



Newsletter 2020



KNYSNADOC INVESTMENT HOLDINGS (PTY) LTD



Chairman's feedback

Dear Shareholders,

This short newsletter serves to update you on the portfolio of Knysnadoc amidst the Covid 19 pandemic.

We sold the Hope Factory in Port Elizabeth in December 2019 - for a profit! That profit was earmarked for a special dividend pay - out - and then Covid 19 happened.

Currently the Knysnadoc has **4 pillars**:

These pillars are; the Quays Protea Hotel, the debentures of the public space, Quays Protea Hotel Knysna rental income, Eagles View commercial building in George and Beacon Place commercial building in George.

With the onset of the Covid 19 pandemic we lost the rental income in the hotel and the debentures indefinitely, probably until March 2021(a loss of about R 3,000,000.00).

We did apply for and received TERS Covid 19 relief payments for our staff during lockdown level 5 and 4.

The commercial buildings in George still have income, however we have lost a few tenants and the income will show a reduction of around 13% for the year.

Furthermore there is a lot of pressure from the tenants for rental reductions and payment holidays.

We have always endeavoured to maintain well-appointed buildings with good support staff. Our rentals are low. Our tenants, by and large, are loyal.

We thus do not foresee a huge drop in rentals.

Our employees are healthy and our cash flow is stable and I suppose that says a lot.

Remember to walk, to smile and laugh. Please stay safe.

Dr Olivier

CEO Knysnadoc Investment Holdings

