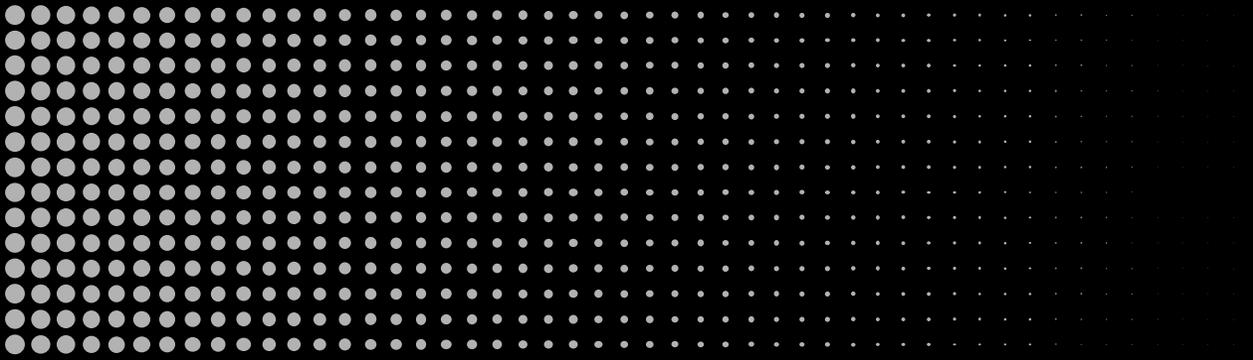
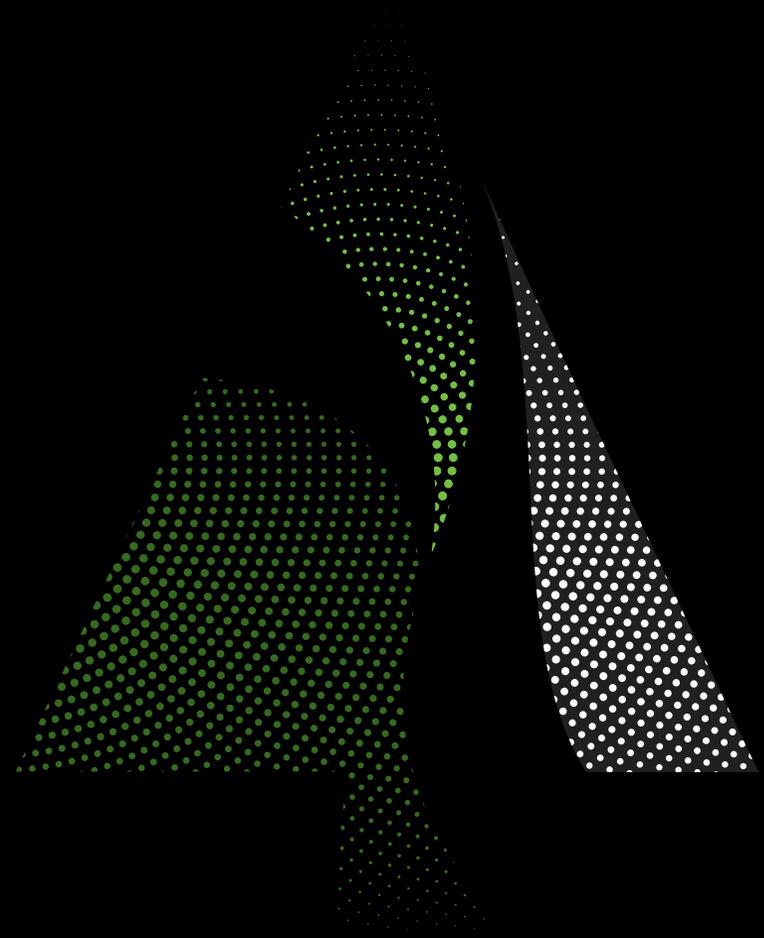


YORK TIMBERS



RESULTS PRESENTATION

FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL OVERVIEW



↓ 5%

to R1 839 million
(2021: R1 929 million*)



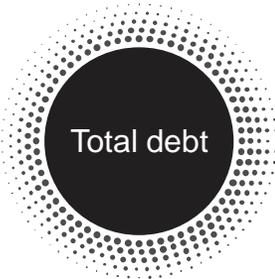
↓ R104 million

to R218 million
(2021: R322 million*)



↓ 38%

to 25 cents
(2021: 40 cents loss*)



↓ 26%

to R381 million
(2021: R515 million)



↑ 17%

to R115 million
(2021: R98 million)

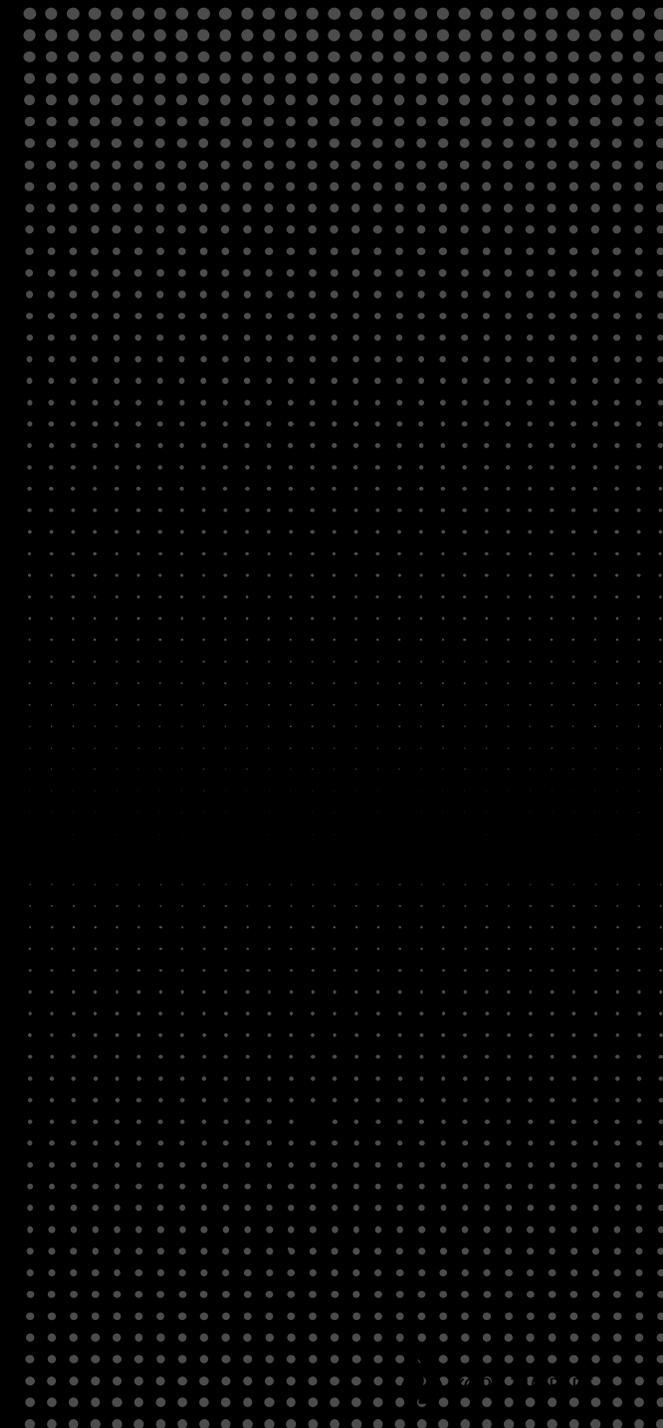


↓ 52%

to R202 million
(2021: R425 million*)

*Restated

YEAR IN PICTURES



**Excessive rainfall
impacted harvesting,
log transport and
production of lumber
and plywood**



**Excessive rainfall
impacted harvesting,
log transport and
production of lumber
and plywood**



**Excessive rainfall
impacted harvesting,
log transport and
production of lumber
and plywood**



**Excessive rainfall
impacted harvesting,
log transport and
production of lumber
and plywood**



**Excessive rainfall
impacted harvesting,
log transport and
production of lumber
and plywood**



Responses

Preparation for wet weather

Wet deck



Responses

Preparation for wet weather

Wet deck



Responses

Preparation for wet weather

Depot



Responses

Preparation for wet weather

Dezzi forwarder



**Highest hectares
established
and lowest unplanted
areas since 2007 fires**



**Highest hectares
established
and lowest unplanted
areas since 2007 fires**



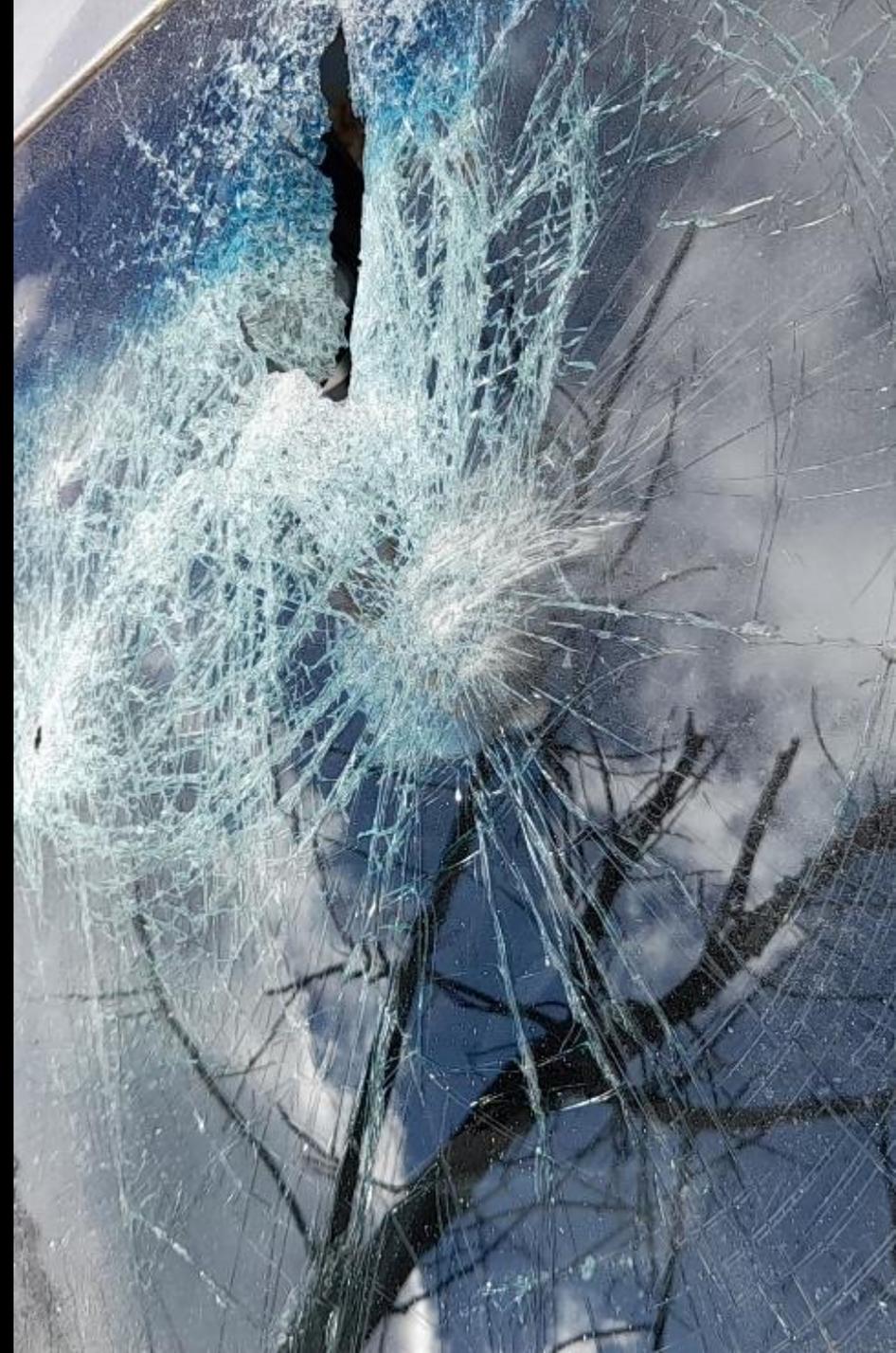
**Highest hectares
established
and lowest unplanted
areas since 2007 fires**



NUMSA strike at the Escarpment operations from 25 April 2022 through June 2022 was typified by intimidation, arson, blocking access and assault



NUMSA strike at the Escarpment operations from 25 April 2022 to June 2022 was typified by intimidation, arson, blocking access and assault



**NUMSA strike at the
Escarpment
operations from
25 April 2022 to
June 2022 was
typified by
intimidation, arson,
blocking access and
assault**



NUMSA strike at the Escarpment operations from 25 April 2022 to June 2022 was typified by intimidation, arson, blocking access and assault



Responses

Aftermath of strike

- Recognition agreement with NUMSA has been terminated
- Employees found guilty of misconduct during the strike have been dismissed
- Employees recruited from the local communities where they reside
- Employee workplace forums to be established so that the Company is the first point of communication or contact by employees when addressing employee and business needs.

**Jessievale
Solar Farm**



**Jessievale
Solar Farm**



Spindleless peeler



Spindleless peeler



Chip bin



Plywood export



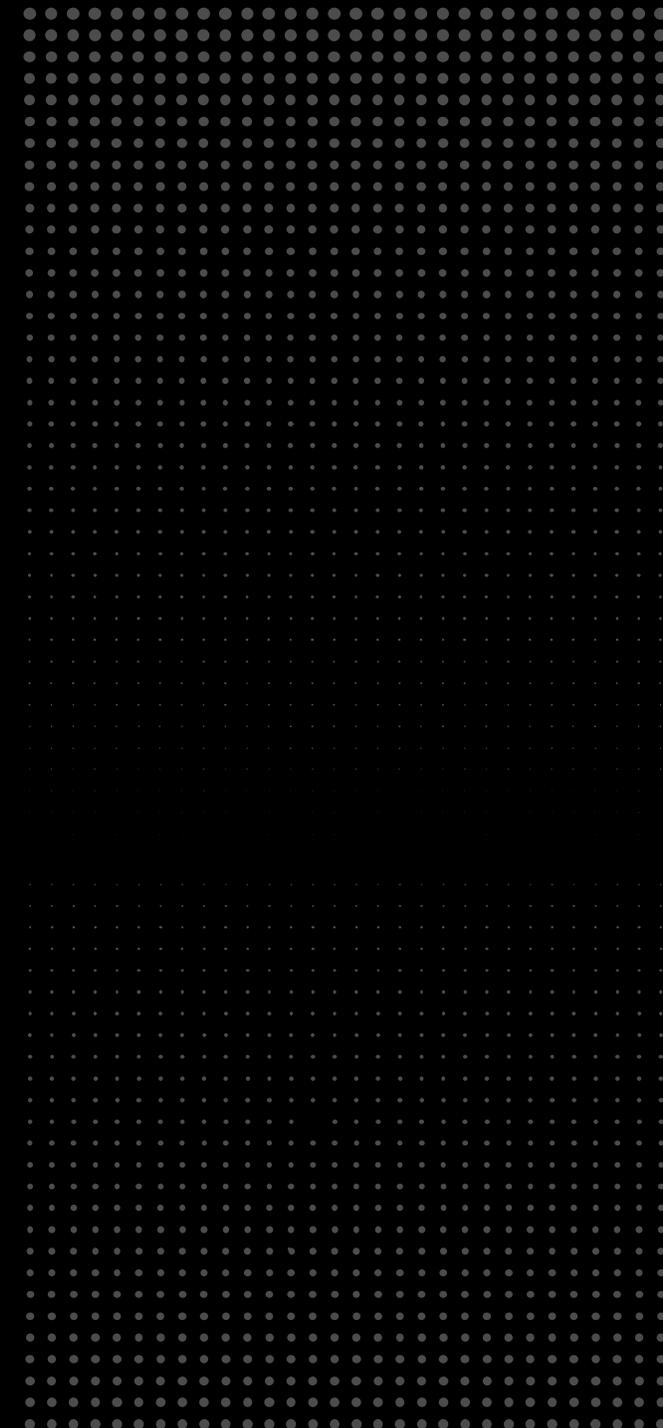
Plywood export



Export lumber



FINANCIAL RESULTS



EIGHT-YEAR HISTORICAL FINANCIAL RESULTS

		CAGR % 2015-2022	Audited 2022	% Change	Audited 2021*	Audited 2020	Audited 2019	Audited 2018	Audited 2017	Audited 2016	Audited 2015
<i>Group Revenue</i>	R'000	3%	1 838 810	(5%)	1 928 589	1 438 825	1 600 522	1 812 350	1 832 805	1 771 049	1 543 149
<i>Gross Profit</i>	R'000	3%	492 574	(16%)	589 312	258 067	460 355	552 631	497 502	500 566	404 415
<i>Gross Profit Margin</i>	%	-	27	(12%)	31	18	29	31	27	28	26
<i>Operating profit/(loss)</i>	R'000	(4%)	104 980	(52%)	219 480	(82 108)	(106 314)	196 045	151 369	182 933	144 021
<i>Operating Margin</i>	%	(7%)	6	(50%)	11	(6)	(7)	11	8	10	9
<i>EBITDA</i>	R'000	1%	218 135	(32%)	322	11 646	204 668	283 666	246 101	240 048	199 390
<i>EBITDA to revenue</i>	%	(1%)	12	(29%)	17	1	13	16	13	14	13
<i>Net Profit before finance cost</i>	R'000	(20%)	41 395	(83%)	243 540	(238 392)	106 856	272 271	599 038	390 032	196 272
<i>Finance Costs</i>	R'000	(6%)	37 484	(23%)	48 447	61 049	77 537	84 325	88 595	56 632	58 385
<i>Cash flow from operations*</i>	R'000	1%	202 227	(52%)	425 446	96 191	223 822	283 173	169 979	284 963	182 574
<i>Biological Assets</i>	R'000	4%	2 808 621	(2%)	2 878 151	2 906 890	3 154 557	2 918 550	2 828 518	2 334 327	2 140 067
<i>Interest Bearing Borrowings</i>	R'000	(9%)	381 310	(26%)	514 791	583 898	683 436	804 595	912 302	894 145	743 360
<i>Net Working Capital</i>	R'000	(6%)	141 544	21%	117 161	159 218	161 517	230 155	245 991	162 685	219 485

*Restated

EIGHT-YEAR HISTORICAL FINANCIAL RESULTS | CONTINUED

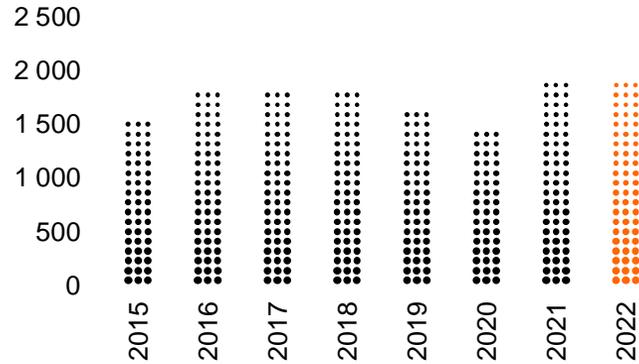
		CAGR % 2015-2022	Audited 2022	% Change	Audited 2021*	Audited 2020	Audited 2019	Audited 2018	Audited 2017	Audited 2016	Audited 2015
<i>Earnings</i>	R'000	(16%)	29 128	(79%)	137 069	(217 637)	(36 268)	138 280	367 286	238 212	101 468
<i>Weighted average number of shares</i>	number	-	320 948	1%	317 080	318 873	317 439	316 874	317 209	325 286	331 032
<i>Earnings Per Share</i>	cents	(16%)	9	(79%)	43	(69)	(11)	44	116	73	31
<i>Core Earnings Per Share</i>	cents	3%	25	(39%)	40	(33)	8	26	17	31	21
<i>Headline earnings per share</i>	cents	(15%)	9	(78%)	42	(70)	50	45	116	73	29
<i>EBITDA per share</i>	cents	2%	68	(33%)	101	4	64	90	78	74	60
<i>Net asset value per share</i>	cents	4%	952	-	950	912	980	990	943	809	731
<i>Tangible net asset value per share</i>	cents	6%	841	-	838	789	862	811	765	649	565
<i>Return on equity</i>	%	(19%)	1	(79%)	5	(8)	(1)	4	12	9	4
Total cost	R'000	3%	1 733 830	1%	1 709 109	1 520 933	1 499 024	1 616 305	1 681 436	1 588 116	1 399 128
External log purchases	R'000	3%	258 046	4%	247 834	230 986	261 728	201 723	269 982	140 887	210 886
<i>Cost excluding log purchases</i>	R'000	3%	1 475 784	1%	1 461 275	1 289 947	1 237 296	1 414 582	1 411 454	1 447 229	1 188 242
<i>Cost as a % of revenue</i>	%	1%	80	6%	76	90	77	78	77	82	77

*Restated

FINANCIAL OVERVIEW | CONTINUED

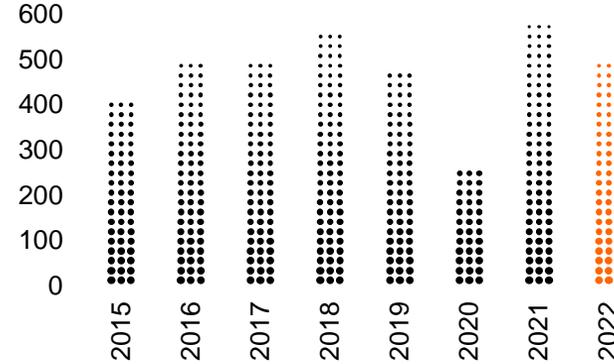
GROUP REVENUE

R million



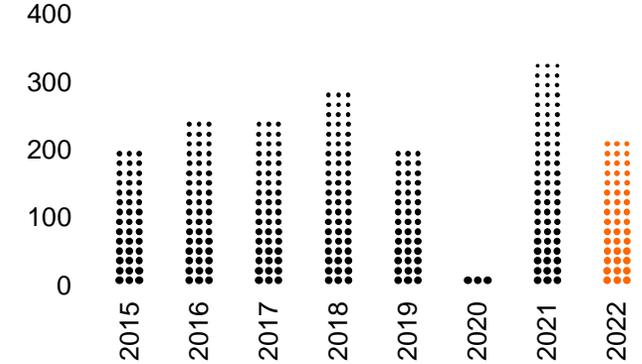
GROSS PROFIT

R million



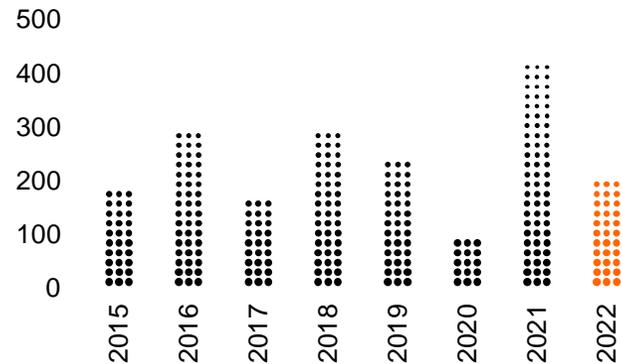
EBITDA

R million



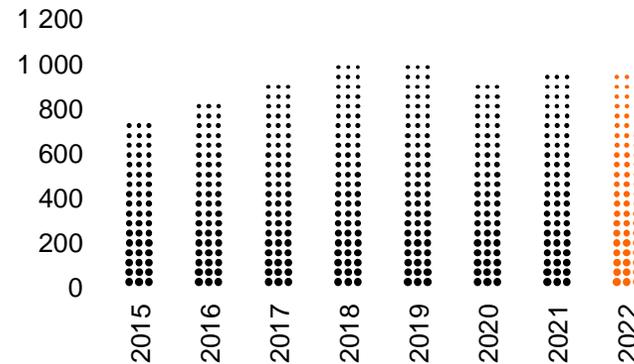
CASH GENERATED FROM OPERATIONS

R million



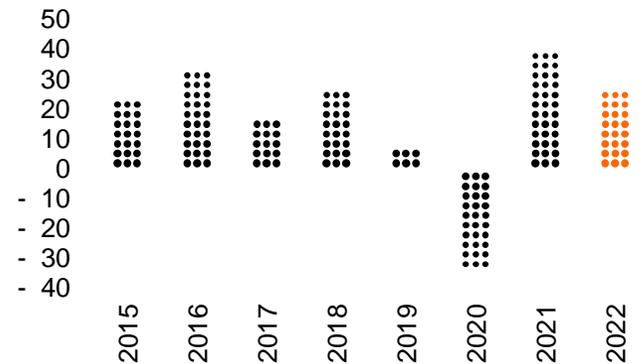
TANGIBLE NET ASSET VALUE (TNAV)

Cents



CORE EARNINGS PER SHARE

Cents



FINANCIAL OVERVIEW | CONTINUED

Statement of profit or loss and other comprehensive income

for the year ended 30 June 2022

Decrease in volume due to wet weather and strike in Escarpment and increase in average selling price.

Operating expenses remained in line. Included in other operating gains/(losses) is a forex gain in 2022 and forex loss in 2021.

Included in the other income in prior year is an insurance claim received for business interruption from 2018.

Includes a positive fair value adjustment of R16 million and net bargain purchase on business acquisitions of R3 million in prior year compared to fair value loss of R69 million in current year and reduction in gross profit as a result of the strike.

	2022 R'000	% change	2021 R'000
Revenue	1 838 810	-5%	1 928 589
Cost of Sales	(1 346 236)	-1%	(1 339 277)
Gross Profit	492 574	-16%	589 312
Other operating income	10 359	-64%	28 743
Other operating gains/(losses)	3 701	>100%	(10 369)
Other operating expenses	(401 654)	-3%	(388 206)
Operating profit before fair value adjustment on biological assets	104 980	-52%	219 480
Fair value adjustment on biological assets	(68 596)	>(100%)	14 173
Operating profit after fair value adjustment on biological assets	36 384	-84%	233 653
Investment income	5 011	39%	3 618
Finance cost	(37 484)	23%	(48 447)
Other non-operating gains	-	-100%	6 269
Profit before taxation	3 911	-98%	195 093
Taxation	25 217	>100%	(58 024)
Profit for the year	29 128	-79%	137 069
Other comprehensive income for the period net of taxation (movement in defined benefit plan reserve)	1 399	(3%)	1 441
Total comprehensive income for the year	30 527	(78%)	138 510

FINANCIAL OVERVIEW | CONTINUED

Statement of financial position as at 30 June 2022

Biological assets down 3% due to increase in discount rate of 1,66%.

Inventories decreased due to industrial action from 25 April 2022 where no access could be obtained to Escarpment processing operations.

Trade and other receivables impacted by industrial action with lower dispatch volumes.

	2022 R'000	% change	2021 R'000 Restated
ASSETS			
Non-current assets	3 901 744	0%	3 902 305
• Biological assets	2 478 866	(1%)	2 502 597
Investment property	36 093	6%	34 180
Property, plant and equipment	910 355	1%	905 645
Goodwill	357 630	0%	357 630
Intangible assets	237	(29%)	334
Other financial assets at amortised cost	114 785	18%	97 583
Deferred tax	3 778	(13%)	4 336
Current assets	763 670	(19%)	939 854
• Biological assets	329 755	(12%)	375 554
• Inventories	223 276	22%	183 265
• Trade and other receivables	193 453	(29%)	271 933
Current tax receivable	822	(23%)	1 072
Cash and cash equivalents	16 364	(85%)	108 030
Non-current assets held for sale	-	(100%)	750
Total assets	4 665 414	(4%)	4 842 909

FINANCIAL OVERVIEW | CONTINUED

Statement of financial position as at 30 June 2022

The reduction in **borrowings** is due to the debt repayment profile – R133 million reduction.

	2022 R'000	% change	2021 R'000
EQUITY AND LIABILITIES			
Equity	3 055 383	1%	3 017 688
Share capital	1 491 674	1%	1 484 157
Reserves	3 243	48%	2 193
Retained income	1 560 466	2%	1 531 338
Liabilities			
Non-current liabilities	1 198 837	(6%)	1 274 993
Borrowings	298 210	(14%)	347 330
Retirement benefit obligation	24 081	(6%)	25 658
Deferred tax	832 935	(6%)	885 035
Provisions	17 670	7%	16 576
Lease liability	25 941	>100%	394
Current liabilities	411 194	(25%)	550 228
Trade and other payables	273 522	(19%)	337 535
Borrowings	83 100	(50%)	167 461
Lease liability	6 191	32%	4 690
Current tax payable	5 202	77%	2 934
Provisions	2 912	>100%	256
Deferred income	1 663	>100%	502
Bank overdraft	38 604	5%	36 850
Total liabilities	1 610 031	(12%)	1 825 221
Total equity and liabilities	4 665 414	(4%)	4 842 909

FINANCIAL OVERVIEW | CONTINUED

Statement of cash flows as at 30 June 2021

Acquisition of spindleless peeler which will unlock cost saving synergies by allowing the processing of smaller diameter logs.

Replacement of mobile equipment and vehicles.

Debt reduced by R133 million.

	2022 R'000	%	2021 R'000 Restated
Cash generated from operation	202 227	(52%)	425 446
Interest and tax paid	(55 555)	17%	(66 828)
Net cash from operating activities	146 672	(59%)	358 618
Net cash applied to investing activities	(103 360)	49%	(204 397)
Net cash applied to financing activities	(142 453)	(84%)	(77 231)
Total cash movement for the period	(99 141)	>(100%)	76 990
Cash at the beginning of the period	71 180	>100%	3 013
Effect of exchange rate movement on cash balances	5 721	165%	(8 823)
Cash at the end of the period	(22 240)	>(100%)	71 180

BIOLOGICAL ASSET VALUATION “BAV”

Fair value adjustment on Pine and Eucalyptus trees

↓ R72 million (June 2021: profit of R13 million)

	R'000	Reasons
Change in product mix and age	70 393	Cash flow profile change from the prior year's yield forecast as a result of the change in the product mix and the age profile of the plantation biological assets
Revenue and price	290 174	Increase in price
Operating costs	(233 853)	Increase in operational costs
Discount rate	(396 911)	Rf increased / Cost of debt increased
Volume adjustment estimate	198 466	5% to 3% decrease in the adjustment between actual volumes and those predicted
Net movement – fair value adjustment on Pine and Eucalyptus trees	71 731	

GOODWILL IMPAIRMENT ASSESSMENT

Fair value less cost to sell model

Description	30 June 2022 R'000	30 June 2021 R'000
Impairment required?	No	No
Carrying amount of segment assets		
Property, plant and equipment	132 099	130 867
Biological assets	2 803 238	2 875 903
Goodwill balance	357 630	357 630
Deferred taxation component: goodwill	(768 718)	(819 418)
Working capital	(146 066)	(126 770)
Total carrying amount	2 378 183	2 418 211
Recoverable amount		
Disposal value of non-commercial areas	156 761	175 785
Present value of all FCF until terminal period	1 779 693	1 478 373
Present value of residual value	837 875	998 479
Cost of disposal	(27 743)	(26 526)
Recoverable amount	2 746 586	2 626 111
Headroom	368 403	207 900
Terminal period growth rate	4.60%	4.50%
Terminal period RONIC	15.27%	13.61%
Cap rate	10.67%	9.11%
Residual free cashflow	808 519	656 570
Residual value	7 579 333	7 211 083
Present value factor	0.11	0.14

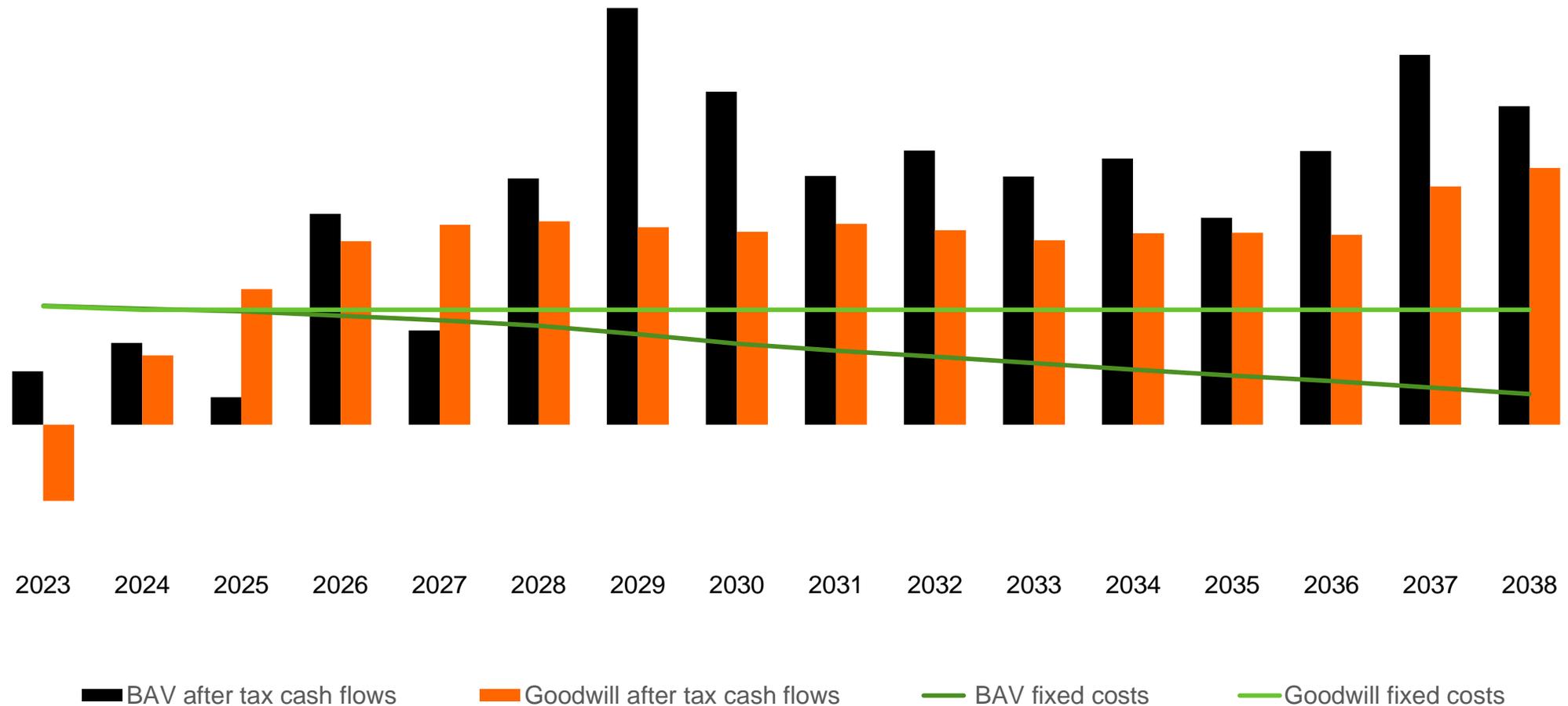
METHODOLOGY FOR THE “BAV” AND GOODWILL

Differences between Biological asset valuation and the goodwill assessment calculation DESCRIPTION	BIOLOGICAL ASSET VALUATION	GOODWILL VALUATION
Type of valuation	Exit valuation	Continuing business
Includes replanting	No	Yes
Fixed costs	Reduces as hectares decrease	Remains consistent
Harvesting activity	At maturity age 20	Regulated volumes
Discount rate	15.27%	15.27%
Terminal value	No	Yes
Accounting principles	IAS 41	IFRS 13

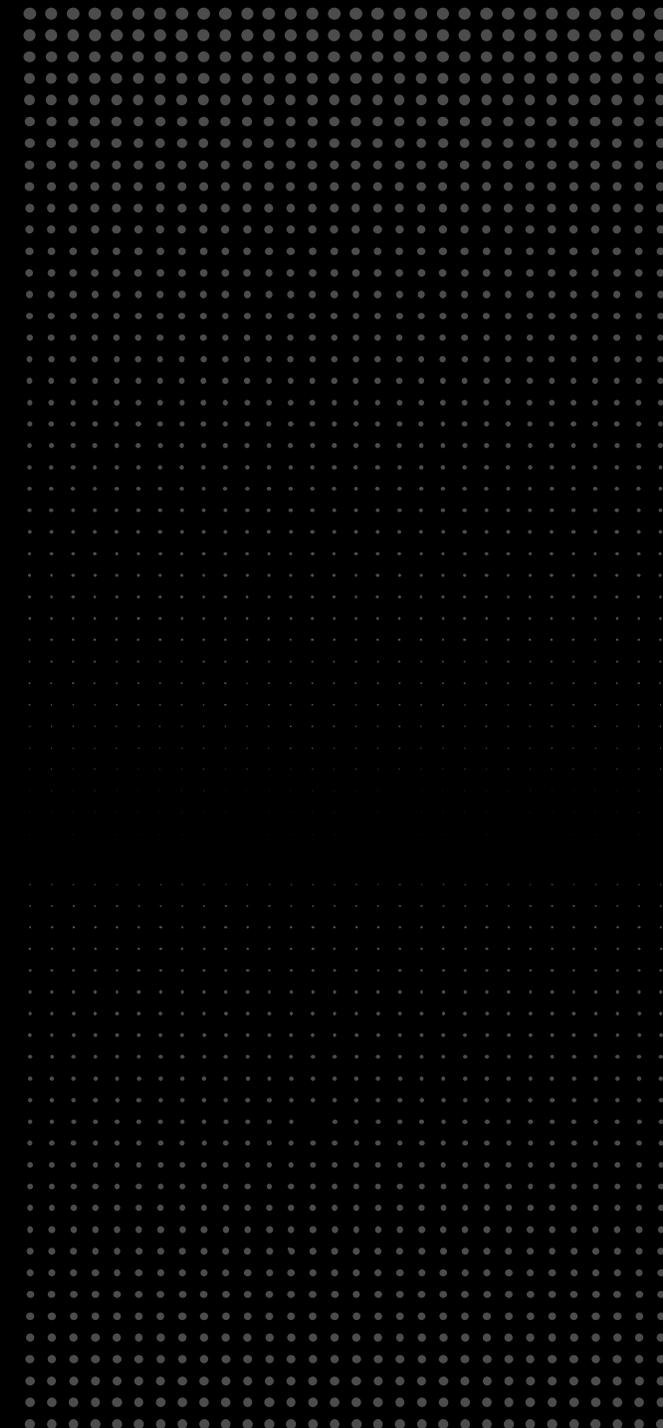
COMPARISON OF THE “BAV” AND GOODWILL CASH FLOWS

Difference in BAV and goodwill models (real)

The differences in cash flow profiles are illustrated, without the impact of discounting or inflation assumptions



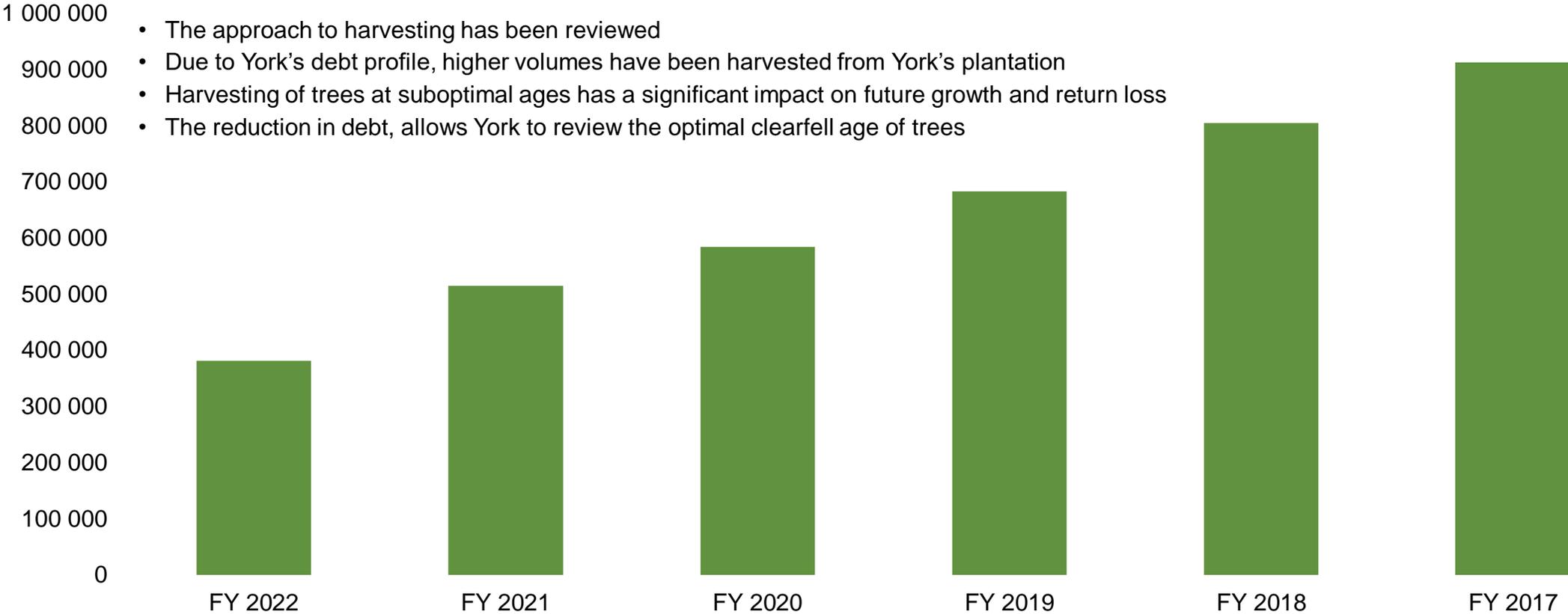
BIOLOGICAL ASSETS



RETURN ON BIOLOGICAL ASSETS



INTEREST BEARING DEBT PROFILE



- The approach to harvesting has been reviewed
- Due to York’s debt profile, higher volumes have been harvested from York’s plantation
- Harvesting of trees at suboptimal ages has a significant impact on future growth and return loss
- The reduction in debt, allows York to review the optimal clearfell age of trees

BENEFITS OF HARVESTING AGE INCREASE

Identified compartments	SI	MAI	CAI	Area	Value at 17.5 years	Value at 20.5 years	Value at 22.5 years
Mauchsberg	24	13.5	16.5	14	2 072 322	2 708 271	3 084 235
Mauchsberg	24	13.5	16.5	2	303 406	396 515	451 559
Mauchsberg	24	13.5	16.5	19	2 686 290	3 510 653	3 998 004
Mauchsberg	24	13.5	16.5	13	1 887 702	2 466 996	2 809 466
Mauchsberg	24	13.5	16.5	3	410 743	536 791	611 309
Mauchsberg	24	13.5	16.5	5	678 371	886 547	1 009 618
Longridge	24	13.5	16.5	16	2 279 840	2 979 472	3 393 085
Longridge	24	13.5	16.5	24	3 471 998	4 537 476	5 167 372
Longridge	24	13.5	16.5	19	2 769 298	3 619 133	4 121 544
Longridge	24	13.5	16.5	13	1 821 869	2 380 959	2 711 486
Longridge	24	13.5	16.5	5	777 121	1 015 602	1 156 588
Longridge	24	13.5	16.5	6	914 512	1 195 156	1 361 068
Longridge	24	13.5	16.5	11	1 621 506	2 119 110	2 413 286
Longridge	24	13.5	16.5	32	4 528 195	5 917 797	6 739 310
				183	26 223 174	34 270 478	39 027 931
						9%	8%

Compounded annual growth rate (real)

9%

8%

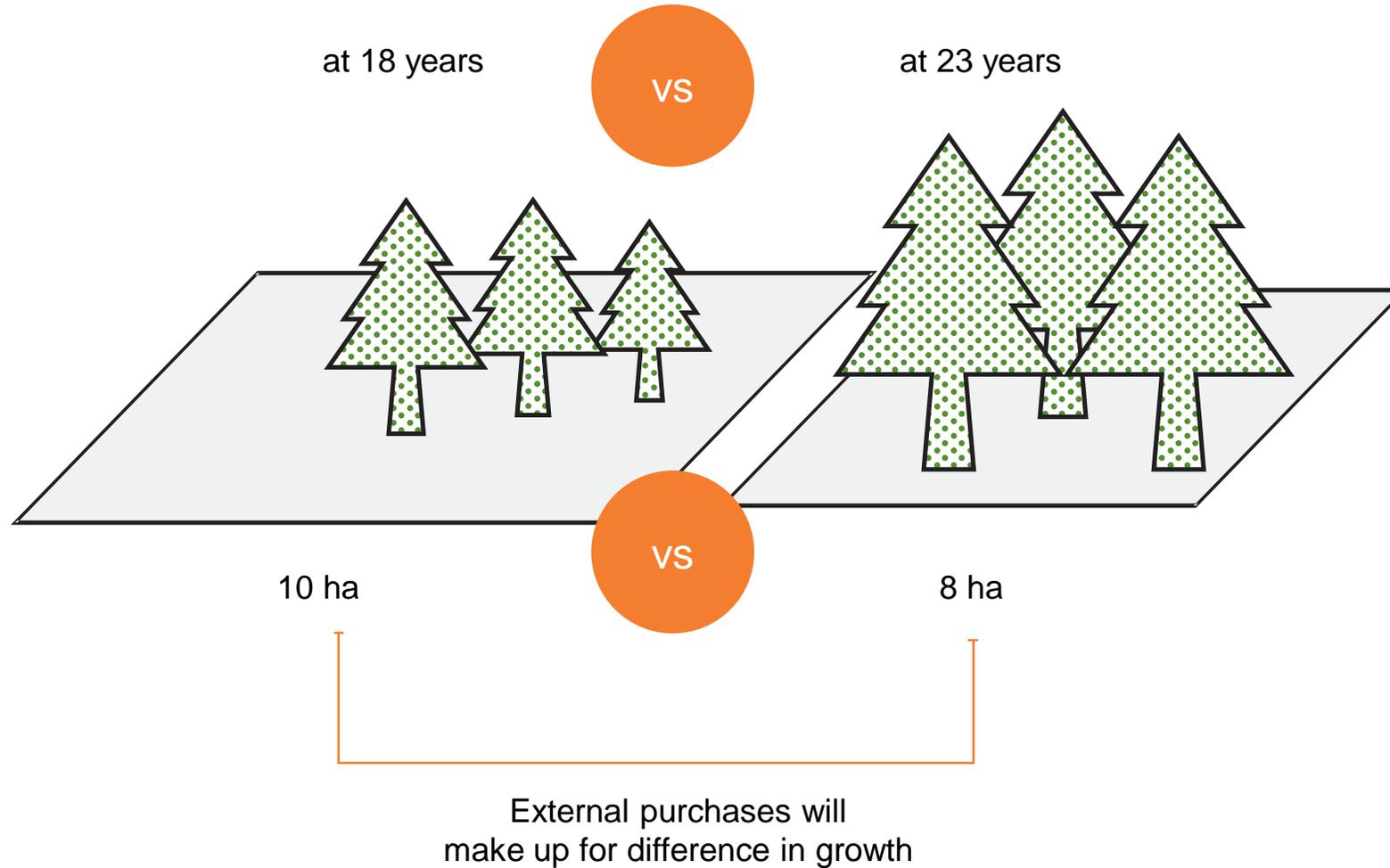
- This calculation is an indication of the potential increase in value for two of York's sites modelled to be harvested at different ages
- The compounded annual growth rates in real terms are included for illustration purposes

	Silviculture cost		
Rotation age	17.5	20.5	22.5
Hectares required	1 877	1 615	1 477
Difference		262	399
Total hectares	34 715		
Silviculture cost saving		14.0%	21.3%

- A further advantage is that less hectares have to be harvested for volumes required
- This has a big impact on establishment and maintenance costs with these savings

BENEFITS OF HARVESTING AGE INCREASE

Harvest volume to hectares



DEBT FACILITIES – 2022

Description	Balance R'000	Originated	Repayment terms
Land Bank term loan*	226 701	<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 4 years at prime less 0.5%
Land Bank press loan*	9 662	<ul style="list-style-type: none"> 48 daylight press installation financed EBITDA accretive investment 	<ul style="list-style-type: none"> 1 year and 5 months remaining of this debt at prime less 0.5%
Instalment sale agreements	65 272	<ul style="list-style-type: none"> Mobile equipment and vehicle fleet 	<ul style="list-style-type: none"> 7.25% - 8.75%, ranging from 36 to 72 months of which one month to 58 months are left
Loan raising fee	(1 157)		
Absa capital fund loan (Sonrach Properties Proprietary Limited)	5 832	<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 4 years are remaining
Absa capital fund loan (Stadsrivier Vallei Proprietary Limited)	75 000	<ul style="list-style-type: none"> Finance of annual insurance premium payable over 10 months 	<ul style="list-style-type: none"> Interest at prime over 5 years of which 3 years and 10 months are remaining
Total borrowings	381 310		
Total asset base	4 665 414		

* We are busy refinancing York's loans with Land Bank over 5 years at prime less 1%.

MAJOR CAPEX SPENDING

For the period ended 30 June 2022

Project	Amount R'000	Source
Hyster H5.0 DSL Forklift	883	Financed
Isuzu D-max 250	4 391	Financed
Mercedes-Benz Arocs Truck	6 086	Financed
Isuzu fire truck	3 636	Financed
Hyster H3.5ft DSL Forklift	709	Financed
Dezzi wheel logger and grab	5 054	Financed
Sabie boiler 5	914	Operational CF
Klipkraal Reservoir	852	Operational CF
JSV New Drymill Roof	4 296	Operational CF
JSV New Access Road: Main Entrance	1 801	Operational CF
Rooting Tunnels Modification	1 152	Operational CF
Microtech goldeneye moisture meter	615	Operational CF
Driekop Destacker	709	Operational CF
Line 1 Framesaw & Motor VSD	599	Operational CF
HewSaw Chipping Head	577	Operational CF
Company House	1 248	Operational CF
Jessievale Kiln Control Room	1 314	Operational CF
Ponsse Component Replacement	2 026	Operational CF
Spindleless Peeler	28 525	Operational CF
Total	65 385	



OUTLOOK

- York's plantations are its key strategic asset. While significant log volumes are still required from external sources until our plantations return to a normal rotation cycle, this key asset will be carefully managed in order to deliver the optimal mix of cash flows and returns to shareholders. While management is currently performing a strategic review, it is clear that the current clearfelling age is suboptimal and not delivering appropriate shareholder returns. While such a change will require substantial investment, York is better positioned to reassess its clearfelling approach given its reduced debt levels compared to previous years. While some patience will be required from shareholders, we believe that the increase in harvesting age will significantly improve shareholder returns in future years.
- York remains dependent on the South African Forestry Company Limited (SAFCOL) for log supply to its processing sites. Following the 2022/2023 bid award, only circa 64% of the required bid volume was allocated to York. Given the violent industrial action, coupled with the lack of log security for all of York's operations, we were forced to make the difficult decision to mothball the Driekop sawmill, which came with substantial job losses. We remain of the view that SAFCOL's bidding process is flawed as it allows logs to be exported to Eswatini instead of allocating the required volumes to South African processing facilities. York continues to engage with SAFCOL to secure logs for its operations to remain sustainable and provide job security to its employees.
- The industrial action resulted in the dismissal of employees and the subsequent termination of the recognition agreement with NUMSA. York was well supported by the community, religious leaders, and local businesses during the strike. After the strike, focus was placed on recruiting and appointing candidates from the local communities. This is to ensure the communities in which York operates are supported, and employees reside in or nearby York's operations. Employee workplace forums will be established so that the Company is the first point of communication or contact by employees when addressing employee and business needs.
- The Agricultural segment looks forward to a recovery in fruit and nut prices, following the steep decline of such prices in the wake of the Russian invasion of Ukraine, and a reduction in supply chain and logistics costs. An additional 60 hectares of soft citrus will be established in the new financial year, with the first small crop (a year earlier than forecast) expected from the first citrus plantings. The citrus varieties planted can accommodate the additional cold treatment required by the recently promulgated EU regulations, albeit at a higher cost.
- In a global and local environment where we face the prospect of continued high inflation, York remains resolutely focused on improving operational efficiencies and diversifying its product offering. York is also focused on developing export markets for its lumber and plywood and thereby diversifying its earnings base away from a changed domestic economy.

DISCLAIMER

This presentation contains forward-looking statements about York's operations and financial conditions. The Company has prepared this presentation based on information available to it at the time of writing, including information derived from public sources. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions expressed herein.

This presentation is not intended to be relied upon as advice to investors, potential investors or funders and does not take into account the investment objectives, financial situation or needs of any investor. All investors should consider such factors in consultation with a professional advisor of their choosing when deciding if an investment is appropriate.

The Company undertakes no obligation to update or revise these forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. Inevitably, some assumptions will not materialise, and unanticipated events and circumstances may affect the ultimate financial results. Projections are inherently subject to substantial and numerous uncertainties and to a wide variety of significant business, economic and competitive risks, and the assumptions underlying the projections may be inaccurate in any material respect. Therefore, the actual results achieved may vary significantly from the forecasts, and the variations may be material.



www.york.co.za

THANK YOU

