
CASH GENERATED FROM OPERATIONS | R million



TANGIBLE NET ASSET VALUE (TNAV) | Cents



UNDERLYING (TNAV) | Cents



Statement of financial position
as at 30 June 2019

| | 2019 R'000 | % change | 2018 R'000 |
|-------------------------------------|------------------|-------------|---------------|
| EQUITY AND LIABILITIES | | | |
| Equity | 3 096 717 | (1%) | 3 130 276 |
| Share capital | 1 480 232 | 0% | 1 480 232 |
| Reserves | 2 356 | (767%) | (353) |
| Retained income | 1 614 129 | (2%) | 1 650 397 |
| Liabilities | | | |
| Non-current liabilities | 1 514 237 | (3%) | 1 555 021 |
| Borrowings | 530 865 | (17%) | 636 836 |
| Retirement benefit obligation | 26 764 | 1% | 26 430 |
| Deferred tax | 930 875 | 8% | 862 148 |
| Provisions | 15 738 | 8% | 14 623 |
| Lease liability | 9 995 | (33%) | 14 984 |
| Current liabilities | 595 081 | 18% | 504 130 |
| Trade and other payables | 434 279 | 32% | 328 932 |
| Borrowings | 152 571 | (9%) | 167 759 |
| Lease liability | 8 152 | 10% | 7 415 |
| Current tax payable | 17 | 13% | 15 |
| Bank overdraft | 62 | 589% | 9 |
| Total liabilities | 2 109 318 | 2% | 2 059 151 |
| Total equity and liabilities | 5 206 035 | 0% | 5 189 427 |

The reduction in **borrowings** is due to the debt repayment profile. **A refinance agreement was reached on the Land Bank term loan.**

The increase in trade and other payables is due to **standing timber purchased** from SAFCOL of R146 million as at 30 June 2019, payable monthly until March 2020.

Statement of financial position as at 30 June 2019

The net increase in **biological assets** is the result of a decrease in the weighted average volume adjustment factor from 10% in 2018 to 2% in 2019 based on the most recent actual yield reconciliation data.

Goodwill decreased due to an impairment loss recognised. The present value of the segment was impacted by the following factors:

- Decrease in long-term revenue inflation forecast;
- Increase in volume accuracy adjustment;
- Change in referenced risk-free rate; and
- Increase in biological asset value included in carrying value of segment.

Inventories increased due to slow-down in local and international plywood sales. Lumber stock increased in preparation for the traditional high demand period.

Debtor collections over year-end increased. Included in the 2018 financial year is an insurance receivable raised.

| | 2019 R'000 | % change | 2018 R'000 |
|-------------------------------|------------------|-------------|---------------|
| ASSETS | | | |
| Non-current assets | 3 994 693 | (1%) | 4 054 470 |
| • Biological assets | 2 639 014 | 6% | 2 498 082 |
| Investment property | 30 740 | 15% | 26 731 |
| Property, plant and equipment | 893 891 | (3%) | 920 265 |
| • Goodwill | 357 630 | (37%) | 565 442 |
| Intangible assets | 3 616 | 681% | 463 |
| Other financial assets | 61 903 | 56% | 39 707 |
| Deferred tax | 7 899 | 109% | 3 780 |
| Current assets | 1 211 342 | 7% | 1 134 957 |
| • Biological assets | 515 543 | 23% | 420 468 |
| • Inventories | 374 553 | 25% | 300 356 |
| • Trade and other receivables | 221 243 | (14%) | 258 731 |
| Current tax receivable | 11 000 | 227% | 3 363 |
| Cash and cash equivalents | 89 003 | (41%) | 152 039 |
| Total assets | 5 206 035 | 0% | 5 189 427 |

BIOLOGICAL ASSET VALUATION “BAV”

Fair value adjustment:

↑ R204 million (2018: R77 million)

| Factors | R'000 | Reasons |
|---|-----------------|----------------------------------|
| Net growth | (R61 687) | TUP increase |
| Revenue and Price | (R6 452) | Weak market |
| Operating costs | (R79 685) | Wage rates/Timing |
| Discount rate | R78 293 | β Change / R186 – Bootstrap rate |
| Volume adjustment estimate | R273 203 | 10% to 2% |
| Net movement – fair value adjustment | R203 672 | |

Volume adjustment factor

Step 1. Standard adjusted 8% (2018:8%) on harvestable volume

- » acknowledgment of enumeration errors and data corrections
- » No change to this assumption

Step 2. Reduced further by weighted average of 2% (2018:10%), based on actual yield reconciliation data through Log Trace

- » Recorded yields per compartment delivered to mill versus projected yield
- » Impacted by deviations such as impact from pests and diseases and tree deformity
- » Major improvements on control of stock, mitigating pests and responding to diseases timeously

Impact of change in volume on value:

Upward adjustment of R273 million

GOODWILL AND BIOLOGICAL ASSET VALUATION CHANGES

GOODWILL allocated to forestry segment only

Impairment:

↓ R208 million (2018: no impairment)

Due to:

Decrease in present value of segment

- Decrease in long-term revenue inflation forecast
- Increase in volume accuracy adjustment
- Change in referenced risk-free rate
- Increase in biological asset value included in the carrying value of the segment assets

DEBT FACILITIES 2019

| Description | Balance R'000 | Originated | Repayment terms |
|----------------------------------|------------------|---|---|
| Land Bank term loan | 337 966 | <ul style="list-style-type: none"> • Original 2007 purchase loan for GFP assets were repaid through capital raise • R600 million re-financed with Land Bank | <ul style="list-style-type: none"> • Re-financed June 2019 – equal monthly instalments over 7 years at prime less 0.5% |
| Land Bank plywood expansion loan | 208 751 | <ul style="list-style-type: none"> • Upgrade of plywood plant. • EBITDA accretive investment | <ul style="list-style-type: none"> • 3 years remaining of this debt at prime less 0.5% |
| Land Bank press loan | 27 562 | <ul style="list-style-type: none"> • 48 daylight press installation financed • EBITDA accretive investment | <ul style="list-style-type: none"> • 4 years and 5 months remaining of this debt at prime less 0.5% |
| Instalment sale agreements | 99 001 | <ul style="list-style-type: none"> • Mobile equipment and vehicle fleet | <ul style="list-style-type: none"> • 7.88% - 10.25%, ranging from 36 to 60 months |
| Loan raising fee | (1 210) | | |
| Absa capital fund loan | 8 861 | <ul style="list-style-type: none"> • Mortgage loan over fixed property | <ul style="list-style-type: none"> • Prime less 0.75% over 10 years of which 8 are remaining |
| Fulcrum group | 2 505 | <ul style="list-style-type: none"> • Finance of annual insurance premium payable over 10 months | <ul style="list-style-type: none"> • Interest at 8.74% • Last payment was July 2019 |
| Total borrowings | 683 436 | | |
| Total asset base of | 5 206 035 | | |

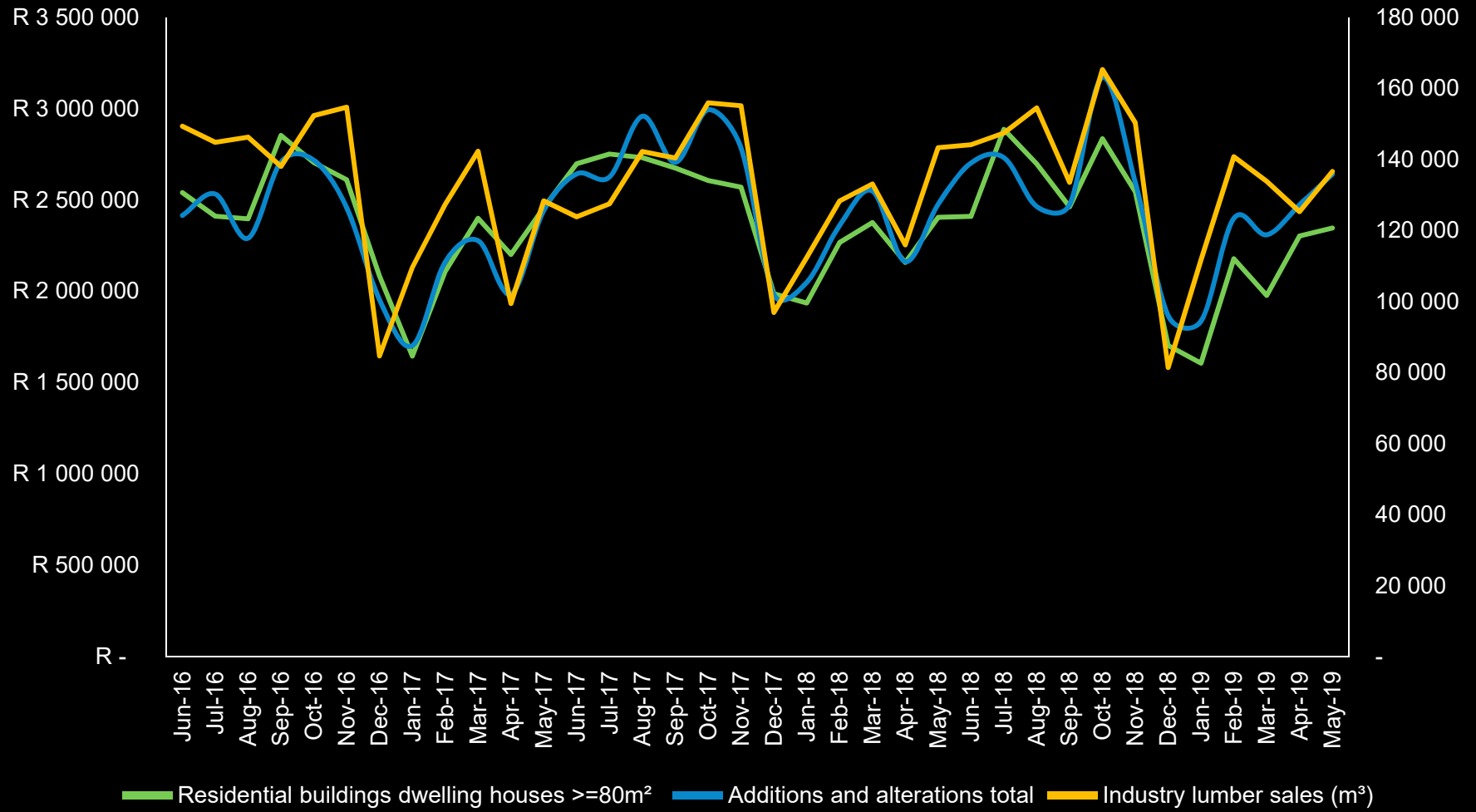
LOG PRICES

- ±50% External log purchases
- Log prices have increased by **CAGR 7.2% since 2014**
- Price difference to industry average of 26%
- National lumber price but regional log prices
 - Efficiencies
 - Cost optimisation
 - Capital investment
- Veneer logs MPU ca R1 090 m³

| | Q2 2019 | % change | Q2 2018 |
|---|----------------|-------------|------------|
| YORK SAWLOG PRICES IN RELATION TO INDUSTRY | | | |
| Average York price | R871.06 | 8.4% | R803.45 |
| Industry average | R689.71 | 4.4% | R660.43 |
| Price variance – industry | R181.35 | | R143.02 |
| York to industry | 26% | | 22% |
| KZN average | R619.86 | 6.9% | R580.00 |
| Price variance – KZN | R251.20 | | R223.45 |
| York to KZN | 41% | | 39% |
| Cape average | R557.29 | 1.6% | R548.43 |
| Price variance – Cape | R313.27 | | R255.02 |
| York to Cape | 56% | | 47% |
| MPU average | R820.43 | 6.4% | R771.00 |
| Price variance – MPU | R50.63 | | R32.45 |
| York to MPU | 6% | | 4% |

INDUSTRY SALES CORRELATED WITH BUILDINGS

Building plans completed vs Industry Sales



Source: STATSSA and Crickmay



PLYWOOD MARKET

Market size:

Strong international demand

- USA 4.8 mil m³ pa, Japan 3 mil m³ pa, UK and Ger 1,7 mil m³ pa each, Canada 939 000 m³ pa, NED 875 000 m³ pa

Local

- Low grade and low quality imports dumped in domestic market – Brazilian producers
- Plywood predominantly used for shuttering - New applications being explored

Advantage of York:

Quality board of solid and consistent core construction, phenol glue use and product finish

Grading and sustainability certifications: FSC, SANS, TP and CE certifications for European Union and North American markets

Superior quality product at competitive prices

Explore export markets with value added products

TIMBER IS LOOKING UP



TERRACE HOUSE
Vancouver, Canada
13 stories | 2020



HYPÉRION
Bordeaux, France
18 stories | 2020



JACK LONDON SQUARE PARCEL F2
Oakland, United States
8 stories | 2020



HOHO VIENNA
Vienna, Austria
24 stories | 2019



MJØSTÅRNET
Brunndal, Norway
19 stories | 2019



LIGHTHOUSE JOENSUU
Joensuu, Finland
14 stories | 2019



SUURSTOFFI BF1
Rach-Rothkreuz, Switzerland
10 stories | 2019



SKAIO
Erlangen, Germany
8 stories | 2019



T3 WEST MIDTOWN
Atlanta, United States
7 stories | 2018



SUURSTOFFI 22
Rach-Rothkreuz, Switzerland
10 stories | 2018



ILOT BOIS ET BIOSOURCE
Island of Strasbourg, France
11 stories | 2018



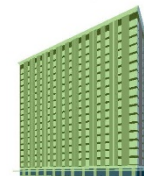
25 KING
Brisbane, Australia
10 stories | 2018



CARBON 12
Portland, United States
8 stories | 2018



ORIGINE CONDOS
Quebec City, Canada
13 stories | 2017



BROCK COMMONS TALLWOOD HOUSE
Vancouver, Canada
18 stories | 2017



DALSTON LANE
London, United Kingdom
10 stories | 2017



MOHOLT 50/50
Trencheim, Norway
9 stories | 2016



T3
Minneapolis, United States
7 stories | 2016



HOTEL NAUTILUS PESARO
Pesaro, Italy
7 stories | 2016



TREET
Bergen, Norway
14 stories | 2015



TRAFALGAR PLACE
London, United Kingdom
10 stories | 2015



CURTAIN PLACE
London, United Kingdom
6 stories | 2015



PUUKUOKKA
Jyväskylä, Finland
8 stories | 2015



CUBE
London, United Kingdom
10 stories | 2015



WOOD INNOVATION & DESIGN CENTRE
Prince George, Canada
9 stories | 2014

OVER
44
TALL
WOOD
BUILDINGS ARE
UNDERWAY OR
HAVE
BEEN
BUILT
IN THE PAST
6
YEARS

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WOOD®**



WOOD IS UNIQUE

Wood is unique and highly beneficial for the production of wood-based products and components for construction purposes. Some of the properties would be almost impossible to replicate in any other building materials. Some of these properties include:



Thermal: Wood does not change its form when exposed to heat. Rather, it will lose moisture and gain strength. In addition, it is a very bad conductor of heat. Specific heat values of timber are high. Therefore greater amounts of energy are needed to increase and decrease the temperature per volumetric unit of wood. Wood conduction of heat energy is comparable to stones and concrete and up to three times the amount of heat energy is needed for the heating or cooling compared to steel.

Acoustic: Wood is ideal for sound absorption as it prevents echo and noise due to the absorption of sound. Therefore wood is extensively used in concert halls and musical instruments.



Electrical: Wood has greater resistance to electrical current and therefore acts as an exceptional insulator compared to steel. Static electricity, potentially hazardous to human health, is also not stored in wood, making it a healthy material.

Mechanical: Wood and laminated wood are used in wide-gap constructions due to their ability to sustain their own weight over long distances. This is due to the light weight of wood, together with exceptional strength properties per unit mass.



Aesthetic: Wood is unique in colour and grain appearance. Therefore it is considered as an aesthetic building material. Wood of unique appearances can be used for designated building projects or transformed with coatings and paint.

Oxidation: Although wood can be subject to oxidation, it is different to rust. Therefore wood can be used in building projects where steel construction might prove to be problematic due to rust.



Variation: Up to 5 000 different types of wood exist with variable wood properties, which can be used for specific applications. Therefore the right type of wood can be matched with the customers' specific needs.

Working: Wood is highly workable and can easily be repaired when needed, whereas other building materials or components might have to be discarded.



INNOVATION

Lifecycle assessment comparison of wood vs other building materials:

| Engineered wood | Cement | Steel | Aluminium |
|---|---|--|---|
| ABSORBS | EMITS | EMITS | EMITS |
| 1.7 tons of CO ₂ per ton of wood | 927kg of CO ₂ per ton of cement produced | 1,83 tons of CO ₂ per ton of steel produced | 9,3 tons of CO ₂ per ton of aluminium produced |

MASS TIMBER CONSTRUCTION

Wooden skyscrapers are estimated to be around a quarter of the weight of an equivalent reinforced concrete structure as well as the building carbon footprint by 60% to 75%

Buildings have been designed using cross-laminated timber (CLT) which gives a higher rigidity and strength to wooden structures. CLT panels are prefabricated and can therefore speed up building time

Height
58m
Floors above ground
18
Number of apartments
305
Country
Canada
City
Vancouver
Building function
Residential
Timber used
2 233m³
CO₂ captured
2 432 tons

BROCK COMMONS TALLWOOD HOUSE

Height
73m
Floors above ground
22
Number of apartments
55
Country
Netherlands
City
Amsterdam
Building function
Residential
Timber used
3 800m³
CO₂ captured
3 000 tons

HAUT

Height
84m
Floors above ground
24
Country
Austria
City
Vienna
Building function
Residential
Hotel
Office
Timber used
3 600m³
CO₂ captured
2 800 tons

HOHO

Height
300m
Floors above ground
80
Number of apartments
1 000
Country
United Kingdom
City
London
Building function
Residential
Timber used
65 000m³
CO₂ captured
50 000 tons

OAKWOOD TOWER

MASS TIMBER CONSTRUCTION CONTINUED

20

Strategic partnership with the University of Pretoria to establish a multidisciplinary research programme:

Focused on structural engineering of advanced wood products in South Africa's bioeconomy

Sponsor a multidisciplinary chair position in wood structural engineering with an associated laboratory



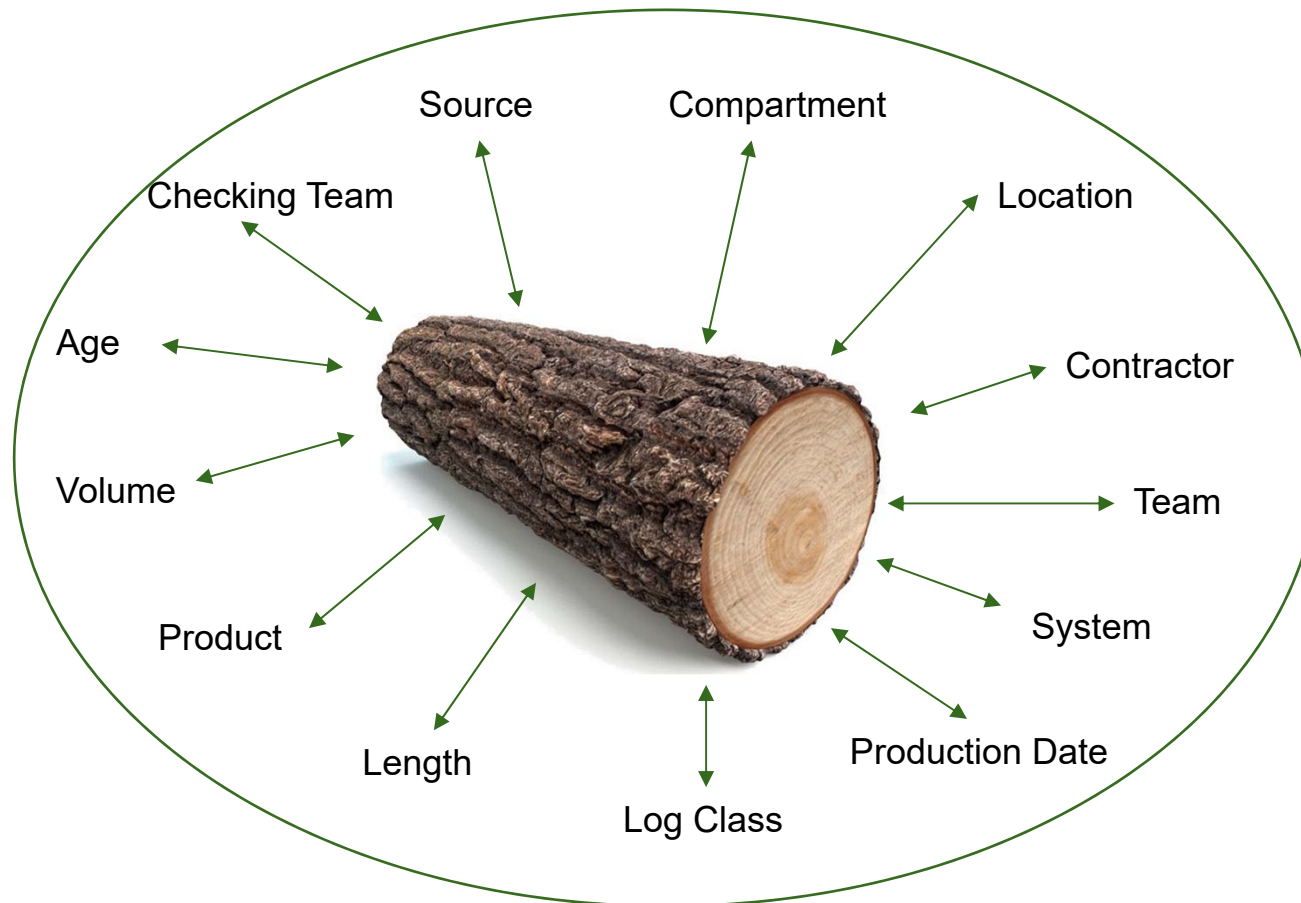
Bioeconomy Africa



Engineering 4

PhD study at University of British Columbia:

Impact of altitude, soil geology and soil depth on *P.patula* solid wood properties for structural timber and plywood production



WOOD PROPERTIES

22

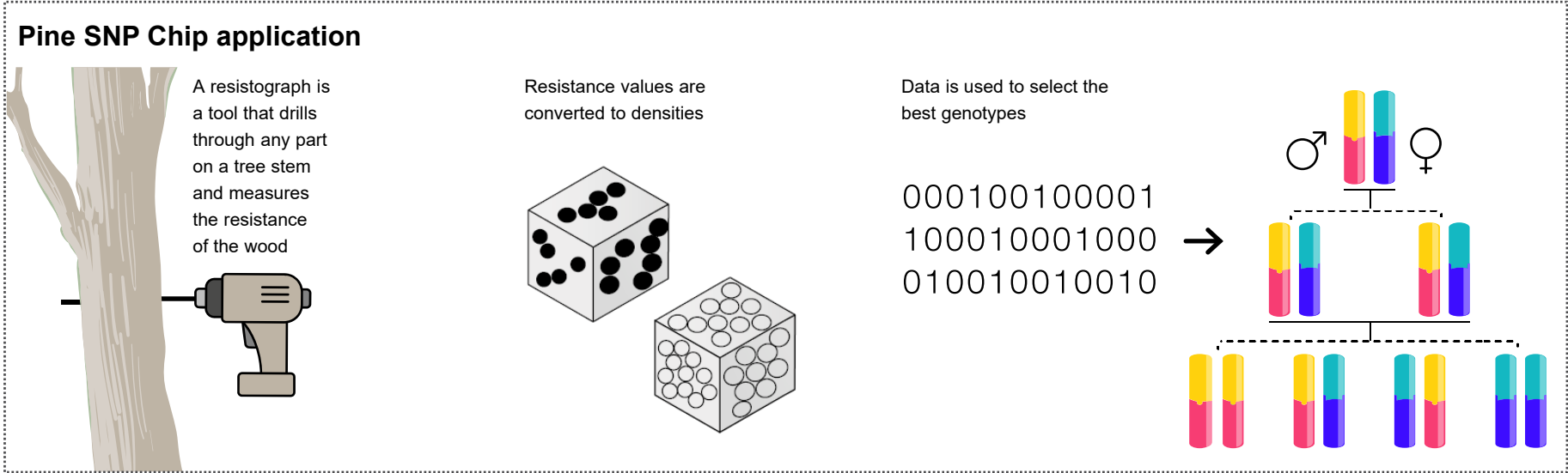
Project co-ordinated by Camcore and the Forest Molecular Genetics group at the University of Pretoria

Development of a molecular tool:

The Pine Single Nucleotide Polymorphism (SNP) Chip

- Link pine genes to economically important traits
- Predict how a specific trait will be expressed in a tree at seedling stage
- Eliminates the period between tree establishment and trait assessment (8 years for pine)
- Modelling of how traits will manifest over time

Anticipate that the commercial pine SNP chip will be available end of 2019



York has completed a full stratification of its landholdings in terms of climate, soil and risk factors

Basic ingredients for TREE GROWTH:



water



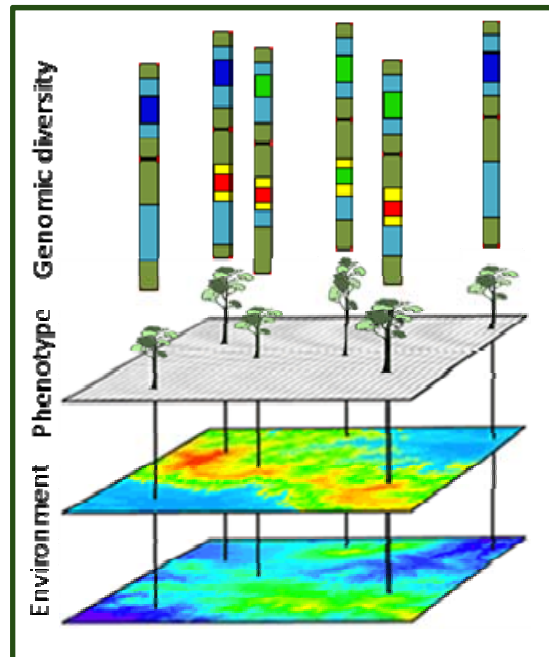
nutrients



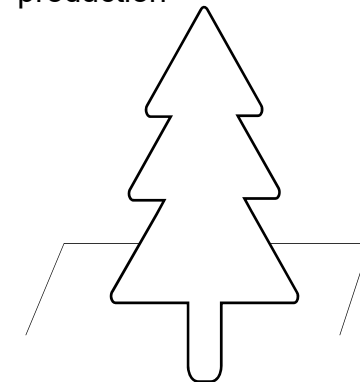
radiation



space

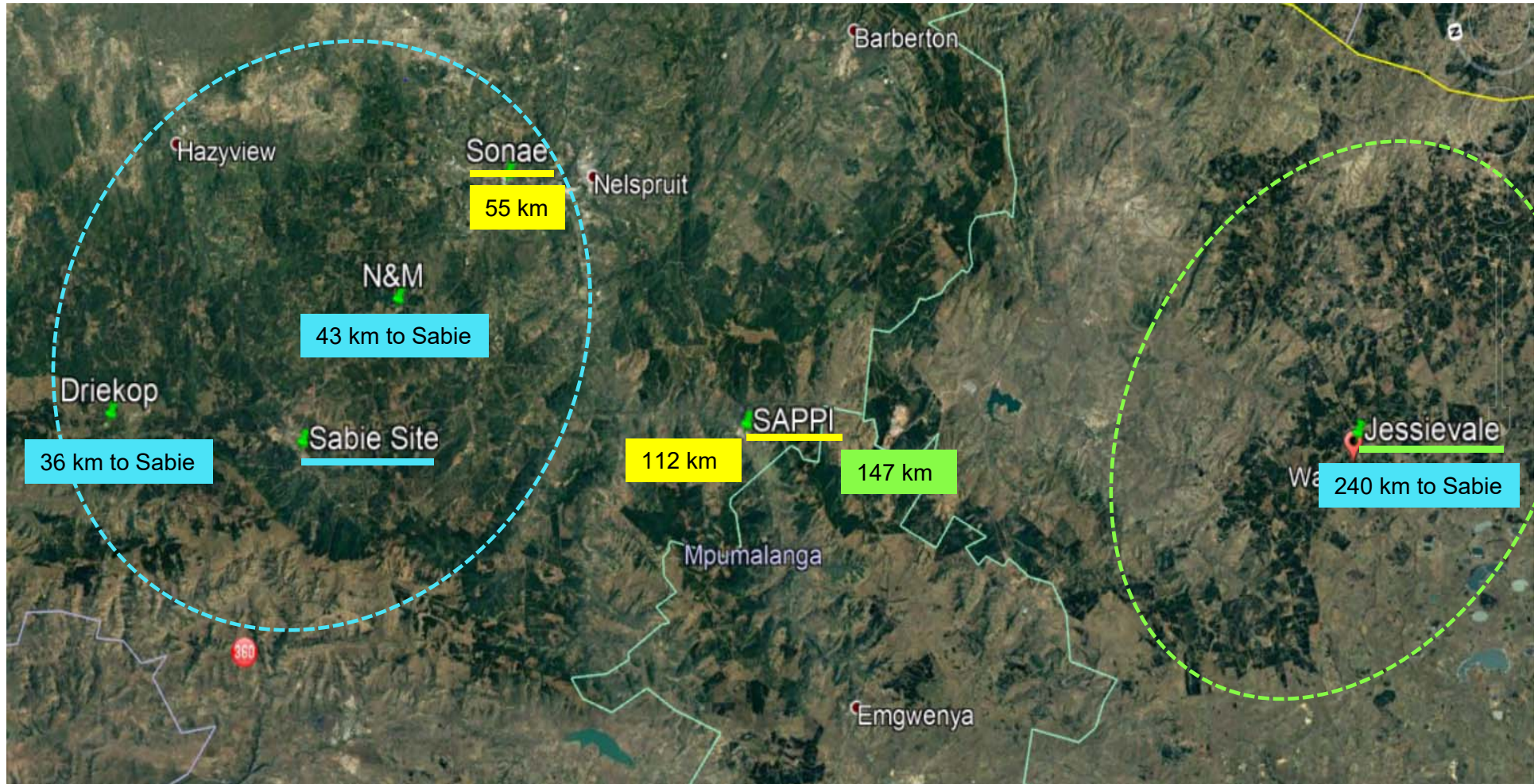


York has identified **26** DIFFERENT SITE TYPES to extract the full potential wood production







$$P = G + E + (G \times E)$$





CLUSTER DEVELOPMENT



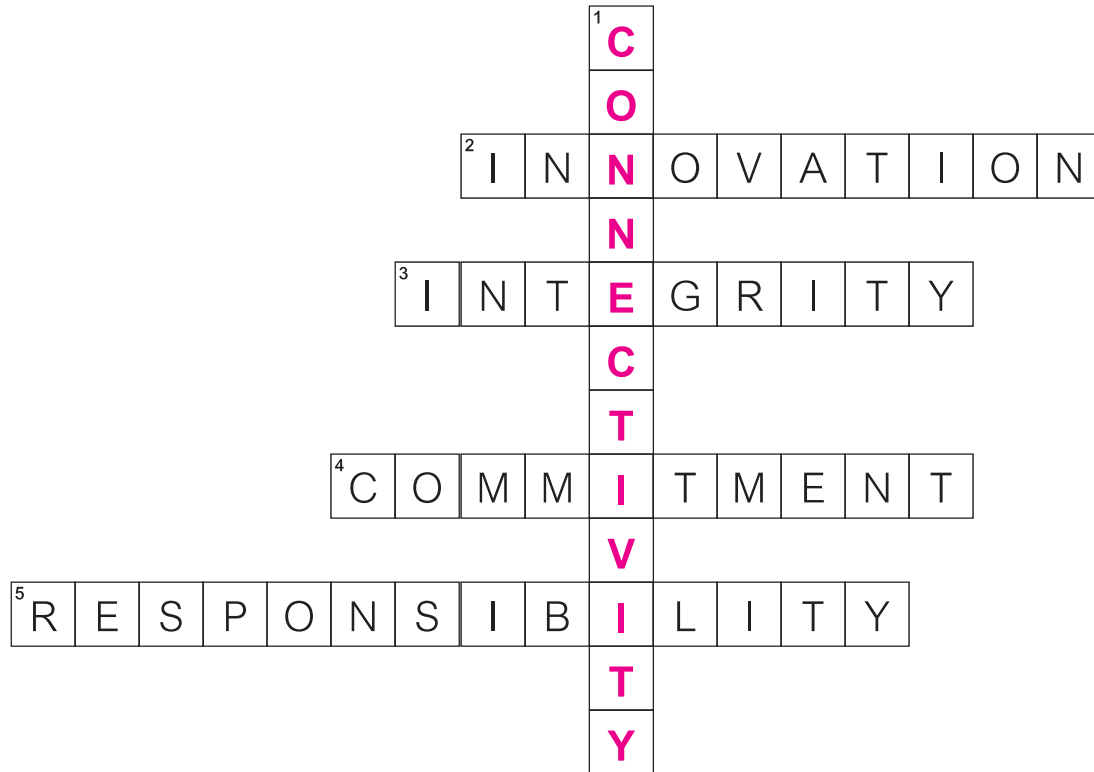
STRATEGIC UPDATE - OPERATIONAL

| | Progress in 2019 | Opportunities in 2020 |
|---|--|---|
|  <p>LUMBER Cost optimisation</p> | <p>Finger jointing capacity was consolidated to optimally utilise resources, reduce lead times and reduce inventory</p> <p>Overall equipment effectiveness was improved to increase productivity</p> <p>The Jessievale warehouse was completed and consequently product flow was improved</p> | <p>Increase Jessievale capacity by ca. 40% to fully utilise the available raw material</p> <p>Integrate the sawmilling operations in the Escarpment with a focus on customer demands</p> <p>The target is to consolidate processing into a more flexible and productive unit while not increasing unit cost of production</p> |
|  <p>PLYWOOD Perform at capacity</p> | <p>Upgrades on critical machinery were completed</p> <p>Effective production management plans were implemented to balance customer orders with raw material properties and plant capacities</p> <p>Overall equipment effectiveness was achieved through improved maintenance planning and short interval control</p> | <p>Balance plant capacity to more efficiently supply specific market segments</p> <p>Reduce supply chain costs for exports</p> |
|  <p>FORESTRY Optimising operations</p> | <p>Log transport was insourced to leverage economies of scale</p> <p>Mulching and mechanical pitting were implemented in the Highveld to reduce fire risk and improve tree growth</p> <p>LogTrace reporting was improved to increase transparency, responsiveness and log scaling flexibility</p> | <p>Invest in tree breeding, focusing on improved wood properties, increase yield response to site-specie matching</p> <p>Integrate forest engineering processes with product optimisation for specific mills aimed at target market segments</p> |
|  <p>WHOLESALE Improved frequency of sales</p> | <p>The finger jointing capacity of the Roodekop drymill was increased to improve market flexibility</p> <p>Supply chain co-ordination was improved to ensure that the optimal mix of products were stored at the warehouses</p> | <p>Improve the customer experience when dealing with York operations to enable successful businesses</p> |

STRATEGIC UPDATE – INVESTORS

| | Challenges | Response |
|--|--|--|
|  <p>BALANCE SHEET</p> | <p>2007 acquisition debt of R338 million negatively impact earnings and cash generation</p> <p>Market cap of ca R540 million: Total debt R660 million</p> <p>Investor expectations of dividend flow</p> | <p>Debt to be repaid with capital raising</p> <p>Input costs offset gains from strategic capital investments</p> |
|  <p>INVESTOR PROFILE</p> | <p>Investor profile should have a time horizon of at least ten years</p> <p>Appreciate the requirement of socio-economic development in rural areas</p> <p>Have a strong environmental agenda</p> <p>Support the product development and understand the capital-intensive nature of forestry companies</p> | <p>Actively engaging with potential shareholders that fit the profile outlined.</p> <p>Profit margins proven but timing over five-year period</p> <p>Capital intensive – barrier to entry</p> <p>Underlying TNAV growth 9% CAGR since 2012</p> |
|  <p>SHARE PRICE</p> | <p>Underlying value is not reflected in the share price</p> <p>Timing of cash flows from biological assets does not meet shareholder expectations in listed environment</p> | <p>Consider taking York private as thinly traded share does not reflect the underlying value</p> <p>Remain listed with recapitalised York to exploit the multitude of growth opportunities</p> <p>TNAV R8.62 versus VWAP R1.60</p> |
|  <p>STRATEGIC DISCUSSIONS</p> | <p>The disconnect between the share price and the underlying value of York is constantly targeted with opportunistic approaches</p> | <p>The Board is exploring all options and have the best interest of shareholders at heart</p> <p>Market capitalisation creates negative perception of the real value of York</p> |

YORK'S CORE VALUES



DOWN

1. York employees are excited about teamwork and being part of the York team, value client relationships and communication with all stakeholders. Collaboration between business units is vital.

ACROSS

2. York seeks employees that are enthusiastic, creative, dynamic, inspiring, energetic, adaptive thinkers and have growth mindset. This will ensure that the Company is competitive, solution driven and has the ability to evolve and unlock opportunities.
3. York employees are trustworthy, honest, self-disciplined and respectful. The qualities contribute to organisational loyalty and dedication which filter throughout the business.
4. York employees are committed to York, they are hardworking, dedicated, believe in the Company strategy and share business goals. The Company aims at excellence, introducing and delivering quality products, a high-achieving work environment and excellent customer service.
5. Company employees are accountable for their actions and take ownership of their role and impact in the Company.

DISCLAIMER

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THANK YOU

