



# GREENBAY

GREENBAY PROPERTIES LTD

Incorporated in the Republic of Mauritius  
Reg No C124756 C1/GBL  
ISIN MU0461N00007  
SEM share code: GFP.N0000 and JSE share code: GRP  
("Greenbay" or "the company" or "the group")

## CONDENSED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

for the three months ended 31 December 2017

### NATURE OF THE BUSINESS

Greenbay invests globally in direct property and infrastructure assets as well as in listed real estate and infrastructure securities.

### SUMMARY OF FINANCIAL PERFORMANCE

	Dividend per share EUR cents	Shares in issue	Net asset value per share EUR cents	Loan-to-value ratio*
Dec 2016	–	4 977 795 757	7,74	32,5%
Mar 2017	0,2308	6 302 299 068	8,66	6,5%
Jun 2017	–	7 037 912 566	8,74	20,7%
Sep 2017	0,2360	9 322 176 525	9,59	10,1%
<b>Dec 2017</b>	<b>–</b>	<b>9 488 106 526</b>	<b>9,68</b>	<b>28,7%</b>

\* The loan-to-value ratio is calculated by dividing total interest-bearing borrowings adjusted for cash on hand by the total of investments in property, listed securities and loans advanced.

### COMMENTS

Greenbay is required to publish financial results for the quarter ended 31 December 2017 in terms of Listing Rule 12.20 of the Stock Exchange of Mauritius ("SEM"). Accordingly, this announcement presents the condensed unaudited consolidated financial results of the group in respect of the financial period from 1 October 2017 to 31 December 2017 as well as comparatives. The dividend guidance, and the assumptions on which this was based, as previously announced in the company's audited consolidated annual financial statements for the year ended 30 September 2017 remain unchanged.

By order of the board

**Intercontinental Trust Limited**  
Company secretary

Mauritius – 2 February 2018

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited Dec 2017 EUR	Audited Sep 2017 EUR	Restated <sup>1</sup> Dec 2016 EUR
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>407 428 255</b>	<b>290 757 701</b>	<b>74 926 313</b>
Investment property	57 498 861	57 498 838	56 733 830
Straight-lining of rental revenue adjustment	1 139	1 162	1 457
Investment property under development	13 942 548	13 942 548	13 532 480
Investment in and loans to joint venture	60 221 656	59 361 010	–
Greenbay share incentive loans	6 155 266	505 679	1 031 833
Investments	269 608 785	159 448 464	3 626 713
<b>Current assets</b>	<b>547 709 898</b>	<b>644 871 133</b>	<b>339 072 852</b>
Equity derivative margin	84 411 931	233 825 666	145 629 839
Trade and other receivables	18 591 208	4 457 081	16 735 850
Cash and cash equivalents	444 706 759	406 588 386	176 707 163
<b>Total assets</b>	<b>955 138 153</b>	<b>935 628 834</b>	<b>413 999 165</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Total equity attributable to equity holders</b>	<b>918 225 348</b>	<b>893 778 890</b>	<b>385 074 614</b>
Stated capital	917 719 017	892 382 767	370 395 448
Non-distributable reserve	(23 845 078)	(36 075 289)	18 277 554
Currency translation reserve	(11 028 764)	(11 028 779)	(14 243 157)
Retained earnings	35 380 173	48 500 191	10 644 769
<b>Total liabilities</b>	<b>36 912 805</b>	<b>41 849 944</b>	<b>28 924 551</b>
<b>Non-current liabilities</b>	<b>24 855 097</b>	<b>25 144 714</b>	<b>26 172 528</b>
Interest-bearing borrowings	24 438 463	24 714 857	26 172 528
Deferred tax	416 634	429 857	–
<b>Current liabilities</b>	<b>12 057 708</b>	<b>16 705 230</b>	<b>2 752 023</b>
Interest-bearing borrowings	1 374 996	1 374 996	1 374 996
Trade and other payables	9 704 123	14 670 411	1 053 819
Income tax payable	978 589	659 823	323 208
<b>Total equity and liabilities</b>	<b>955 138 153</b>	<b>935 628 834</b>	<b>413 999 165</b>
Total number of shares in issue	9 488 106 526	9 322 176 525	4 977 795 757
Net asset value per share (EUR cents)	9,68	9,59	7,74

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited for the three months ended Dec 2017 EUR	Restated <sup>1</sup> for the three months ended Dec 2016 EUR
<b>Operating activities</b>		
Cash utilised in operations	(9 163 861)	(5 298 450)
Interest received	253 835	374 359
Finance costs	(3 405 930)	(1 170 435)
Income tax paid	(134 797)	(9 868)
Dividends paid	(2 339 413)	(284 482)
Cash outflow from operating activities	(14 790 166)	(6 388 876)
<b>Investing activities</b>		
Share incentive loans (advanced)/repaid	(5 638 570)	1 546 021
Acquisition of listed security investments	(104 297 930)	(295 066)
Development of investment property	–	(213 034)
Loans to joint venture advanced	(99 065)	–
Decrease/(increase) in equity derivative position	157 268 778	(61 786 252)
Cash inflow/(outflow) from investing activities	47 233 213	(60 748 331)
<b>Financing activities</b>		
Increase in interest-bearing borrowings	–	27 547 524
Proceeds from share issuances	5 675 326	–
Cash inflow from financing activities	5 675 326	27 547 524
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>38 118 373</b>	<b>(39 589 683)</b>
Cash and cash equivalents at beginning of the period	406 588 386	216 296 846
<b>Cash and cash equivalents at end of the period</b>	<b>444 706 759</b>	<b>176 707 163</b>
Cash and cash equivalents consist of:		
Current accounts	444 706 759	176 707 163

The net cash outflow from operating activities at December 2017 resulted mainly from dividends paid in cash (EUR2,3 million) and equity derivative mark to market resets included in receivables (EUR12,3 million).

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited for the three months ended Dec 2017 EUR	Restated <sup>1</sup> for the three months ended Dec 2016 EUR
<b>Income statement</b>		
<b>Net rental and related revenue</b>	<b>983 714</b>	<b>1 157 526</b>
Recoveries and contractual rental revenue	1 527 718	1 495 306
Straight-lining of rental revenue adjustment	1 139	1 457
Rental revenue	1 528 857	1 496 763
Property operating expenses	(545 143)	(339 237)
Income from equity derivatives	9 783 428	4 453 696
Income from investments	1 095 264	–
Fair value gain/(loss) on investment property, investments and equity derivatives	15 135 472	(8 664 393)
Adjustment resulting from straight-lining of rental revenue	(1 139)	(1 457)
Fair value gain on investments	5 862 391	236 003
Fair value gain on currency derivatives	1 419 193	–
Fair value gain/(loss) on equity derivatives	7 855 027	(8 898 939)
Administrative expenses	(579 322)	(313 975)
Foreign exchange loss	(2 894 512)	(757 141)
Income from joint venture	1 044 270	–
<b>Profit/(loss) before net finance costs</b>	<b>24 568 314</b>	<b>(4 124 287)</b>
<b>Net finance costs</b>	<b>(3 152 966)</b>	<b>(767 709)</b>
<b>Finance income</b>	<b>264 852</b>	<b>402 726</b>
Interest on share incentive loans	11 017	28 367
Interest received	253 835	374 359
Finance costs	(3 417 818)	(1 170 435)
Interest on borrowings	(3 405 930)	(1 170 435)
Fair value adjustment on interest rate derivatives	(11 888)	–
<b>Profit/(loss) before income tax</b>	<b>21 415 348</b>	<b>(4 891 996)</b>
Income tax	(304 818)	(201 099)
<b>Profit/(loss) for the period attributable to equity holders of the company</b>	<b>21 110 530</b>	<b>(5 093 095)</b>
<b>Other comprehensive income net of tax:</b>		
<b>Items that may subsequently be reclassified to profit or loss</b>		
Exchange differences on translation of foreign operations	–	–
– subsidiaries	15	–
	15	–
<b>Total comprehensive income/(loss) for the period attributable to equity holders of the company</b>	<b>21 110 545</b>	<b>(5 093 095)</b>
Basic earnings/(loss) per share (EUR cents)	0,23	(0,10)

<sup>1</sup> The restated figures are based on the audited consolidated financial statements for the year ended September 2016 and the unaudited consolidated financial statements for the three months ended December 2016 and were translated from GBP to EUR.

### NOTES

#### 1. PREPARATION AND ACCOUNTING POLICIES

The condensed unaudited consolidated financial statements for the three months ended 31 December 2017 have been prepared in accordance with the measurement and recognition requirements of IFRS, the requirements of IAS 34: *Interim Financial Reporting*, the JSE Listings Requirements, the SEM Listing Rules and the Securities Act of Mauritius 2005.

The accounting policies applied in the preparation of the condensed unaudited consolidated financial statements, are consistent with those applied in the preparation of the audited consolidated financial statements for the year ended 30 September 2017.

The company is required to publish financial results for the three months ended 31 December 2017 in terms of Listing Rule 12.20 of the SEM. This report was compiled under the supervision of Kobus van Biljon CA(SA), the chief financial officer.

On 13 April 2017, the company announced that it had changed its presentation and functional currency from Pounds Sterling ("GBP") to Euro ("EUR") as approved by the Mauritian Registrar of Companies effective from 11 April 2017. As per IAS 21, the financial results of the company will subsequently be presented in EUR.

In order to satisfy the requirement of IAS 21 with respect to a change in presentation currency, the comparative financial information was restated from GBP to EUR using the following exchange rates:

	Sep 2016	Dec 2016
<b>EUR/GBP exchange rate</b>		
Closing	0,8661	0,8535
Average	0,8135	0,8677

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital EUR	Non-distributable reserve EUR	Currency translation reserve EUR	Retained earnings EUR	Total equity EUR
<b>Restated<sup>1</sup> at Sep 2016</b>	364 806 890	19 034 695	(20 758 845)	20 853 763	383 936 503
Translation of historical equity on change of presentation currency	–	–	6 515 688	–	6 515 688
Loss for the period	–	–	–	(5 093 095)	(5 093 095)
Dividend paid – Dec 2016	5 588 558	–	–	(5 873 040)	(284 482)
– scrip issue – 56 962 424 shares	5 588 558	–	–	(5 588 558)	–
– cash	–	–	–	(284 482)	(284 482)
Transfer to non-distributable reserve	–	(757 141)	–	757 141	–
<b>Restated<sup>1</sup> at Dec 2016</b>	370 395 448	18 277 554	(14 243 157)	10 644 769	385 074 614
Issue of shares	507 845 070	–	–	–	507 845 070
Translation of historical equity on change of presentation currency	–	–	3 214 392	–	3 214 392
Exchange differences on translation of foreign operations	–	–	(14)	–	(14)
Loss for the period	–	–	–	(1 951 715)	(1 951 715)
Dividend paid – Jun 2017	14 142 249	–	–	(14 545 706)	(403 457)
– scrip issue – 115 613 498 shares on 14 Jun 2017	14 142 249	–	–	(14 142 249)	–
– cash	–	–	–	(403 457)	(403 457)
Transfer to non-distributable reserve	–	(54 352 843)	–	54 352 843	–
<b>Balance at Sep 2017</b>	<b>892 382 767</b>	<b>(36 075 289)</b>	<b>(11 028 779)</b>	<b>48 500 191</b>	<b>893 778 890</b>
Issue of shares – 36 414 535 shares on 14 Dec 2017	5 675 326	–	–	–	5 675 326
Dividend paid – Dec 2017	19 660 924	–	–	(22 000 337)	(2 339 413)
– scrip issue – 129 515 466 shares on 20 Dec 2017	19 660 924	–	–	(19 660 924)	–
– cash	–	–	–	(2 339 413)	(2 339 413)
Exchange differences on translation of foreign operations	–	–	15	–	15
Profit for the period	–	–	–	21 110 530	21 110 530
Transfer to non-distributable reserve	–	12 230 211	–	(12 230 211)	–
<b>Balance at Dec 2017</b>	<b>917 719 017</b>	<b>(23 845 078)</b>	<b>(11 028 764)</b>	<b>35 380 173</b>	<b>918 225 348</b>

Share capital was translated at the historic rates prevailing at the dates of the underlying transactions.

These financial statements were approved by the board of Greenbay on 2 February 2018.

These condensed consolidated financial statements have not been audited, reviewed or reported on by the company's external auditor.

In terms of IAS 39: *Financial Instruments: Recognition and measurement* and IFRS 7, the group's currency and interest rate derivatives as well as the equity derivatives are measured at fair value through profit or loss and are categorised as level 2 investments. In terms of IAS 39, investments are measured at fair value being the quoted closing price at the reporting date and are categorised as level 1 investments.

There were no transfers between levels 1, 2 and 3 during the period. The valuation methods applied are consistent with those applied in preparing the previous consolidated financial statements.

This communiqué is issued pursuant to SEM Listing Rule 12,20 and section 88 of the Securities Act of Mauritius 2005. The board accepts full responsibility for the accuracy of the information contained in these financial statements. The directors are not aware of any matters or circumstances arising subsequent to 31 December 2017 that require any additional disclosure or adjustment to the financial statements.

Copies of the condensed consolidated unaudited financial statements and the statement of direct and indirect interests of each officer of the company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request at Greenbay's registered office address.

Contact person: Jan Wandrag.

#### 2. EQUITY DERIVATIVE MARGIN

In addition to cash, Greenbay utilises its direct listed equity investments as collateral for the group's equity derivative exposure. At 31 December 2017, the total equity derivative margin requirement was EUR302 846 904 (30 September 2017: EUR233 825 666).

#### 3. SEGMENTAL ANALYSIS

	Unaudited Dec 2017 EUR	Audited Sep 2017 EUR	Restated <sup>1</sup> Dec 2016 EUR
<b>Total assets</b>			
Australia	7 946 992	1 781 607	1 149 062
Canada	105 715	1 344 166	552 562
Europe	763 543 049	797 174 578	159 786 475
Hong Kong	26 040 254	9 656 029	–
Singapore	1 744 038	1 466 401	(390 699)
UK	4 453 576	4 738 221	130 162 311
USA	132 956 716	110 977 339	120 135 065
Corporate	18 347 813	8 490 493	2 604 389
	<b>955 138 153</b>	<b>935 628 834</b>	<b>413 999 165</b>

	Unaudited for the three months ended Dec 2017 EUR	Restated <sup>1</sup> for the three months ended Dec 2016 EUR
<b>Profit/(loss) for the period</b>		
Australia	6 864 052	770 025
Canada	(1 672 530)	(169 241)
Europe	7 178 817	(3 722 044)
Hong Kong	(676 258)	–
Singapore	729 200	(1 322 283)
UK	(298 603)	(26 118)
USA	11 112 747	361 232
Corporate	(2 126 895)	(984 666)
	<b>21 110 530</b>	<b>(5 093 095)</b>

All net rental and related revenue is included in the Europe segment.

#### 4. HEADLINE EARNINGS

	Unaudited for the year ended Dec 2017 EUR	Restated <sup>1</sup> for the year ended Dec 2016 EUR
<b>Reconciliation of profit/(loss) for the period to headline earnings/(loss)</b>		
<b>Basic earnings – profit/(loss) for the period attributable to equity holders</b>	<b>21 110 530</b>	<b>(5 093 095)</b>
<b>Headline earnings/(loss)</b>	<b>21 110 530</b>	<b>(5 093 095)</b>
Weighted average shares in issue	9 346 194 430	4 936 931 409
Headline earnings/(loss) per share (EUR cents)	0,23	(0,10)

Greenbay has no dilutionary instruments in issue.

## MANAGEMENT ACCOUNTS

### BASIS OF PREPARATION

In order to provide information of relevance to investors these management accounts, which comprise financial information extracted from the condensed unaudited consolidated financial statements for the three months ended 31 December 2017, have been prepared and are presented below to provide users with the position:

- had the equity investments held through derivative products been accounted for on a grossed-up basis instead of only accounting for the margin; and
- had the group's interest in Locaviseu, the joint venture in Portugal, accounted for using the equity method for IFRS, been proportionately consolidated.

The pro forma financial information (management accounts) has been prepared in terms of the JSE Listings Requirements and the SAICA Guide on pro forma financial information.

This pro forma financial information has not been reviewed or reported on by Greenbay's auditor.

### DIRECTORS' RESPONSIBILITY STATEMENT

The preparation of the management accounts is the sole responsibility of the directors and have been prepared on the basis stated, for illustrative purposes only, to show the impact on the condensed consolidated statement of financial position and the condensed consolidated statement of comprehensive income. Due to their nature the management accounts may not fairly present the financial position and results of the group in terms of IFRS.

### MANAGEMENT ACCOUNT ADJUSTMENTS

#### Adjustment 1

The equity derivatives are grossed-up by multiplying the shares held in each counter by the quoted closing price of the respective counter at December 2017. This more accurately reflects the group's assets and liabilities.

#### Adjustment 2

This adjustment proportionately consolidates the indirect investments in Forum Coimbra and Forum Viseu that are held through Locaviseu, accounted for using the equity method. It effectively discloses the group's interest in the assets, liabilities and results of operations from these investments by disclosing the consolidated management accounts for the three months ended December 2017 on a line-by-line basis. Greenbay is satisfied with the quality of the financial information contained in the management accounts of Locaviseu.

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	IFRS Dec 2017 EUR	Adjustment 1 Equity derivatives gross-up Dec 2017 EUR	Adjustment 2 Proportionate consolidation of investment in joint venture Dec 2017 EUR	Management accounts Dec 2017 EUR
<b>ASSETS</b>				
<b>Non-current assets</b>	407 428 255	825 144 348	63 165 167	1 295 737 770
Investment property	57 498 861		113 000 000	170 498 861
Straight-lining of rental revenue adjustment	1 139			1 139
Investment property under development	13 942 548			13 942 548
Investment in and loan to joint venture	60 221 656		(60 221 656)	–
Greenbay share incentive loans	6 155 266			6 155 266
Investments	269 608 785	825 144 348		1 094 753 133
Goodwill	–		10 386 823	10 386 823
<b>Current assets</b>	547 709 898	–	5 877 147	553 587 045
Equity derivative margin	84 411 931	(84 411 931)		–
Trade and other receivables	18 591 208		1 795 414	20 386 622
Cash and cash equivalents	444 706 759	84 411 931	4 081 733	533 200 423
<b>Total assets</b>	<b>955 138 153</b>	<b>825 144 348</b>	<b>69 042 314</b>	<b>1 849 324 815</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Total equity attributable to equity holders</b>	918 225 348	–	–	918 225 348
Stated capital	917 719 017			917 719 017
Non-distributable reserve	(23 845 078)			(23 845 078)
Currency translation reserve	(11 028 764)			(11 028 764)
Retained earnings	35 380 173			35 380 173
<b>Total liabilities</b>	36 912 805	825 144 348	69 042 314	931 099 467
<b>Non-current liabilities</b>	24 855 097	825 144 348	65 160 398	915 159 843
Interest-bearing borrowings	24 438 463	825 144 348	50 632 205	900 215 016
Deferred tax	416 634		14 528 193	14 944 827
Current liabilities	12 057 708	–	3 881 916	15 939 624
Interest-bearing borrowings	1 374 996			1 374 996
Trade and other payables	9 704 123		3 881 916	13 586 039
Income tax payable	978 589			978 589
<b>Total equity and liabilities</b>	<b>955 138 153</b>	<b>825 144 348</b>	<b>69 042 314</b>	<b>1 849 324 815</b>

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	IFRS for the three months ended Dec 2017 EUR	Adjustment 1 Equity derivatives gross-up for the three months ended Dec 2017 EUR	Adjustment 2 Proportionate consolidation of investment in joint venture for the three months ended Dec 2017 EUR	Management accounts for the three months ended Dec 2017 EUR
<b>Income statement</b>				
Net rental and related revenue	983 714	–	1 751 127	2 734 841
Recoveries and contractual rental revenue	1 527 718		2 469 812	3 997 530
Straight-lining of rental revenue adjustment	1 139			1 139
Rental revenue	1 528 857	–	2 469 812	3 998 669
Property operating expenses	(545 143)		(718 685)	(1 263 828)
Income from equity derivatives	9 783 428			9 783 428
Income from investments	1 095 264			1 095 264
<b>Fair value gain on investment property, investments and equity derivatives</b>	15 135 472	–	–	15 135 472
Adjustment resulting from straight-lining of rental revenue	(1 139)			(1 139)
Fair value gain on investments	5 862 391			5 862 391
Fair value gain on currency derivatives	1 419 193			1 419 193
Fair value gain on equity derivatives	7 855 027			7 855 027
Administrative expenses	(579 322)		(33 766)	(613 088)
Foreign exchange loss	(2 894 512)			(2 894 512)
Income from joint venture	1 044 270		(1 044 270)	–
<b>Profit before net finance costs</b>	24 568 314	–	673 091	25 241 405
<b>Net finance costs</b>	(3 152 966)	–	(363 949)	(3 516 915)
Finance income	264 852	–	–	264 852
Interest on share incentive loans	11 017			11 017
Interest received	253 835		–	253 835
Finance costs	(3 417 818)	–	(363 949)	(3 781 767)
Interest on borrowings	(3 405 930)	2 929 164	(363 949)	(840 715)
Fair value adjustment on interest rate derivatives	(11 888)			(11 888)
Interest on equity derivatives	–	(2 929 164)		(2 929 164)
<b>Profit before income tax</b>	21 415 348	–	309 142	21 724 490
Income tax	(304 818)		(309 142)	(613 960)
<b>Profit for the period</b>	<b>21 110 530</b>	<b>–</b>	<b>–</b>	<b>21 110 530</b>

**Directors:** Terry Warren (*chairman*); Stephen Delport (*CEO*); Kobus van Biljon\*; Jan Wandrag\*; Karen Bodenstein; Teddy Lo Seen Chong; Barry Stuhler; Mark Olivier (*executive director*)

There were no changes to the board of directors during the quarter

**Company secretary:** Intercontinental Trust Ltd

**Registered address:** C1-401, 4<sup>th</sup> Floor, La Croisette, Grand Baie, Mauritius

**Transfer secretary in South Africa:** Link Market Services South Africa Proprietary Ltd

**JSE sponsor:** Java Capital

**SEM authorised representative and sponsor:** Perigeum Capital Ltd