



# CONDENSED REVIEWED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the three and twelve months ended 30 September 2020



Forum Coimbra – Portugal

## DIRECTORS' COMMENTARY

### Nature of the business

Lighthouse Capital Limited ("Lighthouse" or "the company" or "the group") is a Global Business Licence company registered in Mauritius. The company has primary listings on both the Official Market of the Stock Exchange of Mauritius Ltd ("SEM") and the Main Board of the Johannesburg Stock Exchange Limited ("JSE"). The group invests globally in direct property, and in listed real estate and infrastructure securities.

### Commentary on results

Lighthouse is in a strong financial position following the EUR 278 million of capital raised from shareholders during the year. The group's gearing at September 2020 was 21,4% which remains below the board's limit of 45%. The group has no equity swap positions remaining and no gearing against its listed investments.

Lighthouse has over the past nine months acquired a 21,37% interest in Hammerson plc ("Hammerson"). The additional investment in Hammerson was mainly funded by the proceeds from the disposal of listed investments, including 29,2 million NEPI Rockcastle plc ("NEPI") shares at an average price of R84,21.

The group's net asset value per share decreased from 54,02 EUR cents at September 2019 to 27,66 EUR cents at September 2020. The decline in net asset value was largely as a result of the performance of the listed retail investments, exacerbated by the impact of COVID-19. There has

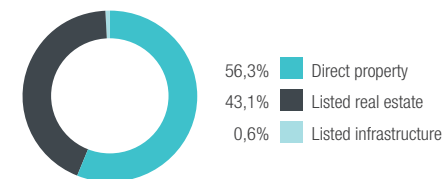
been a strong recovery in the net asset value of the group since the end of the period, mostly due to the improvement in the Hammerson share price.

All interest rate exposure on the long-term direct property loans is hedged for a weighted average hedge term of 4,6 years. The weighted average cost of debt remained stable at 2,3%.

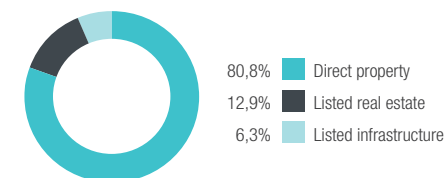
### Investment portfolio

At September 2020, Lighthouse's sectoral composition was as follows:

#### Sectoral profile based on fair value of assets



#### Sectoral profile based on revenue



The top five investments by fair value at September 2020 are set out below:

	Primary sector	Jurisdiction	Fair value as at Sep 2020 EUR'000
Forum Coimbra	Direct real estate	Europe	184 673
Hammerson plc	Listed real estate	United Kingdom	133 371
Planet Koper	Direct real estate	Europe	66 500
NEPI Rockcastle plc	Listed real estate	Europe	58 892
Enterprise Products Partners LP	Listed infrastructure	USA	1 886
<b>Total of top five investments</b>			<b>445 322</b>
<b>Other investments</b>			<b>998</b>
<b>Total investments</b>			<b>446 320</b>

## Direct investments

Footfall has continued to improve during the quarter. For the comparable month of September, footfall and retail sales were at 80% and 84% of prior levels respectively.

At 30 September 2020, 100% of Lighthouse's retail GLA was operational. The second wave of COVID-19 has muted the recovery post September. Slovenia reintroduced trading restrictions for non-essential retail during October 2020. Currently, Forum Coimbra remains open for trade.

Retail sales in Portugal have been recovering from a low of negative 22.2% year-on-year ("YoY") for April 2020 to positive 0.2% YoY for September 2020. Retail sales in Slovenia decreased 6.9% YoY for September 2020.

The Portuguese government gazetted a turnover-based rental regime from 25 July 2020 to 31 December 2020. For the last six months ended September 2020, and as a direct result of COVID-19, Lighthouse has offered weighted average rental discounts of approximately 1.5 months rental. Taking into account the new rental regime and the rental discounts, collections are 84% for Q3 (79% for Q2).

Agreements for rentals during the previous lockdown periods in the respective jurisdictions have been concluded with tenants occupying 84% of the GLA at Forum Coimbra and 100% of the GLA at Planet Koper. Occupancy in the portfolio remained stable at 99.0%.

## Listed investments

The listed portfolio constituted 43.7% of the group's investment portfolio with the largest listed holdings being in Hammerson and NEPI.

Lighthouse supported the successful GBP 552 million Hammerson rights offer in September 2020. APG Group NV, the largest pension administrator in Europe, also followed its rights and further increased its holding in Hammerson to above 21%. Hammerson disposed of its interest in the VIA Outlet Portfolio to APG for net proceeds of GBP 277 million.

Market concerns about Hammerson's leverage, corporate governance and staffing structure have been addressed. Rob Noel, previously the CEO of Land Securities Group plc, and Rita-Rose Gagné have been appointed as chairman and CEO of Hammerson respectively. Prior to joining Hammerson, Ms Gagné was the president of Growth Markets at the global real estate company Ivanhoé Cambridge. With her private equity background, she has the experience and skills to optimise Hammerson's strategy.

The significant achievements of Hammerson have been overshadowed by events outside of its control, particularly the second wave of lockdowns relating to COVID-19. Lighthouse is positive on the major changes achieved and remains confident that Hammerson's assets will perform well once the worst of the COVID-19 pandemic has passed.

The size of Hammerson's rights issue resulted in pressure on its share price, however, the price has improved since September 2020 as the additional shares have been absorbed by the market and the short positions have been substantially reduced.

Lighthouse accounted for Hammerson as an associate with effect from 30 September 2020.

## Summary of financial performance

	Distribution per share EUR cents	Shares in issue	Net asset value per share EUR cents <sup>#</sup>	Gearing* %
September 2019	1,5000	457 790 136	54,02	31,0
December 2019	–	607 790 136	52,26	20,5
March 2020	1,5750	607 790 136	40,96	20,7
June 2020	–	730 575 237	42,00	23,4
<b>September 2020</b>	<b>–</b>	<b>1 207 790 136</b>	<b>27,66</b>	<b>21,4</b>

\* Gearing is calculated by dividing total interest-bearing borrowings adjusted for cash on hand and equity swap derivative margin, by the total of investments in property, listed securities and loans advanced.

<sup>#</sup> Calculated based on management accounts as disclosed in the Segmental Analysis in note 6.

## Outlook

NEPI has withdrawn its 2020 earnings guidance and Hammerson announced that it will resume paying dividends in the second half of 2020. In light of the uncertainty relating to dividends being received from the listed investments, no distribution guidance is provided for the remainder of this financial year.

As a result of the change of financial year-end to 31 December, the board intends to declare the next distribution for the nine months ended December 2020.

By order of the board

**Intercontinental Trust Ltd**  
Company secretary

Mauritius – 10 November 2020

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2020

	Notes	Reviewed Sep 2020 EUR	Audited Sep 2019 EUR
<b>Assets</b>			
<b>Non-current assets</b>			
Investment property	2.1	251 173 000	301 201 607
Goodwill	2.1, 2.4	12 240 584	24 280 132
Investment in associate	2.5	133 958 199	–
Investments	2.3	61 776 121	43 741 545
Financial and other assets		4 194 379	19 455 978
<b>Current assets</b>			
Investments		–	2 407 500
Trade and other receivables		6 412 324	6 555 186
Cash and cash equivalents	2.2, 2.3	4 569 900	16 983 498
<b>Total assets</b>		<b>474 324 507</b>	<b>414 625 446</b>
<b>Equity and liabilities</b>			
<b>Total equity attributable to equity holders</b>			
Stated capital	2.2, 2.3	346 556 171	145 801 666
Non-distributable reserve		(91 448 348)	32 211 782
Foreign currency translation reserve		(1 393 006)	(1 393 006)
Retained earnings		80 915 665	70 655 649
<b>Total liabilities</b>		<b>139 694 025</b>	<b>167 349 355</b>
<b>Non-current liabilities</b>			
Interest-bearing borrowings	2.1	104 655 818	124 226 466
Deferred tax		28 269 128	32 037 986
Financial liabilities		534 634	646 528
<b>Current liabilities</b>			
Interest-bearing borrowings		1 034 256	1 052 685
Financial liabilities		98 360	1 307 436
Trade and other payables		4 990 135	7 911 804
Income tax payable		111 694	166 450
<b>Total equity and liabilities</b>		<b>474 324 507</b>	<b>414 625 446</b>
Total number of shares in issue		1 207 790 136	457 790 136
Net asset value per share (EUR cents)		27,71	54,02

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the three and twelve months ended 30 September 2020

	Notes	Reviewed for the twelve months ended Sep 2020 EUR	Audited for the year ended Sep 2019 EUR	Unaudited for the three months ended Sep 2020 EUR	Unaudited for the three months ended Sep 2019 EUR
Property rental and related revenue		23 191 480	25 252 231	6 312 515	6 461 418
Investment revenue		3 816 014	3 468 944	281 151	1 421 172
Finance income		360 324	997 927	200 675	20 584
<b>Total revenue</b>		<b>27 367 818</b>	<b>29 719 102</b>	<b>6 794 341</b>	<b>7 903 174</b>
<b>Fair value loss on investment property, investments and derivatives</b>					
		(212 188 443)	(25 711 629)	(152 467 487)	(1 102 192)
Fair value loss on investment property		(13 480 845)	(3 204 334)	(12 938 214)	(2 949 249)
Fair value loss on investments		(159 403 418)	(18 280 315)	(115 376 759)	2 904 288
Fair value loss on currency, interest rate and other derivatives		(27 264 632)	(4 263 330)	(13 326 973)	(1 057 231)
Goodwill impairment	2.1, 2.4	(12 039 548)	36 350	(10 825 541)	–
Property operating expenses		(9 791 541)	(7 389 699)	(3 382 957)	(1 839 299)
Administrative and other expenses		(3 936 150)	(3 033 210)	(252 638)	(508 233)
Foreign exchange loss		(2 137 927)	(13 877 205)	(2 124 976)	(92 111)
<b>Operating (loss)/profit</b>		<b>(200 686 243)</b>	<b>(20 292 641)</b>	<b>(151 433 717)</b>	<b>4 361 339</b>
Finance costs		(3 808 588)	(4 015 460)	(777 439)	(991 017)
Other income		–	136 040	–	11 667
<b>(Loss)/profit before tax</b>		<b>(204 494 831)</b>	<b>(24 172 061)</b>	<b>(152 211 156)</b>	<b>3 381 989</b>
Income tax		2 493 437	(1 965 249)	2 762 929	(78 947)
<b>(Loss)/profit for the period attributable to equity holders of the company</b>		<b>(202 001 394)</b>	<b>(26 137 310)</b>	<b>(149 448 227)</b>	<b>3 303 042</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		–	–	–	97 831
		–	–	–	97 831
<b>Total comprehensive (loss)/profit for the period attributable to equity holders of the company</b>		<b>(202 001 394)</b>	<b>(26 137 310)</b>	<b>(149 448 227)</b>	<b>3 400 873</b>
Basic and diluted (loss)/profit per share (EUR cents)		(29,78)	(5,72)	(15,18)	0,72

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the twelve months ended 30 September 2020

	Stated capital EUR	Treasury shares EUR	Non- distributable reserve EUR	Foreign currency translation reserve EUR	Retained earnings EUR	Total equity EUR
<b>Previously reported balance at 30 September 2018</b>	600 703 936	(17 378 683)	(44 817 643)	(1 393 006)	55 335 282	592 449 886
IFRS 16 – implementation adjustment					(9 021)	(9 021)
IFRS 9 – implementation adjustment					35 387	35 387
<b>Restated balance at 30 September 2018</b>	600 703 936	(17 378 683)	(44 817 643)	(1 393 006)	55 361 648	592 476 252
Consolidation of The Greenbay Share Trust		(44 547)				(44 547)
Total comprehensive income:						
Loss for the year					(26 137 310)	(26 137 310)
Transfer to non-distributable reserve*			(41 431 311)		41 431 311	–
Transfer of stated capital to non-distributable reserve	(450 000 000)		450 000 000			–
Return of capital distribution		11 658 301	(299 999 392)			(288 341 091)
Cancellation of treasury shares	(4 902 270)	4 944 161	(41 891)			–
Distribution paid – final 2018: cash (paid 7 January 2019)		820 768	(24 631 129)			(23 810 361)
Distribution paid – interim 2019: cash (paid 3 June 2019)			(6 866 852)			(6 866 852)
<b>Closing balance at 30 September 2019</b>	<b>145 801 666</b>	<b>–</b>	<b>32 211 782</b>	<b>(1 393 006)</b>	<b>70 655 649</b>	<b>247 276 091</b>
Total comprehensive income:						
Loss for the period					(202 001 394)	(202 001 394)
Distribution paid – final 2019: cash (paid 2 December 2019)			(6 866 852)			(6 866 852)
Distribution paid – interim 2020: cash (paid 25 May 2020)			(9 572 695)			(9 572 695)
Rights offer shares issued – 20 December 2019 – 150 000 000 shares – net of costs	70 439 354					70 439 354
Bookbuild shares issued – 3 June 2020 – 122 785 101 shares – net of costs	58 154 909					58 154 909
Bookbuild shares issued – 12 August 2020 – 477 214 899 shares – net of costs	177 201 069					177 201 069
Transfer of stated capital to non-distributable reserve	(105 040 827)		105 040 827			–
Transfer to non-distributable reserve*			(212 261 410)		212 261 410	–
<b>Closing balance at 30 September 2020</b>	<b>346 556 171</b>	<b>–</b>	<b>(91 448 348)</b>	<b>(1 393 006)</b>	<b>80 915 665</b>	<b>334 630 482</b>

\* Transfer to non-distributable reserve comprises all realised and unrealised gains and losses (net of applicable taxes) considered to be of a capital nature, as well as foreign exchange gains and losses.

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the twelve months ended 30 September 2020

	Reviewed for the twelve months ended Sep 2020 EUR	Audited for the year ended Sep 2019 EUR
<b>Operating activities</b>		
Cash generated from/(utilised in) operations	9 281 917	(3 675 241)
Finance income received	360 324	997 927
Finance costs paid	(2 841 658)	(3 623 917)
Income tax paid	(1 330 177)	(2 403 701)
Distributions paid	(16 439 547)	(30 677 213)
<b>Cash outflow from operating activities</b>	<b>(10 969 141)</b>	<b>(39 382 145)</b>
<b>Investing activities</b>		
Additions to investment property	(2 812 238)	(11 364 738)
Proceeds on disposal of investment property	39 360 000	–
Acquisition of listed security investments	(114 115 575)	(33 674 062)
Proceeds from disposal of listed security investments	213 213 418	301 499 783
Acquisition of interest in associate	(204 492 831)	–
Equity derivative cash inflow	5 579 508	37 077 592
Share Incentive loans repaid	–	280 078
<b>Cash (outflow)/inflow from investing activities</b>	<b>(63 267 718)</b>	<b>293 818 653</b>
<b>Financing activities</b>		
Return of capital	–	(588 340 483)
Proceeds from issuance of shares	83 546 059	–
Repayment of interest-bearing borrowings	(20 588 380)	(1 434 505)
<b>Cash inflow/(outflow) from financing activities</b>	<b>62 957 679</b>	<b>(589 774 988)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(11 279 180)</b>	<b>(335 338 480)</b>
Effect of exchange rate changes on cash held	(1 134 418)	(3 288 340)
Cash and cash equivalents at beginning of the period	16 983 498	355 610 318
<b>Cash and cash equivalents at end of the period</b>	<b>4 569 900</b>	<b>16 983 498</b>

## NOTES

### 1. Preparation and accounting policies

The condensed reviewed consolidated interim financial statements for the three and twelve months ended 30 September 2020 ("interim financial statements") 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 financial year end of the company has been changed from 30 September to 31 December. Accordingly, these results cover the interim period of twelve months to 30 September 2020. Lighthouse's financial year end results for 31 December 2020 will cover a period of fifteen months.

The accounting policies applied in the preparation of the interim financial statements are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated interim financial statements, unless otherwise stated.

Investments in associates obtained in a step-acquisition are accounted for by capitalising the fair value of the investments on the date that significant influence has been obtained as the original carrying value. Subsequent investments in, and disposals of, the associate are capitalised or deducted at cost to/from the carrying value of the investment in associate.

Lighthouse has endeavoured to reach fair and reasonable agreements with tenants during the period of trading restrictions imposed due to COVID-19. This has, in addition to other measures, resulted in forgiveness of payments contractually due for past rentals. Lighthouse has elected to follow the guidance in IFRS 9: *Financial Instruments* whereby the reduction in lease receivables is recognised as a property operating expense in the statement of profit or loss and other comprehensive income in the period in which the reduction has been granted.

Transfers of stated capital to reserves and returns of capital to shareholders are included in and deducted

from non-distributable reserve respectively. All realised and unrealised gains and losses (net of applicable taxes) considered to be of a capital nature, as well as foreign exchange gains and losses are transferred to non-distributable reserve. Only distributions of a capital nature may be made from the non-distributable reserve in accordance with the company's constitution. Distributions of an income nature have to be made from the company's retained earnings in terms of regulatory requirements and the board's policy.

The group's investment property is valued annually by external independent valuers and is reviewed and approved by the board for year-end financial reporting. The impact of COVID-19 on the judgement in the determination of future cash flows from leases and appropriate capitalisation rates may affect the valuation of investment property. In terms of IAS 40: *Investment Property* and IFRS 7: *Financial Instruments: Disclosures*, investment property is valued at fair value and is categorised as a level 3 investment, as one or more of the significant inputs is not based on observable market data.

In terms of IFRS 7: *Financial Instruments: Disclosures*, IFRS 9: *Financial Instruments* and IFRS 13: *Fair Value Measurement*, the group's currency and interest rate derivatives, as well as the equity derivatives, are measured at fair value through profit or loss. The currency and interest rate derivatives are categorised as level 2 investments, while the equity derivatives are categorised as level 1 investments. In terms of IFRS 13, investments are measured at fair value, based on directly observable quoted closing prices at the reporting date, and are therefore categorised as level 1 investments.

The company is required to publish financial results for the three and twelve months ended 30 September 2020 in terms of Listing Rule 12.19 of the SEM. This report was compiled under the supervision of Kobus van Biljon CA(SA), the chief financial officer.

These interim financial statements were approved by the board of Lighthouse on 10 November 2020. These

interim financial statements have been reviewed by the company's external auditor. BDO & Co have issued their unmodified review conclusion.

This communiqué is issued pursuant to SEM Listing Rule 12.19 and section 88 of the Securities Act of Mauritius 2005. The board accepts full responsibility for the accuracy of the information contained in these interim financial statements. The directors are not aware of any matters or circumstances arising subsequent to 30 September 2020 that require any additional disclosure or adjustment to these interim financial statements.

Copies of the interim 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 Lighthouse's registered office address.

**Contact person:** Jan Wandrag.

## 2. Salient events

The directors note the following events during the period ended 30 September 2020:

2.1 Lighthouse disposed of the Forum Viseu shopping centre effective 6 March 2020 for a total cash consideration of EUR 39,7 million and settled the corresponding external interest-bearing borrowings of EUR 17,2 million and related finance costs.

The portion of goodwill related to the sale of Forum Viseu has been expensed during the period.

2.2 Lighthouse successfully raised EUR 70,5 million through a rights offer by issuing 150 000 000 new shares at 47 EUR cents per share on the SEM and 775 ZAR cents per share on the JSE in December 2019.

2.3 The company completed a bookbuild equity raise (the "equity raise") on 20 May 2020, wherein Lighthouse confirmed that it would be issuing 600 000 000 new Lighthouse shares to both related and non-related parties.

A total of 122 785 101 new Lighthouse shares were issued on 3 June 2020 to non-related parties in exchange for:

- ZAR 255 million in cash;
- 1 472 500 Hammerson plc shares; and
- 6 687 400 NEPI Rockcastle plc shares.

A total of 477 214 899 new Lighthouse shares were issued on 12 August 2020 to related parties in exchange for:

- ZAR 12,1 million in cash; and
- 38 192 246 NEPI Rockcastle plc shares.

2.4 Goodwill relates to the group's investment in Portugal (Torre de Farol Properties, formerly known as LocaViseu). Details of the charge during the period are set out below:

2.4.1 EUR 1,2 million of goodwill relating to the sale of Forum Viseu has been expensed during the period.

2.4.2 Due to adverse market conditions and a decrease in related deferred tax liabilities, the group has impaired goodwill by EUR 10,8 million.

2.5 It was determined that the group obtained significant influence over Hammerson plc at close of business on 30 September 2020, at which point the holding was approximately 19,33%. The investment was therefore accounted for as an associate with effect from 30 September 2020. The original carrying value of the investment in associate, which was obtained in a multiple-step-acquisition, was determined to be fair value on the date that significant influence was obtained, i.e. 30 September 2020. Any further investments in the associate will be capitalised to the carrying value at cost.

## 3. Fair value measurement

The following table analyses financial instruments and investment property carried at fair value by valuation method. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The carrying amount of financial instruments that are not measured at fair value reasonably approximate their fair value due to:

- For trade and other receivables, cash and cash equivalents and trade and other payables: their short-term nature.

There were no transfers between levels 1, 2 and 3 during the year. The valuation methods applied are consistent with those applied in preparing the previous consolidated interim financial statements. Quarterly discussions of valuation processes and results are held between the chief financial officer and management where any changes in level 2 and 3 fair values are analysed for period-end reporting.

Fair value hierarchy	Level 1 EUR	Level 2 EUR	Level 3 EUR
<b>September 2020</b>			
<b>Assets</b>			
Investment property	–	–	251 173 000
Financial investments at fair value through profit or loss	61 776 121	–	–
Financial assets	–	482 279	–
	<b>61 776 121</b>	<b>482 279</b>	<b>251 173 000</b>
<b>Liabilities</b>			
Financial liabilities	–	632 994	–
	–	<b>632 994</b>	–
<b>September 2019</b>			
<b>Assets</b>			
Investment property	–	–	301 201 607
Financial investments at fair value through profit or loss	46 149 045	–	–
Financial assets	–	430 407	–
	46 149 045	430 407	301 201 607
<b>Liabilities</b>			
Financial liabilities	–	1 209 290	–
	–	1 209 290	–

Lighthouse uses equity swap derivatives to obtain exposure to listed securities. In addition to cash, Lighthouse utilises direct listed equity investments as collateral for the group's equity swap derivative exposure. Below is a summary of the amounts included in the interim financial statements directly related to the equity swap derivatives:

	Sep 2020 EUR	Sep 2019 EUR
Gross exposure to listed investments	195 147 373	72 493 440
Interest-bearing borrowings	–	(26 344 395)
<b>Net exposure to listed investments</b>	<b>195 147 373</b>	<b>46 149 045</b>
Equity swap derivative collateral	–	64 901 308
– cash	–	18 752 263
– direct listed equity investments (Investments)	–	46 149 045

### Investment property

Valuation of investment property requires judgement in the determination of future cash flows from leases and appropriate discount and exit capitalisation rates. Details of the most recent independent external valuations of investment property at 30 September 2020 are included in the table below.

#### Significant unobservable inputs and valuation sensitivities

	Lowest per valuations %	Highest per valuations %	Sensitivity adjustment – high case %	Sensitivity adjustment – low case %	Valuation impact – high case EUR	Valuation impact – low case EUR
Exit capitalisation rate	6,00	7,50	(0,50)	0,50	11 584 917	(9 910 060)
Discount rate	7,50	8,75	(0,50)	0,50	9 203 716	(8 788 161)
Rental escalations	0,23	1,36	2,00	(2,00)	5 030 410	(5 087 278)

#### Note:

The sensitivity analysis in the table above assumes that all other variables remain constant, i.e. only one variable is changed at a time.

Valuation uncertainty extract from independent external valuers' valuation reports: "In respect of shopping centres, as at the valuation date we continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuations are therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt this 'material valuation uncertainty' declaration, does not mean that the valuation cannot be relied upon. Rather, this declaration has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date."

	Sep 2020 EUR	Sep 2019 EUR
Investment property comprises:		
Investment property	251 173 000	301 229 216
Straight-lining of rental revenue adjustment	–	(27 609)
<b>Total investment property</b>	<b>251 173 000</b>	<b>301 201 607</b>
Details of the investment property are as follows:		
At cost	267 914 925	304 490 296
Fair value adjustments	(16 741 925)	(3 261 080)
Straight-lining of rental revenue adjustment	–	(27 609)
<b>Investment property at fair value</b>	<b>251 173 000</b>	<b>301 201 607</b>
Movement in investment property is as follows:		
Carrying amount at the beginning of the period	301 201 607	292 693 712
Disposals	(39 320 000)	–
Costs capitalised	2 744 629	11 364 738
Fair value losses	(13 480 845)	(3 204 334)
Straight-lining of rental revenue adjustment	27 609	347 491
<b>Investment property and adjustment</b>	<b>251 173 000</b>	<b>301 201 607</b>

#### 4. Subsequent events and going concern

The directors are not aware of any matters or circumstances arising subsequent to 30 September 2020 that require any additional disclosure or adjustment to the interim financial statements.

The directors have assessed that the Lighthouse group is solvent and has sufficient liquidity and there is no reason to believe that the group will not remain a going concern for the next twelve months.

#### 5. Headline earnings

	Reviewed for the twelve months ended Sep 2020 EUR	Audited for the year ended Sep 2019 EUR
<b>Reconciliation of loss for the period to headline earnings</b>		
Basic earnings – loss for the period attributable to equity holders	(202 001 394)	(26 137 310)
<i>Adjusted for:</i>		
– Impairment loss	12 039 548	–
– Fair value loss on investment property	13 480 845	3 204 334
– Income tax effect	(3 255 539)	(723 610)
<b>Headline loss</b>	<b>(179 736 540)</b>	<b>(23 656 586)</b>
Weighted average shares in issue	678 404 773	457 176 576
Headline loss and diluted headline loss per share (EUR cents)	(26,49)	(5,17)

Lighthouse has no dilutionary instruments in issue.

#### 6. Segmental analysis

The group determines and presents operating segments based on the information that is provided internally to the company's board and investment committee, jointly the group's chief operating decision-maker ("CODM"). The group comprises three segments: listed infrastructure, listed real estate and direct property. Each operating segment's operating results are reviewed quarterly by the CODM to make decisions about the segment's performance, resource allocation, risk assessment, and for which discrete financial information is available.

Segment	Description
Listed infrastructure	Investments in liquid listed infrastructure securities on recognised exchanges, utilising both cash investments and equity swap derivatives.
Listed real estate	Investments in liquid listed real estate securities on recognised exchanges, utilising both cash investments and equity swap derivatives.
Direct property	Investments in direct commercial properties in the retail sector. Opportunistic acquisitions in the retail, logistics, industrial, warehousing and office sectors are also considered.

#### Reconciliation of segmental reporting to IFRS

The reconciliation of the segmental reporting with financial information extracted from the consolidated interim financial statements for the twelve months ended 30 September 2020 is included in the segmental analyses, and primarily relates to the matters below i.e. Managements accounts' adjustments:

##### • Torre de Farol Properties

The goodwill relates to the deferred tax liability assumed on acquisition. Typically, Iberian property transactions entail the disposal of companies instead of underlying properties and it is management's view that the Torre de Farol Properties group deferred tax related to cumulative fair value gains on investment property will not become payable. As such, the goodwill has been offset against the deferred tax liability.

##### • Financial liability derivatives from bookbuilds

The cumulative impact of the financial liability derivatives, which relate to Lighthouse's 2016, 2017 and 2020 bookbuilds, has been removed for purposes of the segmental analyses.

##### • Listed equities

The equity swap derivatives are reported in the segmental analysis in its respective components i.e. grossed-up by multiplying the shares held in each counter by the quoted closing price of the respective counter at the reporting date and raising the corresponding equity swap liability, and separating the profit or loss impact between dividend income on the underlying equities, fair value gains and losses on the underlying equities, and the implied borrowing costs on the implicit equity swap liability. The group's investment in associate relates to an investment in Hammerson plc and has been reclassified as an investment at fair value. This more appropriately reflects the group's assets, liabilities, revenue and expenses for segmental analysis.

##### • COVID-19 discounts

Forgiveness of payments contractually due for past rentals is classified as a reduction in property rental instead of an increase in property operating expenses.

##### • Finance income

Finance income is classified as net finance costs instead of revenue.

## 6. Segmental analysis continued

## Consolidated statement of financial position

					Group management accounts	Management accounts' adjustments			Group
	Direct property Sep 2020 EUR	Listed real estate Sep 2020 EUR	Listed infrastructure Sep 2020 EUR	Corporate Sep 2020 EUR	Sep 2020 EUR	Torre de Farol Properties Sep 2020 EUR	Financial liability derivatives from bookbuilds Sep 2020 EUR	Listed equities Sep 2020 EUR	Reviewed Sep 2020 EUR
<b>Assets</b>									
<b>Non-current assets</b>	251 173 000	192 263 272	2 884 101	482 279	446 802 652	12 240 584	–	4 299 047	463 342 283
Investment property	251 173 000	–	–	–	251 173 000	–	–	–	251 173 000
Goodwill	–	–	–	–	–	12 240 584	–	–	12 240 584
Investment in associate	–	–	–	–	–	–	–	133 958 199	133 958 199
Investments	–	192 263 272	2 884 101	–	195 147 373	–	–	(133 371 252)	61 776 121
Financial and other assets	–	–	–	482 279	482 279	–	–	3 712 100	4 194 379
<b>Current assets</b>	2 626 166	5 038 260	284 080	4 941 631	12 890 137	–	–	(1 907 913)	10 982 224
Trade and other receivables	2 626 166	–	–	47 692	2 673 858	–	–	3 738 466	6 412 324
Cash and cash equivalents	–	5 038 260	284 080	4 893 939	10 216 279	–	–	(5 646 379)	4 569 900
<b>Total assets</b>	253 799 166	197 301 532	3 168 181	5 423 910	459 692 789	12 240 584	–	2 391 134	474 324 507
<b>Equity and liabilities</b>									
<b>Total equity attributable to equity holders</b>	–	–	–	334 043 535	334 043 535	–	–	586 947	334 630 482
Stated capital				224 210 009	224 210 009	–	122 346 162	–	346 556 171
Non-distributable reserve				30 897 814	30 897 814	–	(122 346 162)	–	(91 448 348)
Foreign currency translation reserve				(1 393 006)	(1 393 006)	–	–	–	(1 393 006)
Retained earnings				80 328 718	80 328 718	–	–	586 947	80 915 665
<b>Total liabilities</b>	124 917 838	–	–	731 416	125 649 254	12 240 584	–	1 804 187	139 694 025
<b>Non-current liabilities</b>	121 117 186	–	–	101 810	121 218 996	12 240 584	–	–	133 459 580
Interest-bearing borrowings	104 655 818	–	–	–	104 655 818	–	–	–	104 655 818
Deferred tax	16 028 544	–	–	–	16 028 544	12 240 584	–	–	28 269 128
Financial liabilities	432 824	–	–	101 810	534 634	–	–	–	534 634
<b>Current liabilities</b>	3 800 652	–	–	629 606	4 430 258	–	–	1 804 187	6 234 445
Interest-bearing borrowings	1 034 256	–	–	–	1 034 256	–	–	–	1 034 256
Financial liabilities	–	–	–	98 360	98 360	–	–	–	98 360
Trade and other payables	2 739 583	–	–	446 365	3 185 948	–	–	1 804 187	4 990 135
Income tax payable	26 813	–	–	84 881	111 694	–	–	–	111 694
<b>Total equity and liabilities</b>	124 917 838	–	–	334 774 951	459 692 789	12 240 584	–	2 391 134	474 324 507

## 6. Segmental analysis continued

## Consolidated statement of financial position continued

	Direct property Sep 2019 EUR	Listed real estate Sep 2019 EUR	Listed infrastructure Sep 2019 EUR	Corporate Sep 2019 EUR	Group management accounts Sep 2019 EUR	Management accounts' adjustments			Group Audited Sep 2019 EUR
						Torre de Farol Properties Sep 2019 EUR	Financial liability derivatives from bookbuilds Sep 2019 EUR	Listed equities Sep 2019 EUR	
<b>Assets</b>									
<b>Non-current assets</b>	301 632 014	56 219 045	13 866 895	273 308	371 991 262	24 280 132	–	(7 592 132)	388 679 262
Investment property	301 201 607	–	–	–	301 201 607	–	–	–	301 201 607
Goodwill	–	–	–	–	–	24 280 132	–	–	24 280 132
Investments	–	56 219 045	13 866 895	–	70 085 940	–	–	(26 344 395)	43 741 545
Financial and other assets	430 407	–	–	273 308	703 715	–	–	18 752 263	19 455 978
<b>Current assets</b>	14 992 813	16 023 125	3 533 380	10 149 129	44 698 447	–	–	(18 752 263)	25 946 184
Investments	–	2 407 500	–	–	2 407 500	–	–	–	2 407 500
Trade and other receivables	4 418 825	1 976 742	–	159 619	6 555 186	–	–	–	6 555 186
Cash and cash equivalents	10 573 988	11 638 883	3 533 380	9 989 510	35 735 761	–	–	(18 752 263)	16 983 498
<b>Total assets</b>	316 624 827	72 242 170	17 400 275	10 422 437	416 689 709	24 280 132	–	(26 344 395)	414 625 446
<b>Equity and liabilities</b>									
<b>Total equity attributable to equity holders</b>	–	–	–	247 276 091	247 276 091	–	–	–	247 276 091
Stated capital				51 787 982	51 787 982	–	94 013 684	–	145 801 666
Non-distributable reserve				126 225 466	126 225 466	–	(94 013 684)	–	32 211 782
Foreign currency translation reserve				(1 393 006)	(1 393 006)	–	–	–	(1 393 006)
Retained earnings				70 655 649	70 655 649	–	–	–	70 655 649
<b>Total liabilities</b>	140 928 909	26 344 395	–	2 140 314	169 413 618	24 280 132	–	(26 344 395)	167 349 355
<b>Non-current liabilities</b>	132 452 373	26 344 395	–	178 475	158 975 243	24 280 132	–	(26 344 395)	156 910 980
Interest-bearing borrowings	124 226 466	26 344 395	–	–	150 570 861	–	–	(26 344 395)	124 226 466
Deferred tax	7 757 854	–	–	–	7 757 854	24 280 132	–	–	32 037 986
Financial liabilities	468 053	–	–	178 475	646 528	–	–	–	646 528
<b>Current liabilities</b>	8 476 536	–	–	1 961 839	10 438 375	–	–	–	10 438 375
Interest-bearing borrowings	1 052 685	–	–	–	1 052 685	–	–	–	1 052 685
Financial liabilities	–	–	–	1 307 436	1 307 436	–	–	–	1 307 436
Trade and other payables	7 257 401	–	–	654 403	7 911 804	–	–	–	7 911 804
Income tax payable	166 450	–	–	–	166 450	–	–	–	166 450
<b>Total equity and liabilities</b>	140 928 909	26 344 395	–	249 416 405	416 689 709	24 280 132	–	(26 344 395)	414 625 446

## 6. Segmental analysis continued

## Consolidated statement of profit or loss and other comprehensive income

					Group management accounts	Management accounts' adjustments				Group
	Direct property for the twelve months ended Sep 2020 EUR	Listed real estate for the twelve months ended Sep 2020 EUR	Listed infrastructure for the twelve months ended Sep 2020 EUR	Corporate for the twelve months ended Sep 2020 EUR	For the twelve months ended Sep 2020 EUR	Financial income for the twelve months ended Sep 2020 EUR	COVID-19 discounts for the twelve months ended Sep 2020 EUR	Financial liability derivatives from bookbuilds for the twelve months ended Sep 2020 EUR	Listed equities for the twelve months ended Sep 2020 EUR	Reviewed for the twelve months ended Sep 2020 EUR
Property rental and related revenue	21 159 975	-	-	-	21 159 975	-	2 031 505	-	-	23 191 480
Investment revenue	-	3 375 644	1 663 323	-	5 038 967	-	-	-	(1 222 953)	3 816 014
Finance income	-	-	-	-	-	360 324	-	-	-	360 324
<b>Total revenue</b>	<b>21 159 975</b>	<b>3 375 644</b>	<b>1 663 323</b>	<b>-</b>	<b>26 198 942</b>	<b>360 324</b>	<b>2 031 505</b>	<b>-</b>	<b>(1 222 953)</b>	<b>27 367 818</b>
<b>Fair value (loss)/profit on investment property, investments and derivatives</b>	<b>(25 520 393)</b>	<b>(138 405 311)</b>	<b>(22 188 687)</b>	<b>1 067 846</b>	<b>(185 046 545)</b>	<b>-</b>	<b>-</b>	<b>(28 332 478)</b>	<b>1 190 580</b>	<b>(212 188 443)</b>
Fair value loss on investment property	(13 480 845)	-	-	-	(13 480 845)	-	-	-	-	(13 480 845)
Fair value loss on investments	-	(138 405 311)	(22 188 687)	-	(160 593 998)	-	-	-	1 190 580	(159 403 418)
Fair value gain on currency, interest rate and other derivatives	-	-	-	1 067 846	1 067 846	-	-	(28 332 478)	-	(27 264 632)
Goodwill impairment	(12 039 548)	-	-	-	(12 039 548)	-	-	-	-	(12 039 548)
Property operating expenses	(7 760 036)	-	-	-	(7 760 036)	-	(2 031 505)	-	-	(9 791 541)
Administrative and other expenses	(263 297)	(267 807)	(637 545)	(3 354 448)	(4 523 097)	-	-	-	586 947	(3 936 150)
Foreign exchange loss	-	-	-	(2 137 927)	(2 137 927)	-	-	-	-	(2 137 927)
<b>Operating loss</b>	<b>(12 383 751)</b>	<b>(135 297 474)</b>	<b>(21 162 909)</b>	<b>(4 424 529)</b>	<b>(173 268 663)</b>	<b>360 324</b>	<b>-</b>	<b>(28 332 478)</b>	<b>554 574</b>	<b>(200 686 243)</b>
Finance income	131	-	-	360 193	360 324	(360 324)	-	-	-	-
Finance costs	(3 661 615)	(24 215)	(8 158)	(146 973)	(3 840 961)	-	-	-	32 373	(3 808 588)
<b>Loss before income tax</b>	<b>(16 045 235)</b>	<b>(135 321 689)</b>	<b>(21 171 067)</b>	<b>(4 211 309)</b>	<b>(176 749 300)</b>	<b>-</b>	<b>-</b>	<b>(28 332 478)</b>	<b>586 947</b>	<b>(204 494 831)</b>
Income tax	2 682 636	-	-	(189 199)	2 493 437	-	-	-	-	2 493 437
<b>Loss for the period attributable to equity holders of the company</b>	<b>(13 362 599)</b>	<b>(135 321 689)</b>	<b>(21 171 067)</b>	<b>(4 400 508)</b>	<b>(174 255 863)</b>	<b>-</b>	<b>-</b>	<b>(28 332 478)</b>	<b>586 947</b>	<b>(202 001 394)</b>

## 6. Segmental analysis continued

## Consolidated statement of profit or loss and other comprehensive income continued

	Direct property for the year ended Sep 2019 EUR	Listed real estate for the year ended Sep 2019 EUR	Listed infrastructure for the year ended Sep 2019 EUR	Corporate for the year ended Sep 2019 EUR	Group management accounts	Management accounts' adjustments		Group
					For the year ended Sep 2019 EUR	Financial income for the year ended Sep 2019 EUR	Listed equities for the year ended Sep 2019 EUR	Audited for the year ended Sep 2019 EUR
Property rental and related revenue	25 252 231	–	–	–	25 252 231	–	–	25 252 231
Investment revenue	–	3 672 409	2 618 000	–	6 290 409	–	(2 821 465)	3 468 944
Finance income	–	–	–	–	–	997 927	–	997 927
<b>Total revenue</b>	25 252 231	3 672 409	2 618 000	–	31 542 640	997 927	(2 821 465)	29 719 102
<b>Fair value loss on investment property, investments and derivatives</b>	(6 792 912)	(14 041 928)	(6 080 864)	(638 402)	(27 554 106)	–	1 842 477	(25 711 629)
Fair value loss on investment property	(3 204 334)	–	–	–	(3 204 334)	–	–	(3 204 334)
Fair value loss on investments	–	(14 041 928)	(6 080 864)	–	(20 122 792)	–	1 842 477	(18 280 315)
Fair value loss on currency, interest rate and other derivatives	(3 588 578)	–	–	(674 752)	(4 263 330)	–	–	(4 263 330)
Impairment reversal	–	–	–	36 350	36 350	–	–	36 350
Property operating expenses	(7 389 699)	–	–	–	(7 389 699)	–	–	(7 389 699)
Administrative and other expenses	(220 317)	(181 279)	(183 612)	(2 448 002)	(3 033 210)	–	–	(3 033 210)
Foreign exchange loss	–	–	–	(13 877 205)	(13 877 205)	–	–	(13 877 205)
<b>Operating profit/(loss)</b>	10 849 303	(10 550 798)	(3 646 476)	(16 963 609)	(20 311 580)	997 927	(978 988)	(20 292 641)
Finance income	493	–	–	997 434	997 927	(997 927)	–	–
Finance costs	(3 677 330)	(424 431)	(554 557)	(338 130)	(4 994 448)	–	978 988	(4 015 460)
Other income	–	–	–	136 040	136 040	–	–	136 040
<b>Profit/(loss) before income tax</b>	7 172 466	(10 975 229)	(4 201 033)	(16 168 265)	(24 172 061)	–	–	(24 172 061)
Income tax	(1 681 044)	–	–	(284 205)	(1 965 249)	–	–	(1 965 249)
<b>Profit/(loss) for the period attributable to equity holders of the company</b>	5 491 422	(10 975 229)	(4 201 033)	(16 452 470)	(26 137 310)	–	–	(26 137 310)

# CORPORATE INFORMATION

## Company details and registered office

### Lighthouse Capital Limited

Registration number: C124756 C1/GBL  
Incorporated in the Republic of Mauritius  
on 14 August 2014  
SEM share code: GFPN0000  
ISIN: MU0461N00015  
JSE share code: LTE  
LEI: 549300UG27SWRF0X2U62  
C1-401, 4th Floor, La Croisette, Grand Baie, Mauritius  
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## Board of directors

Mark Olivier (*chairperson*)<sup>#</sup>  
David Axten<sup>#</sup>  
Stuart Bird<sup>#</sup>  
Karen Bodenstein<sup>#</sup>  
Des de Beer<sup>#</sup>  
Paul Edwards<sup>#</sup>  
Barry Stuhler<sup>#</sup>  
Stephen Delpont\* (*chief executive officer*)  
Justin Muller\* (*chief investment officer*)  
Kobus van Biljon\* (*chief financial officer*)  
Jan Wandrag\* (*chief operating officer*)

<sup>#</sup> Independent non-executive director

\* Executive director

<sup>^</sup> Non-independent non-executive director

~ Alternate director

## Netherlands office

World Trade Centre Tower A, Level 7  
Strawinsky Laan 703, 1077XX Amsterdam  
The Netherlands

## South African transfer secretary

### Link Market Services South Africa Proprietary Limited

13th Floor, 19 Ameshoff Street  
Braamfontein, Johannesburg, 2001  
(PO Box 4844, Johannesburg, 2000) South Africa

## JSE sponsor

### Java Capital

6th Floor, 1 Park Lane, Wierda Valley  
Sandton, 2196  
(PO Box 522606, Saxonwold, 2132) South Africa

## Mauritian management company and company secretary

### Intercontinental Trust Ltd

Level 3, Alexander House, 35 Cybercity  
Ebene, 72201, Mauritius

## Mauritian registrar and transfer agent

### Intercontinental Secretarial Services Ltd

Level 3, Alexander House, 35 Cybercity  
Ebene, 72201, Mauritius

## Auditor

### BDO & Co

DCDM Building  
10 Frère Félix de Valois Street  
Port Louis, Mauritius

## SEM authorised representative and sponsor

### Perigeum Capital Ltd

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Ebene, 72201, Mauritius

## Commercial bankers

### Standard Bank Mauritius

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Ebene, 72201, Mauritius

### Afrasia Bank Ltd

3rd Floor, NexTeracom Tower 3  
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[www.lighthousecapital.mu](http://www.lighthousecapital.mu)