GRIT REAL ESTATE INCOME GROUP LIMITED
(Registered by continuation in the Republic of Mauritius)
(Registration number: C128881 C1/GBL)
LSE share code: GR1T
SEM share code: DEL.N0000
JSE share code: GTR
ISIN: MU0473N00036
("**Grit**" or the "**Company**" or the "**Group**")

RESULTS FOR THE YEAR ENDED 30 JUNE 2019

Grit Real Estate Income Group Limited, a leading pan-African real estate company focused on investing in and actively managing a diversified portfolio of assets underpinned by predominantly US$ and Euro denominated long-term leases with high quality multi-national tenants, today announces its annual results for the 12 months ended 30 June 2019.

Financial highlights

	30 June 2019	**30 June 2018**	**Increase/ Decrease**
Dividend per share	US$12.20 cps	US$12.19 cps	+0.1%
Net asset value ("NAV") per share[1]	US$131.9 cps	US$135.6 cps	-2.7%
EPRA NAV per share[2]	US$147.1 cps	US$145.7 cps	+0.96%
Headline earnings per share[3]	US$8.09 cps	US$6.35 cps	+27.4%
Adjusted EPRA earnings per share[4]	US$9.92 cps	US$9.96 cps	-0.4%
Property income (net)	US$32.32m	US$25.7m	+25.97%
EPRA cost ratio (incl associates)[5]	17.0%	15.6%	+2.4 pts
Total Income Producing Assets[6]	US$825.2m	US$642.3m	+28.5%
Profit from operations	US$17.3m	US$11.0m	+57.3%
WALE	6.3 yrs	7.4 yrs	-1.1 yrs
EPRA portfolio occupancy rate	97.1%	96.7%	0.32 pts
Group LTV	43.12%	51.4%	-8.28 pts
Property LTV	40.6%	43.7%	-3.1 pts

- The Company achieved a total return of 12.4% from Portfolio Performance[7], which included impacts of EUR:USD exchange rate movements and negative impacts of valuation trends of retail assets in particular. Based on the share issue price of US$1.43 per share, a reported total shareholder return of 11.4% was achieved since the LSE listing on 31 July 2018
- Dividends per share declared for the year ended 30 June 2019 of US$12.20cps (2018 US$12.19cps), equating to an annual dividend yield of SEM: 8.84%, JSE: 9.55% and LSE:8.81% (based on 30 June 2019 exchange rates and share prices on the respective Exchanges)
- EPRA net asset value ("**NAV**") per share grew to US$1.471 (2018: US$1.457). EPRA NAV growth from Portfolio Performance grew 4.0% during the period, absent extraordinary corporate activity costs (costs incurred in relation to the LSE listing) of 3.1% negatively impacting the result
- The portfolio was independently valued at 30 June 2019, with total income producing assets valued at US$825.2 million (2018: US$642.3 million) and like for like property valuations increasing 3.8%
- Profit from operations increased 57.3% as a result of strong portfolio performance and acquisitive growth over the period
- Successful admission to the Main Market of the London Stock Exchange on 31 July 2018, raising gross new equity capital of US$132.2 million (net US$121.6 million after costs of US$10.6 million)

Operational highlights

- Property portfolio now comprises a total of 25 investments, across seven countries, five asset classes
- 93.6% (2018: 89.1%) of revenue is earned from multinational tenants[8]
- 95.4% (2018: 93.2%) of income is produced in hard currency[9]
- EPRA portfolio occupancy rate of 97.1% as at 30 June 2019 (2018: 96.7%)
- Total gross lettable area ("GLA") increased 9.96% to 338,854 sqm as a result of acquisitions in the period
- Weighted average annual rent escalations at 2.8% (2018: 3.1%)
- Weighted average property capitalisation rate 7.9% (2018: 8.3%)
- Weighted average cost of property debt moved up to 6.44% (2018: 5.75%) as a result of upwards movements in LIBOR over the reporting period.
- Significant leasing activity took place at the Anfa Place Mall (the Company's largest asset by value), during the year in conjunction with the successful redevelopment and relaunch. This was not fully reflected in current year valuations and still provide upside potential both from asset valuation and income generation prospects in future reporting periods
- Successful leasing activity with Anadarko, Exxon Mobil and Vale over the period

Post balance sheet activity

- On 24 July 2019, Grit announced the acquisition of the Club Med Cap Skirring asset in Casamance, Senegal upon a sale and leaseback from the Club Med group. The acquisition is still subject to the fulfilment of certain final conditions precedent. Club Med and Grit will additionally re-develop and expand the existing hotel at a development cost of EUR25 million capped at EUR28 million. This acquisition is expected to signal a strategic relationship between both companies for future similar transactions.
- The Mozambique debt refinance was approved by the Central Bank of Mozambique with Phase1 being implemented by the Company in September 2019. The new single US$140 million syndicated facility led by Standard Bank South Africa was signed for four years at a rate of three Month Libor + 5%.
- On 18 September 2019, the Group concluded a turnkey construction contract in Mozambique for the delivery of an additional 60 housing units in the VDE accommodation compound which have been leased to Vale for a period of five years.
- Declared final dividend in respect of the year ended 30 June 2019 of US$6.95cps bringing the total dividend paid and proposed in respect of the year to US$12.20cps (2018: US$12.19cps).
- On 11 September, the Company distributed a circular to Shareholders and notice of general meeting:
    - seeking authority from its shareholders to issue, subject to market conditions, up to 280 million ordinary no par value shares in the issued share capital of Grit ("**Shares**") in connection with a placing, offer for subscription and intermediaries offer of Shares ("**Issue**")
    - Grit is undertaking the proposed Issue to support its strategic objectives, including its growth aspirations, through the conversion of its current and future investment pipeline, which are valued at c.US$470 million, predominantly in the industrial, office, corporate accommodation and hospitality sectors. The Company also intends to reduce its bank debt in line with the Company's overall gearing target of between 35% to 40% loan to value
    - The Issue Price will not be less than the most recently published net asset value per Share in US$ at the time of the Issue, adjusted for any dividends declared at that date. There will be no dilutive effect on the net asset value per Share as a result of the Issue

Notes

[1] The Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury if any) at the date of calculation.

[2] Explanations of how European Public Real Estate Association ("EPRA") figures are derived from IFRS are shown in note 18.

[3] Refer to Note 17.

[4] Adjustments to make earnings better representative of company performance and includes adjustments for unrealised foreign exchange movements and straight line leasing adjustments – refer to note 18 for further details on adjustments made.

[5] Refer to Note 18.

[6] Includes properties, investments and property loan receivables – Refer to Chief Financial Officer's Statement.

[7] Return from Portfolio Performance excludes Corporate activity costs in relation to the LSE listing in July 2018.

[8] Forbes 2000, Other Global and pan African tenants.

[9] Hard (USD and EUR) or pegged currency rental income.

Bronwyn Corbett, Chief Executive Officer of Grit Real Estate Income Group Limited, commented:

"I am delighted to report to you another year of strong performance by the Company in which we have continued to implement successfully our investment strategy. During the year, the Company delivered a total return of 12.4% from Portfolio Performance.

Our portfolio delivered in line with expectations and the Company's targets despite currency headwinds and significant corporate activity, including a successful listing and capital raise on the London Stock Exchange on 31 July 2018. Country and sector diversification and our proactive asset management initiatives have helped the Company to manage effectively the challenges faced in the retail sector across the continent.

The quality of the Group's diversified portfolio and our strong multinational tenant base have once again helped us to deliver a strong set of results and our solid foundation leaves us confident of continuing to deliver attractive returns over the short and longer term.

We are excited about the identified opportunities we have to add attractive, accretive assets to the portfolio at prices that create value for our shareholders and that will underpin our EPRA NAV growth and our progressive dividend policy over the medium term. "

By order of the Board

30 September 2019

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Company's LEI is: 21380084LCGHJRS8CN05

NOTES:

Grit Real Estate Income Group Limited is a leading pan-African real estate company focused on investing in and actively managing a diversified portfolio of assets in carefully selected African countries (excluding South Africa). These high-quality assets are underpinned by predominantly US$ and Euro denominated long-term leases with a wide range of blue-chip multi-national tenant covenants across a diverse range of robust property sectors.

The Company is committed to delivering strong and sustainable income for shareholders, with the potential for income and capital growth. The Company is targeting net total shareholder return inclusive of NAV growth of 12.0% p.a.*

The Company currently holds primary listings on both the Main Market of the London Stock Exchange (LSE: GR1T) and on the Main Board of the Johannesburg Stock Exchange (JSE: GTR), while its listing on the Official Market of the Stock Exchange of Mauritius Ltd is termed as a secondary listing (SEM: DEL.N0000).

Further information on the Company is available at http://grit.group/

* *This is a target only and not a profit forecast and there can be no assurance that it will be met. Any forward-looking statements and the assumptions underlying such statements are the responsibility of the Board of directors and have not been reviewed or reported on by the Company's external auditors.*

Directors:

Peter Todd+ (Chairman), Bronwyn Corbett (Chief Executive Officer)*, Leon van de Moortele (Chief Financial Officer)*, Ian Macleod+, Sir Samuel Esson Jonah+, Nomzamo Radebe, Catherine McIlraith+, David Love+, and Bright Laaka (Permanent Alternate Director to Nomzamo Radebe).
(* Executive Director) (+ independent Non-Executive Director)

Company secretary: Intercontinental Fund Services Limited

Registered office address: c/o Intercontinental Fund Services Limited, Level 5, Alexander House, 35 Cybercity, Ebène 72201, Mauritius

Transfer secretary (South Africa): Computershare Investor Services Proprietary Limited

Registrar and transfer agent (Mauritius): Intercontinental Secretarial Services Limited

JSE sponsor: PSG Capital Proprietary Limited

Sponsoring broker: Axys Stockbroking Limited

SEM authorised representative and sponsor: Perigeum Capital Ltd

This notice is issued pursuant to the JSE Listings Requirements, LSE Listing Rules, SEM Listing Rules 11.3 3 and 12.14 and the Mauritian Securities Act 2005. The Board accepts full responsibility for the accuracy of the information contained in this communication.

A Company presentation for all investors and analysts via live webcast and conference call

The Company will host a live webcast and conference call, from London, for all investors and analysts on the morning of Monday, 30 September 2019 at 11:30am Mauritius/08:30am UK/09:30am South Africa. The webcast and conference call require registration and can be accessed from the following link:

http://www.diamondpass.net/2373618

A playback will be accessible on-demand within 48 hours via the Company website:

https://grit.group/financial-results/

CHAIRMAN'S STATEMENT

The value of diversification across the continent

Grit continued to deliver against its objectives of creating a diversified property portfolio of hard currency income generating assets across carefully selected African countries. In the financial year the Company successfully acquired two additional assets in Ghana, the Acacia Estate, increased the units available for lease in the Vale accommodation compound in Tete (both in Mozambique) and increased its equity interest in the Mukuba Mall in accretive transactions funded from proceeds of the Main Board listing on the London Stock Exchange in July 2018.

The portfolio now comprises a total of 25 investments, across seven countries and five asset classes and was independently valued at 30 June 2019, with total income producing assets valued at US$825.2m (2018 US$642.3m) with like for like property valuations increasing 3.8%. 93.6% (2018: 89.1%) of revenue is earned from multinational tenants[3] and 95.4% (2018: 93.2%) of income is produced in hard currency[4]. The EPRA portfolio occupancy rate was 97.1% as at 30 June 2019 (2018: 96.7%).

The Group performed marginally below its market guidance, achieving reported total shareholder return of 9.3%, including an annualised dividend yield in excess of 8.5%. Net Asset Value per share growth was impacted by exchange rate headwinds and costs of corporate activity which collectively resulted in a 4.7% reduction. Excluding these impacts, shareholders would have enjoyed a 14.0% total return.

Property LTV's were successfully reduced to 40.6% from 43.7% and the overall portfolio remains well-tenanted with a 97.1% occupancy rate and a WAULT/WALE of 6.3 years. The capital costs associated with the recently refurbished Anfa Place Mall in Morocco (the Company's largest asset by value) were not fully reflected in current year valuations and still provide upside potential both from asset valuation and income generation prospects in future reporting periods.

A compelling investment case

The Company continues to prove its ability to generate attractive returns based on African yields with a sound risk profile.

Bronwyn and her highly experienced management team have continued to demonstrate strong competencies in managing existing assets while consolidating the substantial and attractive acquisitive growth the Company has achieved in recent years. Today the Group has declared its 11th distribution and has met its progressive dividend policy since inception.

With high economic growth experienced in a number of African countries (especially Mozambique where the long awaited onshore gas production facilities where approved by Anadarko), the Group is well-placed to successfully grow the portfolio, through expanding a number of existing tenant relationships and has an identified and growing pipeline of attractive near term acquisition targets.

Move to the Premium segment of the London Stock Exchange and Redomiciliation to Guernsey

The Board has decided to postpone the move to the premium segment of the LSE into calendar year 2020 due to the complexity and timelines of the multiple workstreams.

The Board believes that the corporate governance surety provided by a premium listing, as well as eligibility for FTSE UK Index Series inclusion will support the Company's longer term aspirations and performance. To facilitate the Group's eligibility for inclusion in the FTSE UK Index Series the Group is also conducting an investigation into the possibility of redomiciling its corporate seat to Guernsey.

Governance and the Board

Grit's Board constitutes six Non-Executive Directors, five of whom are independent. There are also two Executive Directors as part of the Board and three Board seats are held by females. In addition, there is a permanent alternate director to the Non-independent Non-Executive Director.

During the year under review, the Board received communication from the Public Investment Corporation of South Africa, (currently Grit's largest shareholder) requesting that Ms Matshepo More be replaced as its nominee non-executive director on the Board of Grit. We wish to thank Ms More for her valuable contributions during her tenure.

Mr Paul Huberman did not put himself up for re-election to the Board. On behalf of my fellow Board members, I wish to thank Paul for his input and guidance. Mrs Catherine McIlraith has been appointed as Chairman of the Audit Committee in replacement of Mr Huberman with effect from 27 November 2018.

I am delighted to welcome and thank Sir Samuel Jonah (appointed as Director on 21 February 2019) and Mr David Love (appointed as Director on 4 December 2018) to the Grit Board as Non-Executive Directors. They bring invaluable experience and knowledge and we look very much forward to working with them.

Appreciation

I would like to thank my fellow Board members, the Grit team and in particular our executive directors, our investors and all other stakeholders for their continued support in a challenging global environment.

We look forward to continuing growing against our objectives for the benefit of our investors, our tenants, our staff and the communities in which we operate.

Outlook

The Company provides a secure, diversified and growing income stream as well as the potential for attractive capital appreciation from our long-let, high quality and robust portfolio across defensive sectors with strong tenant covenants with hard currency leases. We remain confident of delivering further value to our shareholders and continuing to grow the returns to our investors over the short and longer term.

Peter Todd
Chairman

CHIEF EXECUTIVE'S STATEMENT

The day after accomplishing our LSE listing on the 31 July 2018, we turned our attention to refining the vision for the Company and on implementing the next stage in the evolution of Grit's strategy.

Our team continued its exciting and careful expansion on the African continent. We have reaffirmed our vision of pioneering real estate owners, generating sustainable returns for generations to come, for all stakeholders including the people of Africa in each of the countries we operate. This vision, and what we now define as our Code of Honour, could not be fulfilled without a solid foundation and the relentless implementation of our values.

During the year under review, the portfolio grew to 24 property assets after our successful entry into the Ghanaian office property market and the acquisition of Acacia Estate in Maputo which is tenanted to, amongst others, the US embassy and is already providing opportunities for similar assets across other countries. We were pleased with the operational performance of our existing portfolio which delivered secure and growing income in line with our expectations. Country and sector diversification combined with proactive asset management initiatives offset some minor challenges we faced in the retail sector, and although we do not have further retail assets in our acquisition pipeline, we continue to believe our strip mall and convenience offerings are a compelling proposition for the African continent.

Operational and investment overview

We continued to internalise asset management and facilities management services and the successful implementation of Broll Online has standardised reporting processes. We bolstered our teams across our current geographic footprint to support near term growth aspirations which will be integral in achieving our medium term target to reduce administration costs as a percentage of assets towards 0.8%.

The most significant activity this year was the redevelopment of our flagship retail asset, Anfa Place Mall in Casablanca, Morocco at a total capital cost of US$25.09 million (inclusive of VAT, not all of which was incurred in the year). Post completion valuations and assets returns are expected to be enhancing to the portfolio in the current and future financial years. We recently hosted the official relaunch and have already been encouraged by positive footfall trends and market acceptance.

Successful pre-letting and re-tenanting activities have reduced vacancies at Anfa Place Mall to 12.9% as at 30 June 2019. Strategic vacancies of 20% were maintained during the redevelopment stage. Significant new tenants to the centre include new anchor tenant Alpha 55 (1,908 sq m), a well-known Moroccan general merchandiser, while food and entertainment offerings have also been increased as a percentage of overall GLA.

During the year, the Group also acquired an additional 20 completed units leased to Barloworld at VDE corporate accommodation compound in Tete, Mozambique, including the remaining 15.5 hectares of land earmarked for further development at a total acquisition price of US $3.6 million. The additional units are adjacent to Grit's existing 123 unit corporate accommodation asset. Post year end, the Group concluded a new lease contract with Vale for a period of five years, with a material requirement of this lease being the supply of an additional 60 accommodation units. By December 2019, 203 units are expected to be completed, representing an increase of 65% in units available for Vale and their subcontractors.

We increased our stake in Mukuba Mall in Kitwe, Zambia from 50% to 75% for a net (excluding debt) consideration of US$8.2 million. Mukuba Mall remains one of the better performing retail assets in the region, due to its location and offering.

Significant Leasing activity

91.4% of expiring GLA was either renewed or replaced (as part of active asset management activities) with significant activity during the year under review including a new five-year office lease to Exxon Mobil in Commodity house Phase 2 in Maputo. Exxon Mobil has also been granted first option on any further Grit controlled office space in Maputo that becomes available.

We successfully concluded a new 10-year office lease, including an increase in GLA, with Anadarko (1,910 sq m) after the exit of an existing local tenant at Commodity House Phase 1.

We introduced the Macau Casino (947 sq m) to Mall de Tete on a new five-year lease and concluded a new five-year lease with VIP Spar (1,780 sq m) as anchor tenant in Zimpeto Square shopping mall in Maputo.

Financing

A US$140 million syndicated debt refinancing program pertaining to the Mozambique portfolio was agreed with a syndicate of banks led by Standard Bank of South Africa and was implemented post year end. More information on this is available in the CFO review.

At year-end, Grit's Property Loan to Value was 40.6%. We continue to target a range of between 35% and 40% over the medium term.

Capital allocation

The portfolio has reached a level of maturity where certain assets may be recycled and proceeds reinvested into higher returning projects. The finalisation of real estate collective investment schemes (OPCI) in Morocco provides us with an opportunity to unlock value through yield compression should Anfa Place Mall be put into an OPCI structure.

In line with our strategy of being the real estate partner of choice, we are considering a number of co-investment opportunities with pension and sovereign wealth funds on the continent. In addition to equity ownership, it is anticipated that Grit will also provide asset management services, which we would expect to generate additional revenue and to support NAV growth.

Strategy update

The Board has recently broadened the Company's mandate to include the pre-funding of risk mitigated development projects as it looks to deploy surplus cash into business units demonstrating higher returns, strong fee generation and strategies that further accelerate NAV growth. The Group aims to deliver superior returns through three primary areas, namely:

- Property Investment
  - A targeted 12% US$ total return* including secure and growing distributions underpinned by high-quality hard currency leases and contracted rental escalations.
- Property Development
  - Pre-funding of risk-mitigated development projects which, together with the investment in the Group's development associate Gateway Delta, is limited to 20% of Group gross asset value ("GAV"). The turnkey nature of developments are not expected to impact dividends. Profits are applied as a reduction in acquisition cost of future assets, which will make it a key component of delivering sustainably higher targeted future NAV growth from Grit's strong multinational tenant relationships.
- Asset Management fee income
  - Fees charged on full property asset values where Grit owns less than 100% of the portfolio has the ability to further leverage on Grit's operational cost base. The provision of Asset Management Services, both internally and to external property owners is a strategic focus area for the Group and is expected to drive strong fee generation and should assist in lowering a number of the Group's operating cost ratios into the future.

* *This is a target only and not a profit forecast and there can be no assurance that it will be met. Any forward-looking statements and the assumptions underlying such statements are the responsibility of the Board of directors and have not been reviewed or reported on by the Company's external auditors.*

Pipeline Target Acquisitions

We recently announced that we have visibility of c.US$600 million of identified pipeline targets. The Group has concluded transactions or secured exclusivity agreements on 13 of these assets, focused on tenant driven opportunities, which are collectively valued at c. US$470 million across both completed assets and development opportunities. Targets are still subject to, *inter alia*, successful funding and other conditions precedent and we intend to update the market in due course about our further plans to proceed on a number of the opportunities presented in the table below.

Asset	Jurisdiction	Asset Class	Type
Club Med, Senegal (sale & leaseback)	North & West Africa	Hospitality	Asset
Club Med, Senegal (re-development)	North & West Africa	Hospitality	Brownfield
Asset 2	Mauritius & Indian Ocean	Hospitality	Asset
Asset 2 (re-development)	Mauritius & Indian Ocean	Hospitality	Brownfield
Asset 3	Mauritius & Indian Ocean	Office	Brownfield
Asset 4	East Africa	Industrial	Greenfield
Asset 5	East Africa	Industrial	Asset
Asset 5 (continued)	East Africa	Industrial	Brownfield
Asset 6	East Africa	Corporate Accommodation	Greenfield
Asset 7	East Africa	Corporate Accommodation	Greenfield
Asset 8	North & West Africa	Office	Asset
Asset 9	North & West Africa	Office	Asset
Asset 10	North & West Africa	Office	Asset
Asset 11	SADC	Corporate Accommodation	Greenfield
Asset 12	Mauritius & Indian Ocean	Education and Healthcare	Greenfield
Asset 13	Mauritius & Indian Ocean	Hospitality	Asset
Asset 13 (continued)	Mauritius & Indian Ocean	Hospitality	Brownfield

Outlook

During the year under review management has positioned the business to optimise our growth ambitions in a sustainable, predictable way.

The successful execution of the pipeline is expected to further diversify the portfolio, significantly reducing the exposure to retail and increasing our footprint in logistics, hospitality, corporate accommodation and office real estate sectors.

I am grateful to serve as CEO of Grit, and wish to thank all members of our audacious, innovative team. We are built to perform: every member of my team has met the challenges during the past year and have already prepared themselves to optimise all opportunities in the coming year.

The quality of the Group's diversified portfolio and our strong multinational tenant base have once again helped us to deliver a strong set of results despite a number of headwinds. This solid foundation leaves us confident of continuing to deliver attractive returns over the short and longer term.

We are excited about the opportunities we have identified to continue adding attractive, accretive assets to the portfolio at prices that create value for our shareholders and that will underpin our EPRA NAV growth and our progressive dividend policy over the medium term.

Bronwyn Corbett
Chief Executive Officer

CHIEF FINANCIAL OFFICER'S STATEMENT

Financial overview

Our financial results for the year ended 30 June 2019 have shown a solid return with the resilient property portfolio delivering a total return of 12.4% from Portfolio performance, notwithstanding the negative impacts of movements in the EUR:USD.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). In common with best practice in the sector, alternative performance measures have also been provided to supplement IFRS based on the recommendations of the European Public Real Estate Association ("**EPRA**"). EPRA Best Practice and Policy Recommendations ("**BPR**") have been adopted widely throughout this report and are used within the business when considering our operational performance as well as matters such as dividend policy and elements of our Directors' remuneration. Full reconciliations between IFRS and EPRA figures are provided in note 18.

As a result of the various acquisitions and ongoing performance of the existing portfolio, the Group achieved a 57.3% increase in profits from operations (increasing to US$17.3 million in 2019 versus US$11.0 million in 2018). Although the Group incurred a 20.7% increase in financing costs (attributable to increased Libor rates over the period and the impact of the new debt from acquisitions), profit before tax increased from US$30.5 million to US$39.5million, representing an increase of 29.5% for the year. The Group finished the year reporting Adjusted EPRA earnings of US$28.7 million which is a 42.8% increase from US$20.1 million in 2018.

Net Asset value per share decreased from US$135.6cps to US$131.9cps, driven by a deferred tax charge of US$13.6 million (or US$4.6cps). However, EPRA NAV per share growth of 0.96% to US$147.1cps from US$145.7cps in 2018. The impact of the corporate activity during the year accounted for a reduction in EPRA net asset value per share of US$4.5cps.

COMPOSITION OF INCOME PRODUCING ASSETS	**2019**	**2018**
	US$'m	**US$'m**
Investment properties	573.7	383.1
Deposits paid on investment properties	8.5	11.1
Gross property value included in 'Investment of associates'	183.8	201.3
	769.1	595.5
Income producing assets in PPE, Intangibles & property loans	56.1	46.8
TOTAL INCOME PRODUCING ASSETS	825.2	642.3

Property Portfolio

The Group acquired two additional properties during the year, Acacia Estate in Mozambique and 5th Avenue Building in Ghana and increased its stake in Mukuba Mall. In addition, the Group expanded its VDE accommodation compound with the addition of 20 housing units while acquiring 15.5ha of land for additional expansion, currently an additional 60 units are under construction to meet the increasing demand for staff housing for Vale in Tete.

The Group also acquired 50% of the CADS II Building (tenanted by Tullow Oil) in Ghana (included in associates and joint ventures).

The value of our property portfolio increased to US$769.1 million as at 30 June 2019 from US$595.5 million in 2018.

All properties were valued at 30 June 2019 by independent external valuers who are RICS accredited. The below table details the valuations of the properties as at 30 June 2019.

Property fair value movements have been positively impacted by the Euro denominated hospitality sector assets, which have seen significant growth, this is particularly encouraging taking into consideration the negative 2.7% movement in the Euro:USD exchange rate. The valuation performance of the retail assets is in line with general negative market sentiment toward this sector, however operational performance of the specific retail assets remains as per targets. The impact of the Anfa Place Mall refurbishment has yet to be fully reflected in the valuations as the success of the refurbishment will need to be demonstrated over the coming months.

Property	**Most recent independent valuation date**	**Valuer**	**As at 30 June 2019 US$'000**	**As at 30 June 2018 US$'000**
Commodity House Phase I building	30-Jun-19	REC	46,236	43,190
Commodity House Phase II building	30-Jun-19	Knight Frank	17,200	17,270
Hollard Building	30-Jun-19	Knight Frank	20,800	19,600
Vodacom Building	30-Jun-19	Knight Frank	48,101	45,900
Zimpeto Square	30-Jun-19	REC	7,616	9,200
Bollore Warehouse	30-Jun-19	Knight Frank	6,800	6,500
Barclays House	30-Jun-19	Knight Frank	14,312	14,840
Anfa Place Mall	30-Jun-19	Knight Frank	106,145	92,632
Tamassa Resort	30-Jun-19	Knight Frank	54,100	48,900
Vale Housing Compound	30-Jun-19	Knight Frank	49,900	37,300
Imperial Distribution Centre	30-Jun-19	Knight Frank	20,200	18,780
Mara Viwandani	30-Jun-19	Knight Frank	3,250	3,420
Mall de Tete	30-Jun-19	REC	25,416	25,600
Acacia Estate	30-Jun-19	Knight Frank	65,800	-
5th Avenue Building	30-Jun-19	Knight Frank	21,880	-
Mukuba Mall	30-Jun-19	Knight Frank	69,100	-
Total valuation of investment properties directly held by the Group			**576,856**	**383,132**
Deposits paid on Imperial Distribution Centre Phase II			5,500	-
Deposits paid on VALE Housing Compound			-	4,117
Deposits paid on CADS II			-	2,000
Deposits paid on Capital Place Limited			3,000	5,000
Total deposits paid on investment properties			**8,500**	**11,117**
Total carrying value of investment properties including deposits paid			**585,356**	**394,249**

Investment properties held within associates - Group share				
Buffalo Mall Naivasha Limited (50%)	30-Jun-19	Knight Frank	5,449	5,200
Mukuba Mall Limited (50%)	30-Jun-19	Knight Frank	-	38,450
Kafubu Mall Limited (50%)	30-Jun-19	Knight Frank	12,300	13,000
CADS Developers Limited (50%)	30-Jun-19	Knight Frank	18,230	
Cosmopolitan Shopping Centre Limited (50%)	30-Jun-19	Knight Frank	37,350	40,500
Beachcomber Hospitality (44.42%)	30-Jun-19	Knight Frank	98,736	91,903
Capital Place Limited (47.5%)	30-Jun-19	Knight Frank	11,714	12,217
Total of investment properties acquired through associates			**183,779**	**201,270**
Total portfolio			**769,135**	**595,519**

Income statement

Gross rental income increased to US$43.6 million from US$32.1 million in 2018 and net property income increased to US$32.3 million from US$25.7 million in 2018. These increases are due to additional rental income received from 5th Avenue and Acacia Estate which were acquired during the year as well as the impact of Mukuba Mall now being treated as a subsidiary since 31 December 2018 (previously being equity accounted for).

Property operating costs increased by 37.3% (or US$2.8 million), which is in line with the gross rental increase of 35.6% from 2018. With the Company's active on-site administration approach to asset and property management in the various jurisdictions, the Company has attracted a number of highly skilled and experienced staff to manage the portfolio and has expanded capacity to cater for growth.

Operating costs as a percentage of revenue has slightly increased to 24.4% from 22.8% in 2018.

Administrative expenses increased to US$15.2 million from US$14.7 million in 2018, the additional costs are attributable to the increases in costs necessitated by the compliance and reporting requirements associated with the addition of the London Stock Exchange to the previous JSE and SEM listings (with the largest contributors to these costs being external valuation costs, increased cost of non-executive directors and additional audit fees). The administrative expenses include a number of one off costs associated with additional advisors during the London listing process as well as the additional costs for the joint audit conducted for the previous financial year. The Group is committed to proactively managing the cost base, which includes decreasing the number of professional consultants utilised through the new staff members in the various departments.

Total profit for the year attributable to shareholders (which includes the impact of deferred tax) is slightly down to US$28.0 million in 2019 from US$28.6 million in 2018.

Adjusted EPRA earnings for 2019, which removes the impact of non-cash items such as fair value movements, deferred tax, straight lining of leases and unrealised foreign currency translation impacts from profit for the year attributable to shareholders, increased to US$28.7 million from US$20.1 million in 2018.

Net debt and cash flow

The Group raised net debt of US$42.4 million in 2019 through refinancing existing facilities and new debt acquired. As financing is integral to our business model, the Group has continued to develop strong relationships with financiers. The multi-bank approach adopted by Grit has continued, with the main banking partners being Standard Bank, Bank of China and State bank of Mauritius. During the year, the Group added new banking partners in Maubank from Mauritius and Rand Merchant Bank from South Africa (within equity accounted investments) to the list of Grit's financiers.

The breakdown of the interest-bearing borrowings is listed in note 8.

The Group's loan-to-value ("**LTV**") has decreased to 43.12% at the period, from 51.4% in 2018.

Debt and financing arrangements

The main changes in our debt facilities during the year were:

- Facilities settled:

    - EUR20 million revolving credit facility ("**RCF**") with Barclays Bank Mauritius

- New facilities:

    - US$9 million with Barclays Bank Ghana for the acquisition of the 5th Avenue Building in Ghana

    - US$28 million with Standard Bank SA for the acquisition of the Acacia Housing Compound in Mozambique

    - EUR26.5 million RCF with Standard Bank SA

    - US$7.7 million (in Euros) with Maubank in Mauritius

Post year end debt refinance

Phase 1 of the announced debt refinance was implemented in September 2019 whereby the Group consolidated a number of its debt facilities into a single US$140 million facility from Standard Bank South Africa which cross collateralises the Mozambique asset portfolio for a 4-year term bearing interest at a 3 Month Libor+5%. The resultant interest cost saving on the phase 1 refinance is 1.14%.

Loans settled as part of refinance:

Finance institution	**Borrower**	**30 June 2019 USD$'000**
Standard Bank Mozambique	S&C Immobiliaria Limitada	10,451
Standard Bank South Africa	Sal Investments Holdings Limited	12,000
Standard Bank South Africa	Commotor Limitada	38,000
Standard Bank South Africa	Cognis 1 Limitada	27,239
Standard Bank (Mauritius) Limited	Transformers Holdings Limited	10,110
Bank Unico of Mozambique	Zimpeto Immobiliaria Limitada	2,658
		100,458

Post Balance sheet extension of facilities

On 24 June 2019, Mara Delta (Mauritius) Properties Limited secured an extension of the Euro facility for Euro 22.3 million from March 2020 to March 2022. The interest rate will increase from 3.75% to 4.00%. The terms of the loan were approved by the Board in August 2019.

Full Details of debt facilities as at 30 June 2019 are as follows:

Lender	**Borrower**	**Initial facility**	**30 June 2019**	**30 June 2018**
			$'000	**$'000**
Financial institutions				
Standard Bank Mozambique	S&C Immobiliaria Limitada	US$10.4m	10,451	10,451
Standard Bank South Africa	Sal Investments Holdings Limited	US$12m	12,000	12,000
Standard Bank South Africa	Commotor Limitada	US$38.0m	38,000	38,000
Standard Bank South Africa	Cognis 1 Limitada	US$28.0m	27,239	-

Standard Bank South Africa	Grit Services Limited	RCF - EUR26.5m	30,128	-
Standard Bank (Mauritius) Limited	Transformers Holdings Limited	US$11.7m	10,110	11,047
Total Standard Bank Group			**127,928**	**71,498**
Bank of China	Warehously Limited	US$8.5m	8,555	8,555
Bank of China	Gerania Limited	US$13.3m	13,300	13,300
Bank of China	Zambian Property Holdings Limited	US$77m	76,405	76,405
Total Bank of China			**98,260**	**98,260**
State Bank of Mauritius	Leisure Property Northern (Mauritius) Limited	EUR9m	10,395	10,669
State Bank of Mauritius	Leisure Property Northern (Mauritius) Limited	EUR3.2m	3,474	3,566
State Bank of Mauritius	Mara Delta Properties Mauritius Limited	EUR22.3m	25,353	26,022
State Bank of Mauritius	Grit Real Estate Income Group Limited	RCF US$20m	11,115	18,741
Total State Bank of Mauritius			**50,337**	**58,997**
Investec South Africa	Freedom Property Fund SARL	EUR36m	36,198	37,153
Investec South Africa	Freedom Property Fund SARL	US$15.7m	8,860	11,375
Investec Mauritius	Grit Real Estate Income Group Limited	US$0.5m	425	486
Total Investec Group			**45,483**	**49,014**
Barclays Bank Mauritius	BH Property Investment Limited	EUR7.4m	7,174	7,374
Barclays Bank Mauritius	Grit Services Limited	EUR20m	-	19,669
Barclays Bank Ghana Limited	Grit Accra Limited	US$9.0m	9,000	-
Total Barclays Group			**16,174**	**27,043**
Maubank Mauritius	Grit Real Estate Income Group Limited	US$3.7m	3,691	-
Maubank Mauritius	Freedom Asset Management	US$4m	4,033	-
Total Maubank			**7,724**	**-**
Bank Unico of Mozambique	Zimpeto Immobiliaria Limitada	MZN182.7m	2,658	2,913
Total loans in issue			**348,564**	**307,726**

less: unamortised loan issue costs			(2,467)	(1,582)
			346,097	**306,144**

The Group closed the year with a WACD of 6.44% (2018: 5.75%) and the weighted average maturity of our debt was 1.84 years at 30 June 2019 (2018: 2.3 years). This post year end refinancing transaction will cause a decrease in the WACD to c.6.0% and increase our maturity profile to c.2.57 years.

Dividend

Dividend declared of US$6.95 cents per share for the six months ended 30 June 2019, taking the full year dividend US$12.20 cents per share, which is an increase of 0.1% and equates to an annual dividend yield of SEM: 8.84%, JSE: 9.55% and LSE:8.81% (based on 30 June 2019 exchange rates and share prices on the respective Exchanges).

PRINCIPLE RISKS AND UNCERTAINTIES

Grit maintain a Principle Risk Register which is reviewed and updated on a regular basis and presented to the Risk committee for review on a quarterly basis. The key risks are well managed and monitored regularly as the risks could change with changes in the industry, economy and stakeholders, amongst others.

The principle risks and uncertainties facing the Group are set out in the following pages with the potential consequence and impact and the mitigation actions and control in place.

	Type of risk	Description	Consequence and impact	Risk mitigation
1	Strategic/External	Repatriation Risk	Economic losses for the Group. Project financing may also be delayed due to approval processes with regulators in relation to foreign equity to debt investment	Establishment of an appropriate Group accounting and treasury policies and procedures to avoid any economic losses. Establishment of appropriate Group structure to avoid complex regulatory conditions. Appointment of legal and advisory teams to ensure policies, procedures and structures are compliant with applicable local laws. Extensive PRI covers Retention and recruitment of competent in-house finance team to analyse and recommend appropriate solutions to avoid repatriation risks. Approval from the Executive Team and the Board prior to investment resolution.
2	Information Technology	Cyber attack	Risk of cybercrime such as hacking, phishing, waling, ransomware heightened	Business Continuity Plan regularly reviewed and tested.

			Disruption of operations, fraud and reputational damage.	Independent internal and external 'penetration' tests conducted. Multifactor authentication exists for remote access to our systems. Incident response and remediation policies in place. Regular back-ups and replication of data. IT systems protected by anti-virus software and firewalls frequently updated. Security measures are regularly reviewed by the Risk Committee.
3	Financial	Refinance risks	Unable to replace an existing loan with a new one when the latter becomes due for repayment.	Refinancing initiated 9 months prior to maturity. Maintain and monitor that the Weighted Average Lease Expiry (WALE) profile is shorter than the maturity of the loan.
4	Information Technology	Failure of IT infrastructure	Failures in IT infrastructure may lead to impaired operational ability and delayed and inaccurate financial reporting due to loss of data.	Daily backups to an offsite storage facility. Disaster Recovery Onsite and Offsite (Tier 4 Data Centre). Multiple iterations of backup data. IT services outsourced to suitably qualified service providers.
5	Compliance	Regulatory risk - LSE, JSE and SEM compliance	Failure to comply with the rules and regulations may lead to fines, public censures, deregistration from the stock market and ultimately affect the reputation of the Group.	Strong relationships with below: PSG Capital: provides application guidance of the JSE listing requirements. Perigeum Capital Ltd: SEM authorised representative and sponsor assists, advises and oversees the compliance with the SEM Listing Rules. finnCap: financial advisors for the LSE and provide guidance on the listing rules.

				Engaged with One Advisory, SH Legal and Maitland for guidance on the listing requirements. Intercontinental Fund Services Limited and One Advisory: assist from a company secretarial perspective (Mauritius & UK). Regular trainings provided by above mentioned service providers.
6	People and Culture	Departure of Executive Management and members of senior Management team	Disruption of the operations Loss of critical skills Skills shortage Loss of Intellectual Property Sabotage/Destruction of data Possible reputational damage of the Group. Fall in share price/financial loss	Competitive compensation package. Continuous monitoring of the culture of the Group: engagement surveys/employee satisfaction surveys/informal focus group with employees/Employee wellbeing workshop. Appraisal - post probation and continuous. Controls over access to data. Recruitment of people with transferable skills. In-house HR Manager. Remuneration regularly benchmarked by using external company - with respect to industry/Salary surveys. Succession plan designed and implemented which addresses risks related to all key personnel. Appropriate termination of employment notice in place for Senior Management Team.
7	Operational	Default by a major tenant	Default by such a major client might: (i) significantly impact the profitability of the Group (ii) affect the loan repayment capacity of the Group (iii) result into financial loss	Regular interaction with tenants and monitoring of their financial position and news trends. Credit risk assessment for all new tenants, particularly major tenants. The financial position of tenants monitored continuously.

			(iv) result in other tenants requesting for reduced rentals or vacating due to lower trading densities	Early cancellation or reduction of space occupied by tenants.
8	Strategy/External	Reputational risk	Loss of shareholders/loss of credibility/crash of share prices/Loss of shareholder's confidence Loss of credibility in terms of business purpose/opportunistic foreign company Staff turnover/no energy and loyalty to the company/encouraging negative comments to external parties/creation of an unhealthy work environment	Effective internal communication between all departments. Continuous self-development workshops & masterclasses/internal events to increase team-spirit and bonding/recognition of excellency and achievement/advantageous fringe benefits. Oversight by the Board and independent directors. Transparent culture and reporting (Integrated report, audited financial statements, regular updates on the website). Regular communication with stakeholders. Annual general meeting ("AGM") and extraordinary meetings of shareholders held. Compliance report issued by Company Secretary to ensure communication of Grit with laws and listing rules.
9	Financial	Liquidity risk	Not be able to meet its financial commitments as and when they fall due, due to insufficient funds available	Treasury department monitoring liquidity risks and treasury policy in place. Cash balances, working capital requirements held in the currency of the requirements. Swaps or options or good rates on currency conversions. Group LTV (including total RCF facilities) not to exceed 50%.
10	Compliance	Breach of covenants - Operational and financial	Financiers will call back their facilities. Reputational damage	Treasury department and treasury policies in place. Ratios (both actual and forecast) monitored by

			Leads to increased finance costs Inability to raise further funds	Management on a monthly basis. Ratios (both actual and forecast) monitored by the Board on a monthly basis (Monthly dashboard). Compliance with covenants monitored and reported in management accounts prepared on a monthly basis as well as reported through Treasury reports. Constant communication with the bank/Relationship management with financiers.

Financial instruments - risk management

The principal financial instruments used by the Group consist mainly of deposits with banks, interest-bearing borrowings, related party loans receivable/payable, other loans receivable, trade and other receivables, trade and other payables and other financial asset and other financial liability. Exposure to market, credit and liquidity risk arises in the normal course of business.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial commitments as and when they fall due. This risk is managed by holding cash balances and overdraft facilities and by regularly monitoring cash flows. The directors have taken out Political Risk Insurance ("PRI") to cover the Group in the event of any potential currency inconvertibility or exchange transfer limitations. The insurance cover for Mozambique cost 1.15% per annum of the amount insured whilst the cost of the policy for Morocco is currently 0.40% of the cost insured per annum.

The Group utilises undrawn facilities and cash on hand to meet its short-term funding requirements. The intention is that non-current financial liabilities will predominantly be serviced through cash generated from operations and the restructuring of debt upon maturity. Subsequent to year end the matured facilities have been refinanced with Standard Bank South Africa totalling USD140.0 million.

Interest rate risk

The Group seeks to manage its exposure to changes in interest rates by fixing interest rates in respect of certain of its borrowings when considered appropriate. The Group is however exposed to interest rate risk through its variable rate cash balances and interest-bearing borrowings. At 30 June 2019, interest rates in respect of 27.36% (2018: 9.00%) of the Group's borrowings were fixed.

The Group's weighted average effective rate of interest for the year to 30 June 2019 was 6.44% (2018: 5.75%) based on the interest rates applicable to its long-term borrowings, short-term bridge funding and loan issue costs capitalised.

An increase of 1.00% in the interest rate on floating rate borrowings (USD) would result in an increase to finance charges of US$3.1 million (2018: US$1.8 million) pre-tax per annum. This is based on calculating the effective interest rate of the Group and adding 1.00% escalation to the effective interest rate.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from trade and other receivables, cash and cash equivalents. There is considered to be no significant concentration of credit risk as exposure is spread over a large number of counterparties.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

Cash and cash equivalents
It is the Group's policy to deposit short-term cash investments with reputable financial institutions.

Trade and other receivables
Credit risk is principally the risk that a tenant may default or not meet its obligations timeously. The financial position of the tenants is monitored on an ongoing basis. Allowance is made for specific doubtful debts and credit risk is therefore considered to be limited to the carrying amount of the financial assets at the end of the relevant financial year.

Loans to related parties and other loans receivable from partners
The Group has policies in place to ensure that loans are granted to related and other parties with an appropriate credit history so as to limit the amount of exposure to credit risk.

Foreign exchange risk
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Moroccan Dirham and Mozambican Metical and to a lesser extent the Mauritian Rupee, Zambian Kwacha, South African Rand, Euro and Kenyan Shilling. Foreign exchange risk arises in relation to future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group has entered into US Dollar denominated rental contracts with tenants that rent properties held within its Mozambican and Kenyan property portfolios. This is to ensure that the Group is not exposed to a devaluation of rental income generated from these property portfolios. The rental contracts with tenants that rent properties held within the Moroccan property portfolio are denominated in Moroccan Dirhams and the rental contracts with tenants that rent properties within the Zambian property portfolio are denominated in either Zambian Kwachas or US Dollars. The rental income from the Beachcomber hospitality assets in Mauritius is generated in Euros whilst the rentals on the office building in Mauritius are charged in Mauritian Rupees.

Capital management
Overall policy
The Group's overall policy in relation to capital management is to maintain an adequate capital base in order to provide a sound platform from which to provide returns for shareholders and benefits for other stakeholders. The Directors seek to ensure there is an optimal structure to reduce the Group's overall cost of capital.

Approach to capital management
The Board's aim is to maintain a strong equity capital base, comprising of all items within 'total equity attributable to ordinary shareholders' in the consolidated statement of financial position. This is in order to maintain investor, creditor and market confidence and to provide a sound platform from which to enable the Group to sustain its plans for the future development of the business. It is the Group's stated intention to deliver long-term sustainable growth in distributions per ordinary share.

The Group is principally funded by bank debt, equity raised in capital markets, and other new equity issues.

The Company's Constitution states that the Company has an unlimited borrowing capacity.

It is the Group's objective, whenever practical, to maintain its net borrowings at no more than 50% of the value of its principal property and related assets.

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the group financial statements in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board (IASB) and the Mauritius Companies Act 2001, for purposes of complying with the SEM Listings Rules, and to enable the company to meet its filing obligations regarding the financial statements annual report applicable to its listings in London and Johannesburg.

The directors must not approve the group financial statements unless they are satisfied that the group financial statements give a true and fair view of the state of affairs of the group and of the profit or loss of the group for that period. In preparing the financial statements, the directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;

- stating whether applicable IFRSs as issued by the IASB have been followed, subject to any material departures disclosed and explained in the financial statements;

- making judgements and accounting estimates that are reasonable and prudent; and

- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001.

Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors confirms that to the best of their knowledge:

- they have complied with the above mentioned requirements in preparing the group financial statements; and
- the group financial statements, which have been prepared in accordance with IFRSs, give a true and fair view of the assets, liabilities, financial position and profit and loss of the group.

The Directors consider that the Integrated Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The annual financial statements of the Company have been approved by the Board on 30 September 2019. Each of the Directors confirms that to the best of their knowledge that the group financial statements, which have been prepared in accordance with IFRSs, give a true and fair view of the assets, liabilities, financial position and profit and loss of the group.

On behalf of the Board

Bronwyn Corbett	**Leon van de Moortele**
Chief Executive Officer	Chief Financial Officer

CONSOLIDATED INCOME STATEMENT

		For the year ended	For the year ended
		30 June 2019	30 June 2018
	Notes	US$'000	US$'000
Gross rental income	11	43,558	32,128
Straight-line rental income accrual		(824)	1,110
Revenue		42,734	33,238

Property operating expenses		(10,416)	(7,585)
Net property income		32,318	25,653
Other income		274	9
Administrative expenses (including corporate structuring costs)		(15,271)	(14,653)
Profit from operations		17,321	11,009
Fair value adjustment on investment properties		15,637	5,073
Contractual receipts from vendors of investment properties		5,726	8,689
Total fair value adjustment on investment properties		21,363	13,762
Fair value adjustment on other investments		(795)	(757)
Fair value adjustment on other financial asset		(516)	(128)
Fair value adjustment on derivative financial instruments		(6)	25
Share-based payment expense		(156)	(282)
Share of profits from associates		20,553	21,028
Impairment of loans		(1,051)	-
Net impairment on financial assets		(5)	-
Foreign currency (losses)/gains		(1,395)	1,125
Profit before interest and taxation		**55,313**	**45,782**
Interest income	**12**	7,896	4,375
Finance costs	**13**	(23,722)	(19,660)
Profit for the period before tax		**39,487**	**30,497**
Taxation	**14**	(13,417)	(4,752)
Profit for the period after tax		**26,070**	**25,745**
Profit attributable to:			
Equity shareholders		28,035	28,562
Non-controlling interests		(1,965)	(2,817)
		26,070	**25,745**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 30 June 2019	**For the year ended 30 June 2018**

	US$'000	US$'000
Profit for the year	26,070	25,745
Retirement benefit obligation	(1)	
Gain/(loss) on translation of functional currency	(1,816)	(1,495)
Other comprehensive income that will not be reclassified to profit or loss	(1,817)	(1,495)
Total comprehensive income relating to the year	**24,253**	**24,250**
Attributable to:		
Equity shareholders	26,218	27,067
Non-controlling interests	(1,965)	(2,817)
	24,253	**24,250**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at	As at
		30 June 2019	**30 June 2018**
	Notes	**US$'000**	**US$'000**
Assets			
Non-current assets			
Investment properties		573,664	383,132
Deposits paid on investment properties		8,500	11,117
Property, plant and equipment		2,158	1,749
Intangible assets		581	485
Investments in associates and joint ventures	**4**	150,605	165,311
Other investments	**5**	3,024	4,154
Related party loans receivable	**6**	25,320	802
Other loans receivable	**7**	29,226	42,863
Deferred tax	**8**	20,484	8,999
Total non-current assets		**813,562**	**618,612**
Current assets			
Trade and other receivables		34,293	29,786
Current tax refundable		693	-

Related party loans receivable	**6**	166	77
Cash and cash equivalents	**9**	15,164	3,086
Total current assets		**50,316**	**32,949**
Total assets		**863,878**	**651,561**
Equity and liabilities			
Total equity attributable to equity holders			
Ordinary share capital		443,259	328,394
Treasury shares reserve		(18,406)	(14,811)
Foreign currency translation reserve		(36)	1,780
(Accumulated losses)		(34,868)	(35,980)
Equity attributable to owners of the Company		**389,949**	**279,383**
Non-Controlling interests		**4,581**	**(3,940)**
Total equity		**394,530**	**275,443**
Liabilities			
Non-current liabilities			
Redeemable preference shares		12,840	12,840
Proportional shareholder loans		9,615	
Interest-bearing borrowings	**10**	163,738	207,106
Obligations under finance leases		126	124
Deferred tax liability	**8**	44,410	20,791
Total non-current liabilities		**230,729**	**240,861**
Current liabilities			
Interest-bearing borrowings	**10**	182,359	99,038
Obligations under finance leases		46	51
Trade and other payables		31,606	26,151
Current tax payable		924	969
Derivative financial instruments		43	22
Related party loans	**6**	14,507	-
Other financial liability		644	128
Bank overdrafts		8,490	8,898
Total current liabilities		**238,619**	**135,257**

Total liabilities	**469,348**	**376,118**
Total equity and liabilities	**863,878**	**651,561**

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 30 June 2019 US$'000	**For the year ended 30 June 2018 US$'000**
Cash generated from/(utilised in) operations		
Profit before tax for the year	39,487	30,497
Adjusted for:		
Depreciation and amortisation	392	272
Interest income	(7,896)	(4,375)
Share of profits from associates	(20,553)	(21,028)
Finance costs	23,722	19,660
Allowance for credit losses	5	(602)
Bad debt provision	1,162	-
Impairment of loans	1,051	-
Foreign currency losses/(gains)	1,156	(897)
Straight-line rental income accrual	824	(1,110)
Share based payment expense	156	282
Fair value adjustment on investment properties	(21,363)	(13,761)
Fair value adjustment on other investments	795	757
Fair value adjustment on other financial liability	516	128
Fair value adjustment on derivative financial instruments	6	(25)
	19,460	**9,798**
Changes to working capital		
Movement in trade and other receivables	(4,916)	(5,757)
Movement on deposits paid on investment properties	2,617	(11,117)
Movement in trade and other payables	5,994	195
Cash generated from/(utilised in) operations	**23,155**	**(6,881)**
Taxation paid	(897)	(111)

Net cash generated from/(utilised in) operating activities	**22,258**	**(6,992)**
Acquisition of investment properties	(107,587)	(37,083)
Acquisition of property, plant and equipment	(666)	(685)
Acquisition of intangible assets	(230)	-
Acquisition of other investments	-	(3,848)
Net cash outflow on acquisition of associates	(14,053)	(10,109)
Dividends and interest received from associates	8,732	7,470
Interest received	5,415	4,375
Proceeds from disposal of property, plant and equipment	-	4
Related party loans (advanced)	(19,855)	-
Related party loans repaid/received	14,416	-
Proportional shareholder loans repaid	423	-
Other loans (advanced)/repaid	-	(19,532)
Net cash utilised in investing activities	**(113,405)**	**(59,341)**
Proceeds from the issue of ordinary shares	126,124	**-**
Share buy back	-	(85)
Purchase of own shares	(3,595)	-
Share issue expenses	(4,678)	-
Ordinary dividends paid	(33,147)	(14,907)
Proceeds from interest bearing borrowings	147,275	145,406
Settlement of interest bearing borrowings	(104,908)	(74,945)
Finance costs paid	(23,674)	(18,909)
Settlement of obligations under finance leases	(3)	(40)
Net cash generated from financing activities	**103,394**	**36,520**
Net movement in cash and cash equivalents	**12,247**	**(29,813)**
Cash at the beginning of the year	(5,812)	24,230
Effect of foreign exchange rates	239	(229)
Total cash and cash equivalents at the end of the year	**6,674**	**(5,812)**

Consolidated statement of changes in equity

	Share capital	Treasury shares	Fair Value reserve	Foreign currency translation reserve	Antecedent dividend reserve	Accumulated losses	Non-controlling interest	Total equity
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group								
Balance as at 1 July 2017	**319,979**	**(15,031)**		**3,275**	**1,261**	**(51,177)**	**(1,123)**	**257,184**
Profit/(Loss) for the year	-	-		-	-	28,562	(2,817)	25,745
Other comprehensive income	-	-		(1,495)	-	-	-	(1,495)
Total comprehensive income/(expense)	-	-	-	(1,495)	-	28,562	(2,817)	24,250
Share based payments	-	-		-	-	282	-	282
Ordinary dividends paid	-	-		-	(1,261)	(13,647)	-	(14,908)
Treasury shares	-	220		-	-	-	-	220
Ordinary shares issued	8,500	-		-	-	-	-	8,500
Share buy back	(85)	-		-	-	-	-	(85)
Balance as at 30 June 2018	**328,394**	**(14,811)**	**-**	**1,780**	**-**	**(35,980)**	**(3,940)**	**275,443**
Balance as at 1 July 2018	328,394	(14,811)		1,780		(35,980)	(3,940)	275,443
Adoption of IFRS 9						(416)		(416)
	328,394	**(14,811)**	**-**	**1,780**	**-**	**(36,396)**	**(3,940)**	**275,027**
Profit/(loss) for the year	-	-		-	-	28,035	(1,965)	26,070
Other comprehensive loss for the year	-	-		(1,816)	-	(1)		(1,817)
Total comprehensive income/(expense)	-	-	-	(1,816)	-	28,034	(1,965)	24,253
Share based payments	-	-		-	-	156	-	156
Ordinary dividends paid	-	-		-	(6,581)	(26,662)	-	(33,243)
Treasury shares	-	(3,595)		-	-	-	-	(3,595)
Antecedent dividend reserve	(6,581)	-		-	6,581	-	-	-
Ordinary shares issued	132,095	-		-	-	-	-	132,095
Share issue expenses	(10,649)	-		-	-	-	-	(10,649)
Non-controlling interest on acquisition of subsidiary	-	-		-	-	-	10,486	10,486
Balance as at 30 June 2019	**443,259**	**(18,406)**	**-**	**(36)**	**-**	**(34,868)**	**4,581**	**394,530**

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these separate and consolidated financial statements are set out below.

1.1 Basis of preparation

The financial information included in this announcement does not constitute the Group's statutory accounts for either the financial year ended 30 June 2019 or the financial year ended 30 June 2018, but is derived from those accounts. The Group's statutory accounts for the year ended 30 June 2019 will be considered at the Company's Annual General Meeting of shareholders. The Auditor's reports on both the 2019 accounts (audited by PricewaterhouseCoopers) and 2018 accounts (audited by BDO & Co and PricewaterhouseCoopers) were unmodified, did not draw attention to any matters by way of an emphasis of matter.

The consolidated financial statements for the financial year ended 30 June 2019 ("financial statements") have been prepared in accordance with: International Financial Reporting Standards (IFRS) as issued by the IASB; the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council, the JSE Listings Requirements, the SEM Listing Rules and the LSE Listing Rules; and, the requirements of the Mauritian Companies Act 2001. The financial statements have been prepared on the going-concern basis and were approved for issue by the Board on 30 September 2019.

The financial statements have been prepared under the historical cost basis, except for investment properties and certain financial instruments that are measured at fair value through profit or loss and which are stated at fair value.

Going concern

The Directors have satisfied themselves that Group and Company has access to sufficient cash and borrowing facilities to meet its foreseeable cash requirements and that it is appropriate to adopt the going-concern basis in preparing the Group's financial statements. However, should for whatever reason some of the refinancing is not available the Group will need to consider its outgoing cash position which could include a reduction of dividends paid and/or reassessments of the extent of planned capital projects.

Changes in accounting policies and comparability

The accounting policies have been applied consistently to all years presented unless otherwise stated below. Where necessary, comparative figures have been amended to be consistent with changes in presentation in the later years.

IFRS 9 Financial Instruments

The Group has applied IFRS 9 retrospectively but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy for financial instruments (application of IAS 39).

As a result of adoption of IFRS 9, the Group adopted certain consequential amendments to IAS 1 Presentation of Financial Statements, which requires the disclosure of interest revenue on the effective interest rate method, as well as impairment losses on financial assets held at amortised cost. In addition, the Group adopted the consequential amendments to IFRS 7 Financial Instruments: Disclosures, which were applied in the 2018 financial year. Comparative disclosures have not been restated.

IFRS 15 Revenue from contracts with customers

IFRS 15 established a comprehensive framework for determining and reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It replaces all existing revenue standards and their related interpretations in IFRS and applies to all contracts with customers except for contracts that are within the scope of other standards on leases, insurance contracts and financial instruments and therefore does not impact the majority of the Group's revenue.

The standard outlines the principles that must be applied to measure and recognise revenue with the core principle being that revenue should be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for fulfilling its performance obligations to a customer.

The principles in IFRS 15 must be applied using the following 5 step model:

(i) Identify the contract(s) with a customer

(ii) Identify the performance obligations in the contract

(iii) Determine the transaction price

(iv) Allocate the transaction price to the performance obligations in the contract

(v) Recognise revenue when or as the entity satisfies its performance obligations

The Group has adopted IFRS 15 without restating the information presented for 2018. Apart from providing more qualitative disclosures on the Group's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Group. As at the date of initial application, no adjustments were required to the Group's performance or financial position.

Functional and presentation currency

The consolidated financial statements are prepared and are presented in USD (US$) which is also the company's functional and presentational currency of the company. Amounts are rounded to the nearest thousand, unless otherwise stated. Some of the underlying subsidiaries and associates have different functional currencies other than the USD (US$) which is predominantly determined in the country in which they operate.

Presentation of alternative performance measures

The group presents certain alternative performance measures on the face of the income statement. Revenue is shown on a disaggregated basis, split between gross rental income and the straight line rental income accrual. Additionally, the total fair value adjustment on investment properties is presented on a disaggregated basis to show the impact of contractual receipts from vendors separately from other fair value movements. These are non IFRS measures and supplement the IFRS information presented. The directors believe that the presentation this information provides useful insight to users of the financial statements and assists in reconciling the IFRS information to industry-wide EPRA metrics as discussed further in Note 18.

1.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is a person or group that is responsible for allocating resources and assessing performance of the operating segments. The Group has determined the board as its chief operating decision-maker as it is the board that makes the Group's strategic decisions.

1.3 Critical judgments and estimates

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The estimates and assumptions relating to the fair value of investment properties in particular have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the subsequent financial period. Fair value adjustments do not affect the determination of distributable earnings but have an effect on the net asset value per share presented on the statement of financial position to the extent that such adjustments are made to the carrying values of assets and liabilities.

Judgements

The principal areas where such judgments have been made are:

Unconsolidated structured entity

Drive in Trading (DIT), a B-BBEE consortium, secured a facility of US$33.4 million from the Bank of America N.A (UK Branch) ("BoAML") to finance its investment in Grit. The BoAML facility was granted to DIT after South Africa's Government Employees Pension Fund (GEPF), represented by Public Investment Corporation ("PIC"), provided a guarantee to BoAML in the form of a Contingent Repurchase Obligation ("CRO") for up to US$35 million. The terms of the CRO obligate PIC to acquire the loan granted to DIT should DIT default under the BoAML facility.

In order to facilitate the above, the Group agreed to de-risk 50% of PIC's US$35 million exposure to the CRO, by granting PIC a guarantee whereby should BoAML enforce the CRO, the Group would indemnify PIC for up to 50% of the losses, capped at US$17.5 million, following the sale of the underlying securities, being the shares held by DIT in the Grit.

Given the unusual structure of the transaction, the Group has determined that DiT has limited and predetermined activities and can be considered a "structured entity" under IFRS 10 as the "design and purpose" of DiT was to fund Grit rights issue and at the same time enable Grit to obtain B-BBEE credentials.

As the Group does not have both, power to direct the activities of DiT and an exposure to variable returns, the Group has exercised judgement on not to consolidate DiT but disclose it as an unconsolidated structured entity due to DiT being a related party.

Grit Executive Share Trust (GEST) as a subsidiary

The Group has Grit Executive Share Trust (GEST) to be its subsidiary for consolidation purposes due to the Group's implied control of GEST, as the Group's ability to appoint the majority of the trustees and to control the variability of returns of GEST. The Group does not own any interest in

GEST but is exposed to the credit risk and losses of GEST. No Non-controlling interest has been accounted for in the current year.

Gateway Delta Development Holdings Ltd (GDDH) as an associate
The Group has considered Gateway Delta Development Holdings Ltd (GDDH) to be its associate for consolidation purposes due to the Group's significant influence of GDDH, as the Group has a direct and indirect ability to appoint some members to the Board. The Group owns 19.98% of GDDH and benefit from profits of GDDH. The group also has significant influence to participate in the financial and operating policy decisions of the GDDH but do not control or jointly control this policy as the CEO of the Group is also on the investment committee of GDDH and has a close working relationship and history with Mr Pearson (MD of GDDH). This view has changed in this year as it was classified as other investments in the previous financial year.

Freedom Asset Management (FAM) as a subsidiary
The Group has considered Freedom Asset Management (FAM) to be its subsidiary for consolidation purposes due to the Group's implied control of FAM, as the Group has ability to control the variability of returns of FAM. The Group does not own any interest in FAM and does not benefit from any profits of FAM nor is it liable for any losses incurred by FAM.

Acquisition of investment properties
Where investment properties are acquired through the acquisition of corporate interests, the directors have regard to the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where such acquisitions are not judged to be an acquisition of a business under IFRS 3, the transactions are accounted for as if the Group had acquired the underlying investment property directly, together with any associated assets and liabilities. Accordingly, no goodwill arises, rather the cost of acquiring the corporate entity is allocated between the identifiable assets and liabilities of the entity, based on their relative fair values at the acquisition date.

Otherwise corporate acquisitions are accounted for as business combinations.

Investments, associates and joint ventures

As an acquiring group, management needs to ensure that all acquisitions are appropriately classified in the financial statements. Depending on the shareholding and other factors there can be some judgement as to whether the acquisition is shown as an investment, associate or consolidated as a subsidiary. In particular the Group holds interests of 50% of the total stake in multiple investments. The Group is not a controlling party in any of the arrangements. The Company applies judgement to determine whether the investment is classified as a Joint venture or an associate by considering the guidance provided and the prevailing operational arrangements. The Group has exercised judgement that, for all investments classified as joint ventures, the arrangements will meet the definition of a joint arrangement because there is no ultimate controlling party, control is shared. Therefore, the Group has accounted for these investments as joint ventures.

Estimates

The principal areas where such estimations have been made are:

Fair value of financial instruments

The Group have estimated the value of its obligation arising from its guarantee to de-risk 50% of PIC's exposure to the BoAML CRO. The Group's obligation is based on the occurrence or non-occurrence of uncertain future events (the probability of DiT defaulting on the BoAML facility). Therefore, the fair value of the obligation was based on the probability of DiT defaulting on the facility, which has been assessed as insignificant as at 30 June 2019.

Fair value of investment properties

The fair value of investment properties is determined using a combination of the discounted cash flows method and the income capitalisation valuation method, using assumptions that are based on market conditions existing at the end of the relevant reporting period.

Impairment of CGUs and non-financial assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In the case of any goodwill, this is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that an impairment may have occurred, estimates are prepared of expected future cash flows for each relevant group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including the pre-tax discount rate used that reflects current market assessments of the time value of money, together with economic factors such as exchange rates and country specific inflation and interest rates.

Taxation

Judgements and estimates are required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax inspection issues in the jurisdictions in which it operates based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each relevant jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

2. New standards and interpretations

Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, interpretations and amendments to existing standards have been published that are applicable for future accounting periods that have not been adopted early by the Group. These standards and interpretations will be applied in the first year that they are applicable to Grit.

IFRS 16 Leases (1 January 2019)	IFRS 16 replaces IAS 17 *Leases,* IFRIC 4 *Determining whether an arrangement contains a lease,* SIC-15 *Operating leases - incentives* and SIC-27 *Evaluating the substance of transactions involving the legal form of a lease* ***Lessee accounting*** IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items	As at the reporting date, the group has non-cancellable operating lease commitments of USD1.3 million. Of these commitments, approximately USD0.2 million relate to short-term leases and which will both be recognised on a straight-line basis as expense in profit or loss. The group expects that net profit after tax will decrease by approximately USD0.1 million for 2019 as a result of adopting the new rules.

	IFRS 16 can be applied using either a retrospective approach or a modified retrospective approach with optional practical expedients for lessees. The lessee will have to apply any elections consistently to all of its leases When applying the modified retrospective approach to leases previously classified as operating leases under IAS 17, the lessee can elect, on a lease-by-lease basis, whether to apply a number of practical expedients on transition **Lessor accounting** IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating or finance leases, and to account for those two types of leases differently IFRS 16 also requires enhanced disclosures to be provided about a lessor's risk exposure, particularly to residual value risk	This standard does not substantially affect the accounting for rental income earned by the Group as lessor. The main impact of the standard is the removal of the distinction between operating and finance leases for lessees, which will result in almost all leases being recognised on the balance sheet. As the Group does not hold any material operating leases as lessee, the impact of the standard is not expected to be material to the financial statements.
Annual improvements 2017 (1 January 2019)	The annual improvements deal with additional guidance for applying the acquisition method to particular types of business combinations (IFRS 3 *Business combinations*), accounting for acquisitions of interests in joint operations (IFRS 11 *Joint arrangements*), income tax consequences of payments on financial instruments classified as equity (IAS 12 *Income taxes*), and borrowing costs eligible for capitalisation (IAS 23 *Borrowing costs*)	The Group is currently in the process of evaluating the detailed requirements of the improvements to assess the impact on the financial statements.

Standards, interpretations and amendments to published standards that are effective and applicable to the Group

The Group has adopted the following new standards, interpretations and amendments to existing standards for the first time for the financial year ended 30 June 2019. The nature and effect of the changes are as follows:

Topic	Summary of requirements	Impact
Amendments to IAS 7 *Disclosure initiative*	The amendments introduce new disclosure for changes in liabilities arising from financing activities, by providing a reconciliation between the opening and closing balances	Impact not material. Net debt reconciliation has already been presented in the current financial statements

(1 January 2017)		
Amendments to IAS 12 *Recognition of deferred tax assets for unrealised losses (1 January 2017)*	The amendments clarify the requirements for recognition of deferred tax assets arising from unrealised losses on debt instruments measured at fair value	Impact not material. Deferred tax assets have already been accounted for in line with the amendment
Annual improvements 2016 (1 January 2017) IFRIC 23 Uncertainty over Income Tax Treatments (1 January 2019)	This amendment clarifies that disclosure requirements for interests in other entities also apply to interests that are classified as held-for-sale or distribution IFRIC 23 clarifies that where it is unclear how tax law applies to a particular transaction or circumstance, an entity will have to assess whether it is probable that the tax authority will accept the entity's chosen tax treatment. Where it is probable that the tax authority may not accept the chosen tax treatment, disclosure about judgements made, assumptions and other estimates used; and the potential impact of uncertainties that are not reflected may be required. The interpretation also requires the entity to reassess the judgements and estimates applied if the facts and circumstances change	Impact not material. The Group has been disclosing for entities held-for-sale in accordance with this clarification in the past The Group will be assessing the impact of this interpretation prospectively during the 2020 reporting period
Definition of a Business (Amendments to IFRS 3)	Defining a business is important because the financial reporting requirements for the acquisition of a business are different from the requirements for the purchase of a group of assets that does not constitute a business. The proposed amendments are intended to provide entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3 In October 2018 the IASB issued this amendment to make it easier for companies to decide whether activities and assets they acquire are a business or merely a group of assets. The amendments: • Confirm that a business must include inputs and a process, and clarified that: (i) the process must be substantive and (ii) the inputs and process must together significantly contribute to creating outputs. • Narrow the definitions of a business by	The Group is currently in the process of evaluating the detailed requirements of the improvements to assess the impact on the financial statements

	focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and • Add a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period	

3. INVESTMENT PROPERTIES

	30 June 2019	30 June 2018
	US$'000	**US$'000**
Net carrying value of properties	**573,664**	**383,132**
Movement for the period excluding straight-line rental income accrual		
Investment property at the beginning of the period	376,722	302,495
Acquisitions and construction of investment properties	88,528	64,976
Transfer from joint venture	75,400	-
Transaction costs capitalised	-	1,235
Other capital expenditure and construction	8,484	-
Foreign currency translation differences	(2,767)	2,943
Revaluation of properties at end of period	15,637	13,762
Contractual receipts from vendors of investment properties (reduction in purchase price)	5,726	(8,689)
As at 30 June	**567,731**	**376,722**
Reconciliation to consolidated statement of financial position and valuations	**-**	-
Investment properties carrying amount per above	567,731	376,722

Straight-line rental income accrual	5,933	6,410
Investment properties	**573,664**	**383,132**
Reconciliation to Property Valuation		
Investment Properties	573,664	383,132
Lease incentives (disclosed under Current Assets)	2,505	-
Right of use of land (included under intangible assets)	478	-
Furniture and Fittings (disclosed under Property, plant and equipment)	210	
Total valuation of properties	**576,856**	**383,132**

Investment property pledged as security

Certain of the Group's investment property has been pledged as security for interest-bearing borrowings as follows:

- Mozambican investment properties with a market value of US$287.9 million (2018: US$198.0 million) are mortgaged to Standard Bank of Mozambique to secure debt facilities amounting to US$10.5 million (2018: US$10.4 million), Standard Bank of South Africa to secure debt facilities amounting to US$77.2 million (2017: US$50.0 million), Standard Bank (Mauritius) Limited to secure debt facilities amounting to US$10.1 million (2018: US$11.0 million) and Banco Unico of Mozambique to secure debt facilities amounting to US$2.7 million (2018: US$2.9 million) and Bank of China to secure debt facilities amounting to US$13.3 million (2018: US$13.3 million).

- Moroccan investment properties with a market value of US$106.7 million (2018: US$92.6 million) are mortgaged to Investec South Africa to secure debt facilities amounting to US$45.1 million (2018: US$48.5 million).

- Mauritian investment properties with a market value of US$68.4 million (2018: US$63.7 million) are mortgaged to Barclays Bank of Mauritius to secure debt facilities amounting to US$7.2 million (2018: US$7.4 million) and State Bank of Mauritius to secure debt facilities amounting to US$25.4 million (2018: US$26.0 million).

- Kenyan investment properties with a market value of US$23.4 million (2018: US$18.8 million) are mortgaged to Bank of China to secure debt facilities amounting to US$8.5 million (2018: US$8.5 million).

- Zambian investment properties with a market value of US$69.1 million (2018: US$nil) are mortgaged to Bank of China to secure debt facilities amounting to US$29.0 million (2018: US$nil).

- Ghanaian investment properties with a market value of US$21.9 million (2018:US$nil) are mortgaged to Barclays Bank Ghana Limited to secure debt facilities amounting to US$9.0 million (2018: US$nil).

Valuation policy and methodology for investment properties held by the Group and by associates

Investment properties are valued at each reporting date with independent valuations performed every year by independent professional reputable valuation experts who have sufficient expertise in the jurisdictions where the properties are located. All valuations that are performed in the functional currency of a group entity that is not United States Dollars are converted to United States Dollars at the effective closing rate of exchange. All valuations have been undertaken by the Royal Institute of Chartered Surveyors' ("RICS's"), accredited and registered valuers, in accordance with the version of the RICS Valuation Standards that were in effect at the relevant valuation date and are further compliant with International Valuation Standards. Market values presented by valuers have also been confirmed by the respective valuers to be fair value in terms of IFRS.

In respect of the majority of the Mozambican investment properties, independent valuations were performed at 30 June 2019 by Knight Frank Chartered Surveyors and REC Chartered Surveyors

(2018: Jones Lang LaSalle Proprietary Limited (JLL), Chartered Surveyors) using either the discounted cash flow method (2018: income capitalisation (yield) or the discounted cash flow method). The remaining Mozambican properties were valued by REC Chartered Surveyors and part of the Meridian Group, at 30 June 2019 using the discounted cash flow method.

The Moroccan investment property was independently valued at 30 June 2019 by Knight Frank Chartered Surveyors (2018: Knight Frank Chartered Surveyors), using the discounted cash flow method.

The Zambian investment properties held by associates were independently valued at 30 June 2019 by Knight Frank Chartered Surveyors (2018: Broll Valuation and Advisory Services (Pty) Ltd, Chartered Surveyors), using the discounted cash flow method.

The Kenyan investment properties held by the Group and its associates were independently valued at 30 June 2019 by Knight Frank Chartered Surveyors (2018: Broll Valuation and Advisory Services (Pty) Ltd, Chartered Surveyors), using the discounted cash flow method.

The Mauritian investment properties held by the Group and its associates were independently valued at 30 June 2019 by Knight Frank Chartered Surveyors (2018: Broll Indian Ocean (Pty) Ltd, Chartered Surveyors), using the discounted cash flow method.

The Ghanaian investment properties held by the Group and its associates were independently valued at 30 June 2019 by Knight Frank Chartered Surveyors and Apex Charter Surveyors (2018: Broll Valuation and Advisory Services (Pty) Ltd, Chartered Surveyors), using the discounted cash flow method.

4. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

			30 June 2019	**30 June 2018**
			US$'000	US$'000
The following entities have been accounted for as associates in the current and comparative consolidated financial statements using the equity method:				
Name of joint venture	**Country of incorporation and operation**	**% held**		
Mukuba Mall Limited	Zambia	50.0%	-	38,355
Kafubu Mall Limited	Zambia	50.0%	12,089	12,746
Cosmopolitan Shopping Centre Limited	Zambia	50.0%	37,301	40,526
CADS Developers Limited	Ghana	50.0%	11,366	-
Carrying value of joint ventures			60,756	91,627
Name of associate	**Country of incorporation and operation**	**% held**		
Capital Place Limited	Ghana	47.5%	8,687	7,960
Buffalo Mall Naivasha Limited	Kenya	50.0%	3,610	3,294
Beachcomber Hospitality Investments Limited[1]	Mauritius	44.42%	70,627	62,430
Gateway Delta Development Holdings Limited	Mauritius	19.98%	6,925	-

Carrying value of associates			89,849	73,684
Joint ventures			60,756	91,627
Associates			89,849	73,684
Total carrying value of associates and joint ventures			**150,605**	**165,311**

[1]The carrying value at 30 June 2019 includes an unsecured loan of US$46.6 million (30 June 2018: US$46.6 million), from the Group to the associate, which bears interest at 6.25% (30 June 2018: 6.25%).

Secured investments:

Zambian investment properties held by associates have a market value of US$90.3 million as at 30 June 2019 (30 June 2018: US$183.9 million). The properties in the investee entities are fully mortgaged to Bank of China to secure debt facilities amounting to US$47.4 million as at that date (30 June 2018: $76.4 million).

Mauritian investment properties held by an associate have a market value of US$222.2 million as at 30 June 2019 (30 June 2018: US$206.7 million). The property in the investee entity is mortgaged in equal proportions to SBM Bank (Mauritius) Limited, Investec Bank (Mauritius) Limited and the Mauritius Commercial Bank Limited to secure debt facilities amounting to US$56.8 million (30 June 2018: US$62.2 million).

Kenyan investment property held by an associate has a market value of US$10.9 million as at 30 June 2019 (30 June 2018: US$10.4 million). The property in the investee entity is fully mortgaged to HFCK Bank Limited to secure debt facilities amounting to US$4.4 million (30 June 2018: US$4.4 million).

Ghanain investment property held by an associate has a market value of US$36.5 million as at 30 June 2019 (30 June 2018: US$nil). The property in the investee entity is fully mortgaged to Barclays Bank Ghana Limited to secure debt facilities amounting to US$15.1 million (2018: US$nil).

	Mukuba Mall Limited	Kafubu Mall Limited	Beachcomber Hospitality Investments Limited	Capital Place Limited	Gateway Delta Development Holdings Limited	CADS Developers Limited	Cosmopolitan Shopping Centre Limited	Buffalo Mall Naivasha Limited	Total
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
As at 30 June 2019									
Statement of financial position									
Non-current assets	-	24,600	222,264	24,671	11,760	36,460	74,720	10,904	405,379
Current assets	-	117	-	1,072	37,739	4,863	252	774	44,817
	-	**24,717**	**222,264**	**25,743**	**49,499**	**41,323**	**74,972**	**11,678**	**450,196**
Non-current liabilities	-	368	59,037	7,535	14	15,045	-	4,316	86,315
Current liabilities	-	171	4,238	(81)	14,826	3,546	370	142	23,212
	-	**539**	**63,275**	**7,454**	**14,840**	**18,591**	**370**	**4,458**	**109,527**
Net asset value	**-**	**24,178**	**158,989**	**18,289**	**34,659**	**22,732**	**74,602**	**7,220**	**340,669**
Percentage held by Group		50.0%	44.4%	47.5%	19.98%	50.0%	50.0%	50.0%	
Net Asset Value attributable to the Group	**-**	**12,089**	**70,627**	**8,687**	**6,925**	**11,366**	**37,301**	**3,610**	**150,605**
		-	-	-	-	-	-	-	-
For the year to 30 June 2019									
Total comprehensive income									
Revenue	1,561	1,143	6,890	1,135	54	1,271	3,133	534	15,721
Fair value movement in investment properties	(750)	2,328	8,685	(504)	(23)	87	(3,150)	248	6,921

Profit/(loss) for the year	564	1,465	14,178	2,916	848	866	(602)	318	20,553
Total comprehensive income/(expense)	564	231	12,608	2,916	848	866	(602)	318	17,749
Dividends received from associates	1,233	465	1,692	-	-	-	2,623	-	6,013
Reconciliation to carrying value in associates									
Balance at the beginning of the period as restated	38,355	12,746	62,430	7,960	-	-	40,526	3,294	165,311
Acquired during the period (see below and note 29)	-	-	-	-	6,449	10,500	-	-	16,949
Profit/(losses) from associates	564	1,465	14,178	2,916	848	866	(602)	318	20,553
- Revenue	1,561	1,143	6,890	1,135	54	1,271	3,133	534	15,721
- Property operating expenses	(130)	(223)	(25)	(234)	-	-	(534)	(190)	(1,336)
- Admin expenses and recoveries	(117)	(20)	260	2,103	848	(3)	20	(28)	3,063
- Fair value adjustment on other investments	-	-	-	-	140	-	-	-	140
- Unrealised foreign exchange gains/(losses)	-	(1,734)	2	(1)	-	(1)	(74)	(11)	(1,819)
- Finance Charges	-	(7)	(1,041)	(342)	(160)	(488)	3	(235)	(2,270)
- Fair value movement on Investment Property	(750)	2,328	8,685	(504)	(23)	87	(3,150)	248	6,921
- Current tax	-	(22)	90	-	(11)	-	-	-	57
- Deferred tax	-	-	(683)	759	-	-	-	-	76
Dividends received and interest received	(1,233)	(465)	(4,411)	-	-	-	(2,623)	-	(8,732)
Repayment of proportionate shareholders loan	-	(423)	-	-	-	-	-	-	(423)
Purchase price adjustment	-	-	-	(2,189)	-	-	-	-	(2,189)
Consolidation adjustment	-	-	-	-	(372)	-	-	-	(372)
Foreign currency translation differences	-	(1,234)	(1,570)	-	-	-	-	-	(2,804)
Reclassified to subsidiaries	(37,686)	-	-	-	-	-	-	(2)	(37,688)
Carrying value of associates	**-**	**12,089**	**70,627**	**8,687**	**6,925**	**11,366**	**37,301**	**3,610**	**150,605**

Investment in the year ended 30 June 2019

Grit, the ultimate holding company, owns 19.98% of the share capital of Gateway Delta Development Holdings Limited ("GDDH"), a company incorporated in Mauritius. This investment has been reclassified to an associate for consolidation purposes due to the Group's significant influence of the investment, as the Group has a direct and indirect ability to appoint some members to the board. The Group also has significant influence to participate in the financial and operating policy decisions of the GDDH but do not control or jointly control this policy as the CEO of the Group is also on the investment committee of GDDH and has a close working relationship and history with Mr Pearson (MD of GDDH). GDDH has been treated as an associate.

The Group acquired a 50% interest in CADS Developers Limited on 31 December 2018 for a net purchase consideration of US$10.5 million. Grit Accra Limited, a company incorporated in Mauritius, is 100% owned by the Group and owns 50% of the share capital of CADS Developers Limited, a company incorporated in Ghana.

5. OTHER INVESTMENTS

			30 June 2019 US$'000	**30 June 2018** US$'000
Balance at the beginning of the year			4,154	**-**
Additions			-	4,911
Reclassification to Investments in Associates			(335)	-
Fair value adjustments recognised in profit or loss			(795)	(757)

As at 30 June			**3,024**	**4,154**
	Level 1	**Level 2**	**Level 3**	**Total**
Fair value hierarchy at 30 June 2018	**U$'000**	**U$'000**	**U$'000**	**U$'000**
Investment in Letlole La Rona	**3,091**	**-**	**-**	**3,091**
Investment in Gateway Delta Developments Holdings Limited	**-**	**-**	**1,063**	**1,063**
Fair value hierarchy at 30 June 2019				
Investment in Letlole La Rona	**3,024**	**-**	**-**	**3,024**

Level 1 investment comprise of listed equity investment valued at market prices. If all significant inputs required to fair value an investment are observable, the investment is included in level 2. If one or more of the significant inputs are not based on observable market data, the investment is included in level 3.

Listed investments

The Group acquired 17,500,000 shares, representing 6.25% of the issued equity capital, in the listed company Letlole La Rona for US$3.85 million in the year ended 30 June 2018. This company is incorporated in Botswana and listed on the Botswana Stock Exchange.

Unlisted investments

The Group invested US$1.02 million in an unlisted development company, Gateway Developments Holdings Limited, incorporated in Mauritius, in the period ended 31 January 2018 as part of its strategy to secure future investment pipeline on the African continent.

In the current year this investment has been reclassified to an associate for consolidation purposes due to the Group's significant influence of the investment, as the Group has a direct and indirect ability to appoint some members to the board. The Group owns 19.98% of the investment and do benefit from profits of the investment.

In the prior year, the directors were satisfied that this level 3 investment is carried at fair value at 31 January 2018 after considering the future cash flows associated with the business.

6. RELATED PARTY LOANS RECEIVABLE AND PAYABLE

	30 June 2019	**30 June 2018**
	US$'000	**US$'000**
Current loans to/(from) related parties		
Cuckoos Nest Trust	5	-
Kenzlex Trust	1	-
Pearson Trust	5	-
FAM Executive Share Trust	7	-
Copapax Limited	60	-
Boyzana Gane Trusts	5	-
African Property Development Managers	78	-
Non-current loans to/(from) related parties		

Venus Africa Properties Proprietary Limited[3]	916	800
These loans are unsecured, bear interest at the USD base rate of the South African Reserve Bank + 300 basis points and are repayable 5 years after the drawdown date.		
Bowwood and Main No 117 Proprietary Limited	1,488	-
At the relevant reporting dates the above loans were unsecured, did not bear interest and the borrower had an unconditional right to defer payment for a period of 12 months.		
Lifostax Proprietary Limited	916	-
These loans are unsecured, bear interest at the USD base rate of the South African Reserve Bank + 300 basis points (subject to a minimum rate of 7.5% per annum) calculated and accrued on a six monthly basis and are repayable 5 years after the drawdown date.		
Drift (Mauritius) Limited	12,000	-
Project pre-funding 1 – Tete Housing Project		
Loan bears interest at 3 million Libor plus 6.5% per annum, repayable within 24 months or such other time as agreed in writing between the parties.		
Drift (Mauritius) Limited	10,000	-
Project pre-funding 2 – Maputo Housing Project		
Loan bears interest at 3 million Libor plus 6.5% per annum, repayable within 24 months or such other time as agreed in writing between the parties.		
Gateway Delta Developments Holdings Limited	(81)	77
Loan bears interest of Libor plus 6.5%		
Bowwood and Main No 117 Proprietary Limited (Non-current)	-	2
Gateway Delta Developments Holdings Limited	(14,416)	-
Project costs for Anfa Place Mall redevelopment project, repayable within 30 days of completion of the redevelopment.		
Current accounts with subsidiaries		
Capital Place Limited	(10)	-
CADS Developers Limited	5	-
The above loans are unsecured, do not bear interest and the borrower has an unconditional right to defer payment for a period of 12 months		
	10,979	**879**
In the opinion of the directors, the carrying value of loans to related parties approximate their fair value.		
Classification of related party loans:		
Non-current assets	25,320	802
Current assets	166	-
Non-current liabilities	-	-
Current liabilities	(14,507)	77
	10,979	**879**

7. OTHER LOANS RECEIVABLE

	30 June 2019	30 June 2018

	US$'000	US$'000
Ndola Investments Limited[2,4]	5,073	5,073
Paxton Investments Limited[1,2]	25	8,723
Kitwe Copperbelt Limited[2,4]	5,577	5,577
Syngenta Limited[2,4]	18,690	18,690
Transformers Investment Limited[5,6]	-	4,000
Lifostax Proprietary Limited[3,6]	-	800
IFRS 9 – Impairment on financial assets (ECL)	(139)	-
As at 30 June	**29,226**	**42,863**

1. During the year Paxton became a subsidiary.

2. In April 2017 Bank of China provided the Group with a term loan credit facility of US$77 million for 5 years. This facility has been fully drawn by the Group as at 30 June 2019. The Group has advanced loans amounting in total to 50% of the US$77 million facility to the other investors in the Zambian investment. Each of these loans has a 5 year term, is secured by a suretyship under the terms of the respective loan agreement and has interest charged at a rate of 6 month LIBOR plus 4%. The party has provided their share of the property as security to Bank of China.

3. These loans are unsecured, bear interest at the USD base rate of the South African Reserve Bank + 300 basis points and are repayable 5 years after the drawdown date. This loan has been reclassified as a loan to a related party.

4. Mr Peter Todd, Chairman of the Company, was a non-executive Mauritian resident director of these companies for all or part of the periods during which loans were advanced by the Group to these entities. For the 2019 financial year Peter Todd has not been a director on the relevant Boards. The total interest receivable by the Group on these loans in the year ended 30 June 2018 was US$0.9 million.

5. This loan is unsecured, interest-free and repayable within one year from the drawdown date.

6. This loan was classified as a related party loan during the year.

In the opinion of the directors, the carrying values of the above loans receivable approximate their fair values at each reporting date.

8. DEFERRED TAX

	30 June 2019 US$'000	**30 June 2018 US$'000**
Deferred tax asset/(liability)		
Assessed losses	14,751	2,671
Foreign exchange losses	4,693	6,317
Expected credit loss provisions	127	-
Provisions	913	6
Interest-rate swaps	-	5
Total deferred tax asset	**20,484**	**8,999**
Straight-line rental income accrual	(1,416)	(920)
Lease incentives	(775)	-
Capital allowances	(8,930)	-
Fair value adjustments to investment property	(33,289)	(19,872)
Total deferred tax liability	**(44,410)**	**(20,791)**
Deferred tax – net position per the consolidated statement of financial position	**(23,926)**	**(11,792)**
Movement for the year	**-**	**-**

Balance at the beginning of the year	(11,792)	(8,545)
Adoption of IFRS 9	127	-
Restatement balance at the beginning of the year	(11,665)	(8,545)
Additions through subsidiaries	1,315	-
Assessed losses recognised	10,765	1,738
Foreign exchange movements	(1,624)	816
Lease incentives	(775)	-
Straight-line rental income accrual	(496)	228
Fair value adjustments to investment properties	(22,349)	(5,979)
Provisions	907	(47)
Interest-rate swaps	(4)	(3)
Total movement for the year	**(13,576)**	**(3,247)**
As at 30 June	**(23,926)**	**(11,792)**

9. CASH AND CASH EQUIVALENTS

	30 June 2019	**30 June 2018**
	US$'000	**US$'000**
Cash and cash equivalents consists of the following:		
Cash at bank available on demand	15,161	2,794
Petty cash	3	8
Short term deposits	-	284
Current assets	15,164	3,086
Bank overdrafts	(8,490)	(8,898)
Current liabilities	(8,490)	(8,898)
	6,674	**(5,812)**

10. INTEREST-BEARING BORROWINGS

	30 June 2019	**30 June 2018**
	US$'000	US$'000
Non-current liabilities		
At amortised cost	163,738	207,106
Current liabilities		
At amortised cost	182,359	99,038
	346,097	**306,144**
Currency of the interest-bearing borrowings (stated gross of unamortised loan issue costs)	-	-
United States Dollars	214,345	189,094
Euros	131,561	115,719

Mozambican Meticais	2,658	2,913
	348,564	307,726
Unamortised loan issue costs	(2,467)	(1,582)
As at 30 June	**346,097**	**306,144**
Movement for the period		
Balance at the beginning of the year	306,144	233,010
Proceeds of interest bearing-borrowings	147,275	145,406
Loan issue costs incurred	(2,670)	(571)
Amortisation of loan issue costs	1,785	1,386
Foreign currency translation differences	(1,529)	1,858
Debt settled during the period	(104,908)	(74,945)
As at 30 June	**346,097**	**306,144**

11. Gross Rental Income

		30 June 2019	**30 June 2018**
		US$'000	US$'000
	Contractual rental income	36,921	27,213
	Retail parking income	1,532	965
	Recoverable property expenses	5,105	3,950
	Total revenue	**43,558**	**32,128**

12. Interest income

		30 June 2019	**30 June 2018**
		US$'000	US$'000
	Bank interest receivable	135	67
	Interest on loans to partners	2,458	3,278
	Interest on loans to related parties	2,375	130
	Interest on property deposits paid	1,729	834
	Interest on tenant rental arrears	1,199	66
		7,896	**4,375**

13. Finance costs

		30 June 2019	30 June 2018
		US$'000	US$'000
	Interest-bearing borrowings - financial institutions	20,621	16,972
	Capital projects	429	-
	Amortisation of loan issue costs	1,785	1,463
	Preference share dividends	778	825
	Interest on finance leases	12	(3)
	Interest on bank overdraft	21	17
	Other interest payable	76	386
		23,722	**19,660**

14. Taxation

		30 June 2019	30 June 2018
		US$'000	US$'000
	Major components of the taxation expense		
	Current taxation	(159)	1,519
	Deferred taxation	13,576	3,233
		13,417	**4,752**
	Reconciliation of the taxation expense		
	Profit before tax	**39,487**	**30,497**
	Statutory taxation expense at 15% (all periods)	**5,923**	4,574
	Tax effect of adjustments to taxable income:		
	Non-taxable income	**(3,837)**	(3,802)
	Non-deductible expenditure	**3,799**	1,204
	Under provision in the previous period	**132**	282
	Foreign tax credit	**(1,346)**	(1,328)
	Deferred tax asset not provided for	**(1,233)**	2,101
	Investment tax credit	**(3,011)**	(234)
	Minimum tax	**91**	42

	Tax losses unutilised carried forward	**-**	-
	Effect of different tax rates	**12,899**	1,913
	Effective taxation expense at 33.98% (2018: 15.58%)	**13,417**	4,752

15. Segmental information

The Group reports on a segmental basis in terms of geographical location and type of property. Geographical location is split between Morocco, Mozambique, Zambia, Kenya, Ghana and Mauritius, as relevant to each reporting period. In terms of type of property, the Group has investments in the retail, office and various other sectors.

In US$'000								
Geographical location 30 June 2019	**Botswana**	**Morocco**	**Mozambique**	**Zambia**	**Kenya**	**Ghana**	**Mauritius**	**Total**
Reportable segment profit and loss								
Gross rental income	-	8,680	24,610	3,001	1,553	1,013	4,701	43,558
Straight-line rental income accrual	-	(1,315)	(286)	-	386	83	308	(824)
Revenue	**-**	**7,365**	**24,324**	**3,001**	**1,939**	**1,096**	**5,009**	**42,734**
Property operating expenses	-	(5,323)	(4,263)	(436)	(39)	(185)	(170)	(10,416)
Net property income	**-**	**2,042**	**20,061**	**2,565**	**1,900**	**911**	**4,839**	**32,318**
Other income	-	200	-	17	-	-	57	274
Administrative expenses (including corporate structuring costs)	-	(573)	(2,842)	(19)	(75)	(517)	(11,245)	(15,271)
Profit/(loss) from operations	**-**	**1,669**	**17,219**	**2,563**	**1,825**	**394**	**(6,349)**	**17,321**
Fair value adjustment on investment properties	-	8,129	11,366	(6,300)	855	1,685	5,628	21,363
Fair value adjustment on other investments	(68)	-	-	-	-	-	(727)	(795)
Fair value adjustment on other financial assets	-	-	-	-	-	-	(516)	(516)
Fair value adjustment on derivatives financial instruments	-	-	-	-	-	-	(6)	(6)
Share based payment expense	-	-	-	-	-	-	(156)	(156)
Share of profits from associates	-	-	-	1,427	318	3,782	15,026	20,553
Impairment of loans	-	-	-	-	-	-	(1,051)	(1,051)
ECL Provision	-	(20)	19	1	-	(1)	(4)	(5)
Foreign currency (losses)/gains	-	784	(283)	(48)	(4)	(37)	(1,807)	(1,395)
Profit/(loss) before interest and taxation	**(68)**	**10,562**	**28,321**	**(2,357)**	**2,994**	**5,823**	**10,038**	**55,313**
Interest income	-	441	157	2	-	167	7,129	7,896
Finance costs	-	(1,919)	(7,123)	-	(670)	(444)	(13,566)	(23,722)
Profit/(loss) for the period before tax	**(68)**	**9,084**	**21,355**	**(2,355)**	**2,324**	**5,546**	**3,601**	**39,487**
Taxation	-	(184)	(11,343)	-	(847)	(390)	(653)	(13,417)
Profit/(loss) for the year	**(68)**	**8,900**	**10,012**	**(2,355)**	**1,477**	**5,156**	**2,948**	**26,070**
Reportable segment assets and liabilities								
Non-current assets								
Investment properties	-	104,071	287,314	69,100	23,450	21,795	67,934	573,664
Deposits paid on investment properties	-	-	-	-	-	-	8,500	8,500
Property, plant and equipment	-	18	383	-	-	26	1,731	2,158
Intangible assets	-	13	1	-	-	-	567	581
Other investments	-	-	-	-	-	-	3,024	3,024
Investment in associates and joint ventures	-	-	-	49,390	3,610	20,053	77,552	150,605
Investments in subsidiaries	-	-	(1,824)	-	-	-	1,824	-
Related party loans receivable	-	-	-	-	-	-	25,320	25,320
Other loans receivable	-	-	-	-	-	-	29,226	29,226
Deferred tax	-	6,063	11,711	-	330	185	2,195	20,484
Total non-current assets	**-**	**110,165**	**297,585**	**118,490**	**27,390**	**42,059**	**217,873**	**813,562**

Current assets								
Trade and other receivables	-	17,049	4,533	59	2,337	168	10,148	34,294
Current tax refundable	-	-	617	-	-	-	76	693
Related party loans receivable	-	-	-	-	-	-	166	166
Cash and cash equivalents	-	4,060	6,406	124	127	967	3,480	15,164
Total assets	**-**	**131,274**	**309,141**	**118,673**	**29,854**	**43,194**	**231,743**	**863,879**
Liabilities								
Total liabilities	-	66,863	137,000	6,409	10,528	9,836	238,713	469,349
Net assets	**-**	**64,411**	**172,141**	**112,264**	**19,326**	**33,358**	**(6,970)**	**394,530**

In US$'000								
Type of property 30 June 2019	**Other investments**	**Hospitality**	**Retail**	**Office**	**Light industrial**	**Accommodation**	**Corporate**	**Total**
Reportable segment profit and loss								
Gross rental income	-	3,564	14,098	12,852	2,189	10,855	-	43,558
Straight-line rental income accrual	-	-	(1,283)	(47)	386	120	-	(824)
Revenue	**-**	**3,564**	**12,815**	**12,805**	**2,575**	**10,975**	**-**	**42,734**
Property operating expenses	-	(55)	(6,848)	(1,499)	(240)	(1,774)	-	(10,416)
Net property income	**-**	**3,509**	**5,967**	**11,306**	**2,335**	**9,201**	**-**	**32,318**
Other income	-	-	217	-	-	-	57	274
Administrative expenses (including corporate structuring costs)	-	(283)	(673)	(866)	(116)	(1,908)	(11,425)	(15,271)
Profit/(loss) from operations	**-**	**3,226**	**5,511**	**10,440**	**2,219**	**7,293**	**(11,368)**	**17,321**
Fair value adjustment on investment properties	-	6,510	644	7,192	1,156	5,862	-	21,363
Fair value adjustment on other investments	(727)	-	(68)	-	-	-	-	(795)
Fair value adjustment on other financial asset	-	(338)	-	-	-	-	(178)	(516)
Fair value adjustment on derivatives financial instruments	-	-	-	(6)	-	-	-	(6)
Share based payment expense	-	-	-	-	-	-	(156)	(156)
Share of profits from associates and joint ventures	(38)	14,178	2,632	3,781	-	-	-	20,553
Impairment of loans	-	-	-	-	-	-	(1,051)	(1,051)
ECL Provision	-	(1)	-	(7)	4	1	(2)	(5)
Foreign currency (losses)/gains	-	(504)	1,075	(44)	(88)	(408)	(1,426)	(1,395)
Profit/(loss) before interest and taxation	**(765)**	**23,071**	**9,794**	**21,356**	**3,290**	**12,748**	**(14,181)**	**55,313**
Interest income	-	13	446	197	-	126	7,114	7,896
Finance costs	-	(2,405)	(2,578)	(4,859)	(670)	(2,353)	(10,857)	(23,722)
Profit/(loss) for the period before tax	**(765)**	**20,679**	**7,662**	**16,694**	**2,620**	**10,521**	**(17,924)**	**39,487**
Taxation	-	(331)	295	(4,838)	(848)	(7,375)	(320)	(13,417)
Profit/(loss) for the year	**(765)**	**20,348**	**7,957**	**11,856**	**1,772**	**3,146**	**(18,244)**	**26,070**
Reportable segment assets and liabilities								
Non-current assets								
Investment properties	-	54,100	206,204	167,817	30,250	115,293	-	573,664
Deposits paid on investment properties	-	-	-	-	-	-	8,500	8,500

Property, plant and equipment	-	-	21	67	-	249	1,821	2,158
Intangible assets	-	-	13	478	-	-	90	581
Other investments	-	-	-	-	-	-	3,024	3,024
Investment in associates and joint ventures	6,925	70,627	53,000	20,053	-	-	-	150,605
Investments in subsidiaries	-	-	-	-	-	-	-	-
Related party loans receivable	-	-	-	-	-	-	25,320	25,320
Other loans receivable	-	-	-	-	-	-	29,226	29,226
Deferred tax	-	1,825	9,230	5,761	329	3,339	-	20,484
Total non-current assets	**6,925**	**126,552**	**268,468**	**194,176**	**30,579**	**118,881**	**67,981**	**813,562**
Current assets								
Trade and other receivables	-	281	16,247	1,642	2,378	3,834	9,911	34,293
Current tax refundable	-	-	35	454	139	41	24	693
Group dividends	-	-	-	-	-	-	-	-
Related party loans receivable	-	-	-	-	-	-	166	166
Cash and cash equivalents	-	236	5,764	2,789	163	2,802	3,410	15,164
Total assets	**6,925**	**127,069**	**290,514**	**199,061**	**33,259**	**125,558**	**81,492**	**863,878**
Liabilities								
Total liabilities	-	55,271	72,944	101,238	10,564	47,368	181,963	469,348
Net assets	**6,925**	**71,797**	**217,570**	**97,823**	**22,695**	**78,190**	**(100,471)**	**394,530**

16.Subsequent events

Since 30 June 2019, the following significant property related transactions have taken place.

Acquisitions

Acquisition of Club Med Cap Skirring hotel in Senegal through a sale and leaseback

The Group has on 23 July the 2019, through its wholly-owned subsidiary Casamance Holdings Limited, entered into a sale and purchase agreement relating to the shares of Société Immobiliére et de Gestion Hôteliére du cap Skirring ("SIGHC") with Club Med SAS. Under the terms of the Agreement, the Company will acquire 100% of the shares in SIGHC the owner of the property known as Club Med Cap Skirring, a 4 star trident hotel situated at the Club Med resort at Vacap Cap Skirring B.P 46 SN, Kabrousse 27009, Senegal and the rental enterprise conducted by SIGHC on the Property as a going concern, for a provisional purchase consideration of EUR 11.6 million. Per the agreement there is conditions precedent to be met by no later than 20 December 2019.

Debt refinancing

Standard Bank US$140 million facility

Post year end the group has settled the following debt.

Finance institution	Borrower	30 June 2019 $'000
Standard Bank Mozambique	S&C Immobiliaria Limitada	10,451
Standard Bank South Africa	Sal Investments Holdings Limited	12,000
Standard Bank South Africa	Commotor Limitada	38,000
Standard Bank South Africa	Cognis 1 Limitada	27,239

Standard Bank (Mauritius) Limited	Transformers Holdings Limited	10,110
Bank Unico of Mozambique	Zimpeto Immobiliaria Limitada	2,658
		100,458

The loans have been settled from the first drawdown through a new single facility from Standard Bank South Africa of US$140 million for a 4 year term bearing interest at a 3 Month Libor + 5.00%. The borrower of the facility will be Commotor Limitada. (Refer to note 18 Interest bearing borrowings)

Bank ABC overdraft facility

The Overdraft of US$8.5 million with Bank ABC have been converted into a three year term loan bearing interest of Libor plus 3.5% with a capital moratorium of 18 months.

Turnkey Development Agreement

On 17 Sep 2019, Delta Tete Limitada entered into a turnkey development agreement with Vale Dos Embondeiros Limitada for the delivery of 60 corporate accommodation units in Tete, Mozambique for a total fixed development cost of US$13.7 million. Payments to be released on a draw down basis for delivery over the project in three phases on 1 Sep 2019, 31 Oct 2019 and 30 Nov 2019.

17. Reconciliation of basic and headline earnings

	Basic earnings and headline earnings	**UNAUDITED 30 June 2019**	**UNAUDITED 30 June 2018**
		US$'000	**US$'000**
	Basic earnings	28,035	28,562
	Fair value adjustments on investment property	(21,363)	(13,762)
	Deferred taxation on investment property revaluation	22,349	5,979
	Fair value adjustment on other investments	795	757
	Fair value adjustment on other financial asset	516	128
	Fair value adjustment on derivative financial instruments	6	(25)
	Share of fair value adjustment on investment property accounted by associate	(6,921)	(8,858)
	Headline earnings attributable to shareholders	**23,417**	**12,781**
	Weighted average number of shares *	289,612,780	201,200,481
	Earnings per share	9.68	14.20
	Basic and diluted earnings per share (cents)	9.68	14.20
	Headline diluted earnings per share (cents)	8.09	6.35
	* There are no dilutionary instruments in issue.		

18. EPRA FINANCIAL METRICS

Basis of Preparation

The directors of GRIT Real Estate Income Group Limited ("GRIT") ("Directors") have chosen to disclose additional non-IFRS measures, these include EPRA earnings, adjusted net asset value, EPRA net asset value, adjusted profit before tax and funds from operations (collectively "Non-IFRS Financial Information").

The Directors have chosen to disclose:

- EPRA earnings in order to assist in comparisons with similar businesses in the real estate sector. EPRA earnings is a definition of earnings as set out by the European Public Real Estate Association.

EPRA earnings represents earnings after adjusting for fair value adjustments on investment properties, gain from bargain purchase on associates, fair value adjustments included under income from associates, ECL provisions, fair value adjustments on other investments, fair value adjustments on other financial assets, fair value adjustments on derivative financial instruments, and non-controlling interest included in basic earnings (collectively the "EPRA earnings adjustments") and deferred tax in respect of these EPRA earnings adjustments. The reconciliation between basic and diluted earnings and EPRA earnings is detailed in the table below;

- EPRA net asset value in order to assist in comparisons with similar businesses in the real estate sector. EPRA net asset value is a definition of net asset value as set out by the European Public Real Estate Association. EPRA net asset value represents net asset value after adjusting for net impairment on financial assets (ECL), fair value of financial instruments, and deferred tax relating to revaluation of properties (collectively the "EPRA net asset value adjustments"). The reconciliation for EPRA net asset value is detailed in the table below;

- adjusted EPRA earnings in order to provide an alternative indication of GRIT's and its subsidiaries' (the "Group") underlying business performance. Accordingly, it excludes the effect of non-cash items such as unrealised foreign exchange gains or losses, straight-line leasing adjustments, amortisation of right of use land, impairment of loans and deferred tax relating to the aforementioned adjustments. The reconciliation for adjusted EPRA earnings is detailed in the table below; and

- total distributable earnings in order to assist in comparisons with similar businesses and to facilitate the Group's dividend policy which is derived from total distributable earnings. Accordingly, it excludes VAT credit utilised on rentals, interest related to Anfa Shopping Centre's areas under construction, Listing and set-up costs, depreciation and amortisation, share based payments, antecedent dividends, operating costs relating to Anfa Shopping Centre's refurbishment costs, rental concessions for capital projects/ amortisation of lease premiums and profits withheld/released. The reconciliation for total distributable earnings is detailed in the table below.

In this note, Grit presents European Real Estate Association (EPRA) earnings and other metrics which is non-IFRS financial information and considered pro forma financial information for the purposes of JSE Listings Requirements.

The pro forma financial information has been compiled for illustrative purposes only and is the responsibility of the Directors. Due to the nature of this information, it may not fairly present the Grit's financial position, changes in equity and results of operations or cash flows going forward. An unmodified reasonable assurance report has been issued by Grit's auditor, PricewaterhouseCoopers, in terms of ISAE 3420 Assurance Engagements to Report on the Compilation of the Pro Forma Information in a Prospectus, and is available for inspection at the Company's registered office. The pro forma information has been compiled in terms of the JSE Listings Requirements and the Revised Guide on Pro Forma Information by SAICA.

EPRA EARNINGS	**NOTES**	**UNAUDITED 30 June 2019**	**UNAUDITED 30 June 2018**
		US$'000	**US$'000**
Basic Earnings per above		26,070	25,745
Add Back:			
Fair value adjustment on investment properties		(15,637)	(5,073)
Gain from bargain purchase on associates		-	-
Fair value adjustments included under income from associates		(6,921)	(8,858)
ECL Provision		5	-
Fair value adjustment on other investments		795	757
Fair value adjustment on other financial asset		516	128
Fair value adjustment on derivative financial instruments		6	(25)

Deferred tax in relation to the above		14,636	5,981
Acquisition costs not capitalised		1,328	3,480
Non-controlling interest included in basic earnings		1,965	2,817
EPRA EARNINGS		**22,763**	**24,952**
EPRA EARNINGS PER SHARE (DILUTED)		7.87	12.40
Company specific adjustments			
Unrealised foreign exchange gains or losses (non-cash)	**1**	5,162	(1,103)
Straight-line leasing (non-cash rental)	**2**	824	(1,110)
Amortisation of Right of use of land (non-cash)	**3**	29	43
Impairment of loan		1,051	-
Deferred tax in relation to the above	**4**	(1,136)	(2,734)
Total Company Specific adjustments		**5,930**	**(4,904)**
ADJUSTED EPRA EARNINGS		**28,693**	**20,048**
ADJUSTED EPRA EARNINGS PER SHARE (DILUTED		**9.92**	**9.96**
		Shares '000	**Shares '000**
Weighted average shares in issue		298,572	209,280
Less: Weighted average treasury shares for the period		(11,321)	(10,024)
Add: Weighted average share awards and shares vested shares in Long term incentive scheme		1,859	1,943
EPRA SHARES		**289,110**	**201,200**
EPRA NAV			
NET ASSET VALUE OF THE COMPANY		389,949	279,383
ADD BACK:			
Net impairment on financial assets (ECL)		548	-
Fair value of financial instruments		43	22
Deferred tax from revaluation of properties		44,410	20,791
EPRA NAV		**434,950**	**300,197**
EPRA NAV PER SHARE (cents per share)		**147.1**	**145.7**
		Shares '000	**Shares '000**
Total shares in issue		306,396	214,022
Less: Treasury shares for the period		(12,546)	(9,941)
Add: Share awards and shares vested shares in Long term incentive scheme		1,859	1,943
EPRA SHARES		**295,709**	**206,025**

COMPANY SPECIFIC ADJUSTMENTS TO EPRA EARNINGS

1) *Unrealised foreign exchange gains or losses*
The foreign currency revaluation of assets and liabilities in subsidiaries gives rise to non-cash gains and losses that are non-cash in nature. These adjustments (similar to those adjustments that are recorded to the Foreign currency translation reserve) are added back to provide a true reflection of the operating results of the Group.

2) *Straight-line leasing (non-cash rental)*
Straight-line leasing adjustment under IFRS relate to non-cash rentals over the period of the lease. This inclusion of such rental does not provide a true reflection of the operational performance of the underlying property and are therefore removed from earnings.

3) *Amortisation of intangible asset (Right of use of land)*
Where a value is attached to the right of use of land for leasehold properties, the amount is amortised over the period of the leasehold rights. This represents a non cash item and is adjusted to earnings.

4) *Other deferred tax (non-cash)*
Any deferred tax directly related to the company specific adjustments.

19. COMPANY DISTRIBUTION CALCULATION

	NOTES	**UNAUDITED 30 June 2019 US$'000**	**UNAUDITED 30 June 2018 US$'000**
		US$'000	**US$'000**
Adjusted EPRA Earnings		28,693	20,048
Company specific distribution adjustments			
VAT credits utilised on rentals	1	1,652	2,856
Interest related to Anfa Place Mall areas under construction	2	429	-
Listing and set up costs under Administrative expenses	3	65	1,323
Depreciation and amortisation	4	311	228
Share based payments	5	156	282
Antecedent dividend	6	927	-
Operating costs related to Anfa Place Mall refurbishment costs	7	1,267	-
Rental concessions for capital projects/Amortisation of lease premiums	8	503	693
Profits (withheld)/released		650	(1,138)
Total Company Specific distribution adjustments		**5,960**	**4,244**
TOTAL DISTRIBUTABLE EARNINGS TO GRIT SHAREHOLDERS		**34,653**	**24,292**
DISTRIBUTABLE INCOME PER SHARE (DILUTED)		**12.20**	**12.19**
Reconciliation to amount payable			
Total distributable earnings to Grit shareholders		**12.20**	**12.19**
Interim dividends already paid		**(5.25)**	**(6.07)**

Dividends available for distribution		**6.95**	**6.12**
		Shares '000	**Shares '000**
Weighted average shares in issue		298,572	209,280
Less: Weighted average treasury shares for the period		(11,321)	(10,024)
Less: Non-entitled shares		(3,174)	-
DISTRIBUTION SHARES		**284,077**	**199,256**

COMPANY DISTRIBUTION NOTES IN TERMS OF THE DISTRIBUTION POLICY

1) *VAT credits utilised on rentals*

In certain African countries, there is no mechanism to obtain refunds for VAT paid on the purchase price of the property. VAT is recouped through the collection of rentals on a VAT inclusive basis. The cash generation through the utilisation of the VAT credit obtain on the acquisition of the underlying property is thus included in the operational results of the property.

2) *Interest related to Anfa Place Mall areas under construction*

The interest costs associated with the relevant sections of the Anfa Place Mall is of a capital nature and is added back as part of the distribution calculation.

3) *Listing and set-up costs under Administrative expenses*

Costs associated with the new listing of shares, setup on new companies and structures are capital in nature and as added back for distribution purposes.

4) *Depreciation and amortisation*

Non-Cash items added back to determine the distributable income.

5) *Share based payments*

Non-Cash items added back to determine the distributable income.

6) *Antecedent dividend*

Where shares are issued during a dividend period, a portion of the subscription price is withheld as an antecedent dividends in order to ensure existing shareholders' dividends per share are not diluted through the issue of shares during a dividends cycle.

7) *Operating costs related to Anfa Place Mall refurbishment costs*

Fixed costs associated with the various sections of the Anfa Place Mall that have been closed off during the refurbishment process are deemed non-operational costs are added back to distributable earnings.

8) *Rental concessions for capital projects/Amortisation of lease premiums*

Any rental concessions provided to tenants, either as an incentive to attract new tenants or to maintain existing tenants, are treated as Lease Incentives and such cost is capitalised and amortised of the period of the lease. The amortisation of such lease incentives are non-cash in nature and are added back to determine distributable income.

OTHER NOTES

The abridged audited consolidated financial statements for the year ended 30 June 2019 have been prepared in accordance with the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), IAS 34 Interim reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council, the JSE Listings Requirements, the LSE Listing Rules, the SEM Listing Rules and the requirements of the Mauritian Companies Act 2001 and the method of computation followed per the abridged audited financial statements for the year ended 30 June 2019.

The Group is required to publish financial results for the year ended 30 June 2019 in terms of Listing Rule 12.14 of the SEM, the JSE Listing Requirements and the LSE Listing Rules. The Directors are not aware of any matters or circumstances arising subsequent to the year ended 30 June 2019 that require any additional disclosure or adjustment to the financial statements. These abridged audited consolidated financial statements were approved by the Board on 30 September 2019.

PricewaterhouseCoopers have issued their unqualified audit opinion on the Group's financial statements for the year ended 30 June 2019. Copies of the abridged audited consolidated financial statements, and the statement of direct and indirect interests of each officer of the Company pursuant to rule 8(2)(m) of the Mauritian Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request at the Company's registered address. Contact Person: Smitha Algoo-Bissonauth.

As at 30 August 2019, UK institutional investors now make up 20% of Grit's shareholder base on the LSE, with the balance held on the JSE (21%) and SEM (59%).

Shareholders with more than 5% shareholding as at 30 August 2019 are as follows:

Large shareholders (>5%)	**%**
Government Employees Pension Fund (PIC)	27.6%
Drive In Trading Limited	7.6%
Delta Property Fund	7.8%
Transformers Investments Ltd	5.9%

Final Dividend declaration

Grit Real Estate Income Group Limited, a leading pan-African real estate company focused on investing in and actively managing a diversified portfolio of assets underpinned by predominantly US$ and Euro denominated long-term leases with high quality multi-national tenants, advises Shareholders that dividend number 11 of US$ 6.9500 cents per share for the six months ended 30 June 2019 has been approved and declared by the Board of the Company. The source of the cash dividend is from rental income and cum-dividend reserve.

Salient dates and times

For shareholders on the Mauritian Register	**2019**
Announcement of cash dividend on JSE, SEM and LSE	Monday, 30 September
Announcement of US$ to Rand conversion rate released on SEM website by no later than 1:00pm	Tuesday, 8 October
Last date to trade *cum* dividend	Tuesday, 15 October
Shares trade *ex*-dividend	Wednesday, 16 October
Record date of dividend on the SEM	Friday, 18 October
Payment date of dividend	Friday, 15 November

Notes

1. All dates and times quoted above are local dates and times in Mauritius. The above dates and times are subject to change. Any changes will be released on the SEM website.
2. No dematerialisation or rematerialisation of share certificates may take place between Wednesday, 16 October 2019 and Friday, 18 October 2019, both days inclusive.
3. No transfer of shares between sub-registers in Mauritius, South Africa and the UK may take place between Tuesday, 8 October 2019 and Friday, 18 October 2019, both days inclusive.

For shareholders on the South African Register	**2019**
Announcement of cash dividend on JSE, SEM and LSE	Monday, 30 September
Announcement of US$ to Rand conversion rate released on SENS by no later than 11:00am	Tuesday, 8 October

Last date to trade *cum* dividend	Tuesday, 15 October
Shares trade *ex*-dividend	Wednesday, 16 October
Record date of dividend on the JSE	Friday, 18 October
Payment date of dividend	Friday, 15 November

Notes

1. All dates and times quoted above are local dates and times in South Africa. The above dates and times are subject to change. Any changes will be released on SENS.
2. No dematerialisation or rematerialisation of share certificates may take place between Wednesday, 16 October 2019 and Friday, 18 October 2019, both days inclusive.
3. No transfer of shares between sub-registers in Mauritius, South Africa and the UK may take place between Tuesday, 8 October 2019 and Friday, 18 October 2019, both days inclusive.
4. Shareholders on the South African sub-register will receive dividends in South African Rand, based on the exchange rate to be obtained by the Company on or before Tuesday, 8 October 2019. A further announcement in this regard will be made on Tuesday, 8 October 2019.

For shareholders on the UK Register	**2019**
Announcement of cash dividend on JSE, SEM and LSE	Monday, 30 September
Announcement of US$ to Rand conversion rate released on the Regulatory Information Service of the LSE by no later than 10:00am	Tuesday, 8 October
Last date to trade *cum* dividend	Wednesday, 16 October
Shares trade *ex*-dividend	Thursday, 17 October
Record date of dividend on the LSE	Friday, 18 October
Last date for receipt of currency election forms	Friday, 1 November
Payment date of dividend	Friday, 15 November

Notes

1. All dates and times quoted above are local dates and times in the UK. The above dates and times are subject to change. Any changes will be released on a Regulatory Information Service of the LSE.

2. No dematerialisation or rematerialisation of share certificates may take place between Wednesday, 16 October 2019 and Friday, 18 October 2019, both days inclusive.

3. No transfer of shares between sub-registers in Mauritius, South Africa and the UK may take place between Tuesday, 8 October 2019 and Friday, 18 October 2019, both days inclusive.

4. Shareholders on the UK sub-register will receive dividends in US$. However, shareholders can elect to have dividends paid in sterling (GBP) and the option to elect a sterling dividend payment for this dividend will be available to shareholders until Friday, 1 November 2019 (the "Election Date").

5. Further details together with a copy of the Dividend Currency Election Form, which should be sent to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU when completed, will be available on the Company's website shortly at http://grit.group/. CREST shareholders must elect via CREST.

6. In terms of the JSE Listings Requirements regarding Dividends Tax, the following information is only of direct application to shareholders on the South African share register, as the dividend is regarded as a foreign dividend for shareholders on the South African share register:

- the final dividend is subject to South African Dividends Tax;

- the local dividend tax rate is 20%;

- there is no withholding tax payable in Mauritius;

- the number of ordinary shares in issue is 306 396 035; and

- the Mauritian income tax reference number of the Company is 27331528.