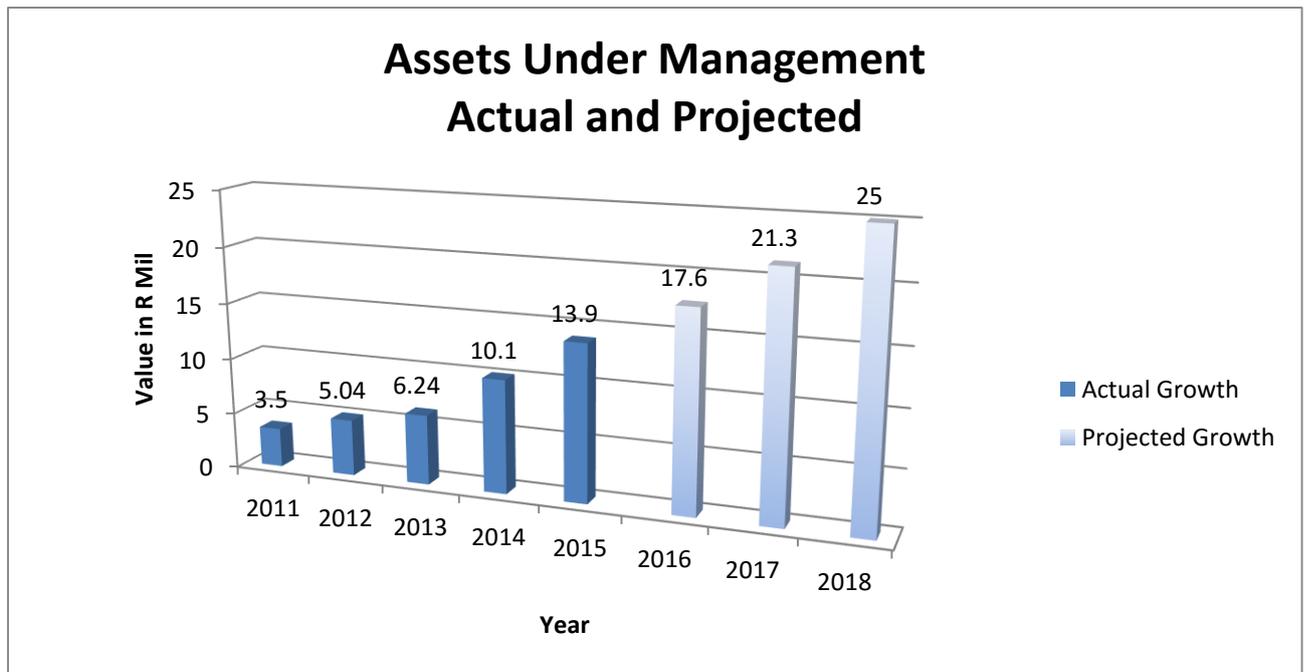




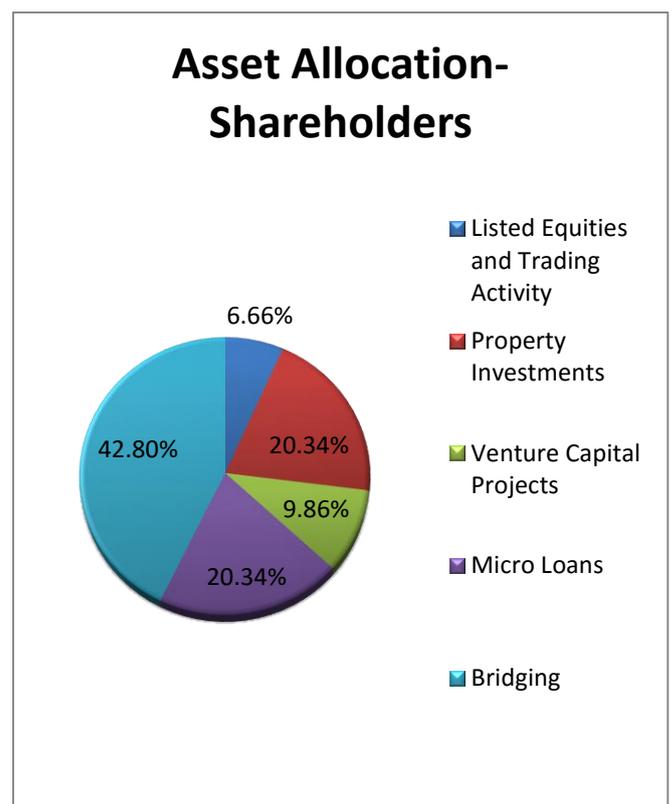
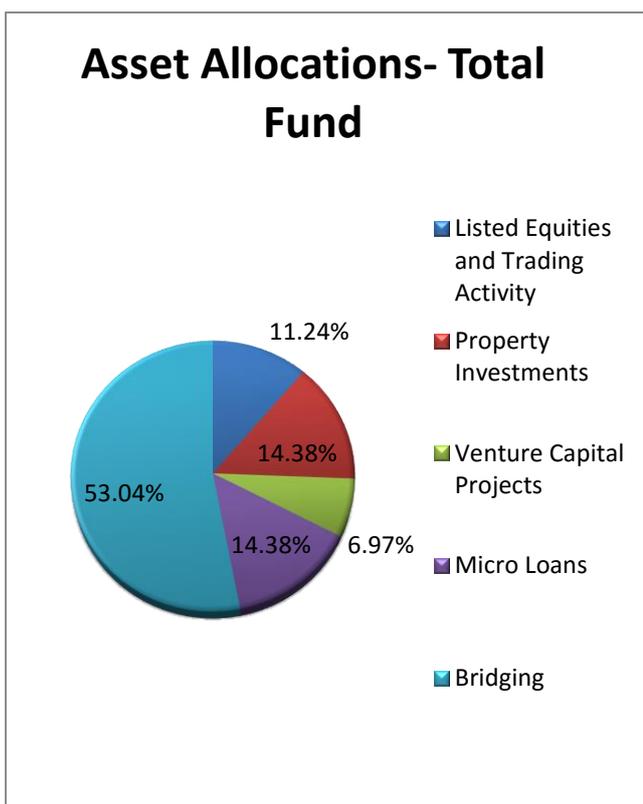
LETTER TO SHAREHOLDERS & INVESTORS 2015

Highlights

Holbiz has grown well this year with a 38% increase in assets under management, we surpassed our target of 13.8 Mil forecasted last year and are on track to reach our 2018 goal of 25 Million.



Our bridging investment have continued to grow together significant investment into some exciting venture capital projects and property investments.



Firstly I would like to thank all our shareholders and investors for their continued support during the 2015 Financial Year. This year has been a good year for stabilising our investment strategy as well as opening up new investment opportunities, we have had some challenges along the way primarily in the micro loan sphere but over all we have seen solid performance in the majority of our investments.

Your continued support and trust in Holbiz has been duly noted, and appreciated, as we endeavour to continue to provide secure, above average, returns to all our stakeholders.

We have seen a shift away from loan agreements from new investors and increase in the purchase of our 13% preference shares, shareholders control 70% of the total fund value.

Overview of Operating Activity for 2015.

Unsecured Lending-Bridge (Micro Loans)

While micro loans did very well for us in the beginning, the industry and Bridge in particular have had a very challenging year. We continued to try and decrease the value of our investments in micro loans and successfully managed to sell all of our debentures. However we are unable to find a buyer for our equity stake and I fear that we will be forced to hold this for at least the next 5 years with little chance of return through dividends

Bridge as a company went under business rescue last year much to the surprise of the majority of shareholders, their inability to secure significant funding through the capital markets, particularly in the wake of the Africa Bank fiasco forced debenture holders to accept reduced interest payments and commit fund for a further 5 years. While the plan has been successfully passed there is still a lot of work before it can be correctly executed.

In addition there are significant legal issues involved in the industry as a whole and with Bridge in particular, aligned to this the CEO and major shareholder of Bridge, Emile Aldum, has been suspended.

While this has no effect on investors' funds, shareholders will be rightly concerned and we continue to monitor and manage the situation as best we can in the circumstances.

Bridging Finance – Rio Ridge

Bridging finance continues to perform well. Returns have been consistent and timeously paid and our working relationship with executive management continues to grow. We have begun sourcing deals for Rio down in KZN with helps to diversify our revenue stream

Rio has shown steady growth over the year and has expanded their operations. However we still remain focused on pure property based bridging finance. Compliance with NCR and FSB requirements are up to date and Rio is continually looking for new funding to help grow its book.

The bridging market remains stable and there are no foreseeable regulator risks on the horizon. We anticipate for our bridging investments to continue to develop going forward. Bridging currently forms approximately 53% of our fund portfolio.

Venture Capital Project 1 – Beach Home Properties

2015 saw the start of project to source and fund new start-ups locally, part of this was the funding of a new estate agency Beach Home Properties ('BHP'). BHP is wholly owned by husband and wife team Tim and Melissa, experienced estate agents in their own right, who wanted to break away from their franchise and start their own agency. Holbiz extended a revolving credit facility to BHP for 24 months, secured with personal surety by Tim and Melissa, @ 15% pa. In addition Holbiz takes a 5% commission on all sales and does all their bridging.

BHP has faced the normal challenges associated with starting a new business as well as the difficulties of securing bonds through the banks for clients, however they remain current on their payments and continue to sell houses.

Venture Capital Project 2 – Bezigyn (Pty) Ltd trading as Talk International

Holbiz took a small equity stake in local call centre Talk International ('TI') this year. TI specialises in debt review and owns a registered debt counselling company known as National Debt Counsellors ('NDC') www.nationaldebtcounsellors.co.za. NDC is in start-up phase and Holbiz is supplying consulting services with the intention of getting more involved and possibly taking a bigger equity stake in the future.

Currently Holbiz has made an interest free loan to TI repayable after 12 months and taken an equity stake, the dividend policy is to pay out all profits annually as dividends.

Venture Capital Project 3 – Quantlab

We also saw the launch of Quantlab (Pty) Ltd ('QL') this year, Holbiz was originally involved as a co-owner but has recently sold out completely to the founder PJ Sutherland and converted their equity stake into a loan. Loans are secured with personal surety as well as fixed property. The cover ratio of loan value to estimated market value for the fixed property is around 40%.

The loans are in two tranches with a business loan @ 15% pa interest paid monthly, and an equity loan @ 30% pa interest paid annually. In addition Holbiz has a 30% revenue share agreement with QL on any business that we bring in.

Quantlab is an algorithmic automated trading system, trading CFD equities on the JSE. It has grown nicely during the year and currently has just under 4 Million in assets under management. I estimate that 8 Million will make the business fully solvent and provide security of ongoing operation. I am confident that QL will achieve this in this next financial year.

Short Term Trading – K2014

Together with our partners Red Robin (Pty) Ltd, Holbiz started a trading company as yet unnamed to take advantage of the Quantlab offering, while still in infancy the company has successfully executed at least 60 trades and is beating the JSE top 40 overall and on a risk adjusted basis.

Equity Investments – Geared CFD Holdings and Managed JSE listed shares

Our quantitative investment strategies are performing well with our combination momentum/value strategy providing an impressive 23% return for the year after fees, while keeping our beta at 1.12.

Our pure momentum fund is performing exceptionally well, with a 32% return for the year a beta of 0.5 and an alpha of 1.43%.

We continue to show strong out performance relative to the JSE top 40 both overall and on a risk adjusted basis.

Property Investments- Residential

This year saw the successful transfer of 54 Ashley Rd into Holbiz's name, we believe that there is substantial value to be unlocked in this property and our purchase which we estimate to be 30% below market price means that we should see a good return on this investment on sale. The property was on the

market for 6 months and we received offers confirming our estimates above, however we have decided to hold out for a better price.

We continue to upgrade and refurbish the property to increase value for our shareholders going forward.

Risk Report

We have reviewed our risk framework in light of the developments this year and continue to monitor risk across the board regularly. We believe that the best way to keep a handle on our risk is to keep as much in house as possible.

With regards to our bridging loan section we have once again seen almost zero defaults during the period which shows our continued focus on good quality pure bridging is paying off.

Overall we feel comfortable that we can achieve our investment goals for the coming year with a 80% confidence level.

Growth and New Investment Opportunities

Holbiz was founded on seeking out and implementing new, out of the box investment opportunities. We are involved in an opportunity review structure with regular meetings and brain storming activities. That said we feel it prudent to go through a consolidation phase for 2016 considering the number of new projects initiated in 2015. It is unlikely that we will make any new venture capital investments this year.

In terms of new projects for the year our focus will be to source and hopefully fund offshore investment options by the end of the 2016 financial year.

We are constantly looking for new opportunities and welcome any feedback or leads you may have for us.

Summary

All our investors have seen 100% on time payments on their loan agreements and our shareholders can expect another profitable year. We look forward to our continued cooperation with our entire stakeholder network. If you have any question with regards to the above please feel free to contact me directly.

Kind Regards,

Rowan Hewitt