



2016 INTEGRATED REPORT

Bershka

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CHAIRMAN'S STATEMENT

Greenbay had a very successful financial year. Not only has its management been active in buying properties in Slovenia, but a refurbishment programme with tenancy upgrades is being planned in 2017 for our shopping centre in Koper. Regarding our direct assets, Greenbay remains focused on dominant assets supported by strong local consumer markets. These direct assets are selected based on its defensiveness in strong locations with high barriers to entry. Our Tivoli Projekt exemplifies our approach: higher return developments are combined with a defensive portfolio. Regarding our listed portfolio, it is well diversified across the real estate and infrastructure sectors. Greenbay's strategy of investing in infrastructure has proven to be defensive during the recent period of market volatility. At the time of writing, Greenbay's market capitalisation is GBP433 million and it has recently declared its maiden distribution of 0,0999 GBP pence per share.

As we look back on 2016, it has been an eventful year, filled with notable shifts and even dramatic reversals, leading to periods of increased volatility. Buzzwords used to describe financial markets included 'volatility', 'risk-on/risk-off', 'deflation' and the challenging geopolitical environment. If it was not the slow, global economic recovery that worried the financial markets, then it was the relatively weak performance of the Chinese economy. Corporate spending has remained limited and government stimulus has been constrained by either ideology (austerity) or weak tax revenues. Atypically, the markets appear to be dependent upon the leadership of central banks, a role that central banks have not played historically. Perhaps that is why both consumer and business confidence numbers have been weak during this cycle as central banks have, by default, become the primary source of both economic stimulus and direction during the past few years —and yet by their nature, central banks can only provide monetary leadership.

As we embark upon 2017, the Fed may raise interest rates whereas the ECB may announce an extension of QE. This long-term trend of divergence between slowly strengthening economies and still weak, lagging countries may continue until at least 2018. Even more time, perhaps three to five years, may be required before a cycle of demand exceeding supply emerges. This suggests that inflation may not become such a significant threat during such a time period. The upshot is that we may see US interest rates being increased very gradually over several years. The ECB may be at least three years behind the Fed and, if so, then the EU may experience a historically extended period of slow economic growth (without recession).

In a world where the economic pie is growing slowly or growing for only a few economies, and where their industry or market share is shrinking due to regulations, technological change or better-capitalised competition, one business alternative may be mergers and acquisitions ("M&A"). When the global economy gradually returns to normalised levels of expansion, we would anticipate a period of corporate consolidation through M&A and a new period of capital investment and innovation.

Looking beyond the next few years, a key fundamental driver of growth may be demographics. Continual global population growth, the trend of agrarian populations moving to urban industrial lifestyles coupled with a transition from subsistence to higher levels of productivity may all be evidence of this ongoing demographic shift. This shift has been true of emerging countries but also in the US where many recent college graduates have chosen to live in urban settings, leading to a rebirth of a number of downtowns throughout the US. This has put extra demands upon infrastructure while creating new nodes for consumer activity. This has in turn led to rising real estate values in many places. The rapidly expanding capacity 'to make the world our oyster', no longer depending upon local merchants or service providers to enhance lifestyles, may prove to be an affirmation of technological prowess even though there might be a range of social consequences. The increased access to information as well as goods and services is opening up new avenues for creativity on both personal and societal levels. Those companies that can benefit from these different trends – old and new, small and large – should be able to generate attractive growth. Even though the recent period of economic recovery has been quite extended, we are optimistic that the long-term dynamic for continued expansion will become more apparent in the quarters and years ahead of us.





Thank you for your interest and support.

Sincerely,

A handwritten signature in black ink, appearing to read 'Terry Warren', written over a horizontal line.

TERRY WARREN

BOARD OF DIRECTORS



TERRY WARREN (61)
**INDEPENDENT NON-EXECUTIVE
CHAIRMAN**

(South African – based in Mauritius)

Date of appointment: 11 August 2016
Listed company directorships: 1

Terry has over 25 years' experience in the retail and wholesale industry. He started his career with the Spar Group before joining their wholesale division. Terry was one of the founding members and executive directors of CCW Wholesalers, later to become CBW Wholesalers under the Massmart Group, where he remained as an executive director. He went into residential property development on the KwaZulu-Natal South Coast and relocated to Mauritius in 2010.



RONNIE PORTER (42)
**INDEPENDENT NON-EXECUTIVE
DIRECTOR**

(British citizen)
BCom (Wits)

Post-Graduate Diploma in Business
Administration



STEPHEN DELPORT (36)
CHIEF EXECUTIVE OFFICER

(South African)
BSc (Hons) Mathematics

Date of appointment: 1 March 2016
Listed company directorships: 1

Stephen has a BSc with a financial orientation, majoring in mathematics, mathematical statistics and economics; and a BSc (Hons) Mathematics from the University of Johannesburg. Stephen started his career in 2003 in the asset management industry as a research analyst. He has gained a thorough insight into the global listed real estate industry, having managed several types of portfolios to date including collective investment schemes, exchange trade funds and hedge funds. Stephen joined Resilient REIT Limited in 2007 and Rockcastle Global Real Estate Company Limited ("Rockcastle") in 2012 and has been part of a successful and consistent property investment philosophy and process.



MARK OLIVIER (48)
**INDEPENDENT NON-EXECUTIVE
DIRECTOR**

(British – based in Mauritius)
CA(SA)

Date of appointment: 28 June 2016
Listed company directorships: 3

Mark has over 20 years' experience in managing debt, property and private equity assets and providing corporate finance and strategic advice, predominantly to public companies in the United Kingdom. Prior to founding Hibridge Capital (a London-based boutique private equity and advisory business) in 2003, Mark was a shareholder and employee of Hawkpoint Partners, which was the management buy-out of Natwest Markets' corporate finance business. Mark worked for BoE Limited where he served on the executive committee of the group's international business. Mark also worked at KPMG (London) as a manager. Mark is the chairman of Trelidor, the physical barrier security business in South Africa, and is a non-executive director of the Dynasty group of companies, which is managed by Macquarie. It was the first-ever wholesale international established to invest in retail properties in China.

Date of appointment: 11 March 2016
Listed company directorships: 2

Ronnie has a post-graduate diploma from University of the Witwatersrand ("Wits") Business School as well as a Bachelor of Commerce from Wits. Ronnie has been in the investment and financial industry for over 18 years. Most recently he was an investment specialist at Falcon Private Wealth Ltd in London. Prior to this, Ronnie held various investment advisory positions in the Barclays International Group covering jurisdictions such as Russia, the UAE and Sub-Saharan Africa.



JAN WANDRAG (37)
CHIEF OPERATING OFFICER

(South African – based in Mauritius)
BCom (Law)

Date of appointment: 22 August 2016
Listed company directorships: 1

Jan joined Greenbay in 2016 from Maitland in Mauritius where he managed their operations and business development from 2013. Jan served as a director and trustee on numerous companies and trusts set up on behalf of high net worth individuals and families, corporations and various funds. Before joining Maitland, Jan managed a team at GMG Trust company which provided independent administration services to corporate structures including syndications, securitisations, BEE structures, hedge funds, property investment trusts and debenture trusts from 2009. During this time, he served as a director of various JSE-listed entities, including financial vehicles created by banks and other blue-chip organisations. From 2006 to 2009, Jan worked as a legal officer at Integer and was part of the teams responsible for providing legal advice, collections, credit processes and product development. Jan holds a BCom (Law) degree from the University of Johannesburg.



TEDDY LO SEEN CHONG (48)
NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

(Mauritian)
CA (England and Wales), Mauritius
Stockbroker Examination Certificate

Date of appointment: 1 March 2016
Listed company directorships: 2

Teddy is the finance director of Intercontinental Trust Limited. He was previously manager of the fund administration department. Teddy worked for six years in a firm of chartered accountants in London, where his areas of responsibilities were auditing, accounting and taxation. He also worked for Deloitte in Mauritius where he was involved in the listing of a major local bank on the Mauritius Stock Exchange. He spent the last 11 years in Canada where he gathered valuable experience in the field of accounting and finance in North America. Terry is a member of the Institute of Chartered Accountants in England and Wales and of the Canadian Institute of Chartered Accountants. He also holds a Mauritius Stockbrokers Examination Certificate and is currently pursuing the business valuations designation.



KAREN BODENSTEIN (35)
INDEPENDENT NON-EXECUTIVE DIRECTOR

(Mauritian)
BCom (Accounting Sciences)

Date of appointment: 27 September 2016
Listed company directorships: 2

Karen completed her articles at BDO Spencer Steward in South Africa in 2004 and rose to the position of senior auditor, gaining invaluable experience in a wide variety of South African businesses. She has 12 years' experience in the construction and development industry, having been closely involved in a number of property-related companies working as the management accountant, including a leading Mauritian property development organisation and medium-sized South African construction company. For the last three years she has been managing her own business providing consulting and accounting services to a range of global business companies in Mauritius. Karen has been living in Mauritius since 2007.



PAUL MAY (40)
CHIEF FINANCIAL OFFICER

(British citizen)
BCompt, BCompt (Hons), CA(SA)

Date of appointment: 11 March 2016
Listed company directorships: 1

Paul has 13 years' post-qualification experience in various finance roles, including group financial manager at Canadian listed mining groups, European Goldfields Ltd and Rockwell Diamonds Inc. based in London and Johannesburg respectively, and a JSE-listed electrical group, Delta Electrical Industries.

BOARD OF DIRECTORS

[CONTINUED]

ATTENDANCE AT BOARD AND SUB-COMMITTEE MEETINGS

Director	Board	Audit committee	Investment committee	Nomination committee	Remuneration committee	Risk committee	Social and ethics committee
Terry Warren (chairman of the board) ⁽¹⁾	1/1						
Stephen Delpont ⁽²⁾	2/2		2/2			1/1	
Paul May ⁽³⁾	2/2						1/1
Jan Wandrag ⁽⁴⁾	N/A						
Karen Bodenstein ⁽⁵⁾	N/A						
Ronnie Porter ⁽⁶⁾	2/2	2/2	2/2	2/2	1/1		1/1
Teddy Lo Seen Chong ⁽⁷⁾	2/2	2/2				1/1	
Jorge da Costa ⁽⁸⁾	2/2	1/1	2/2	2/2	1/1	1/1	
Karene Figaro ⁽⁹⁾	1/1			1/1	1/1		1/1
Mark Olivier ⁽¹⁰⁾	1/1	1/1		1/1			

(1) Terry Warren was appointed chairman of the board on 11 August 2016.

(2) Stephen Delpont was appointed to the board on 1 March 2016, and to the investment and risk committees on 11 May 2016.

(3) Paul May was appointed to the board on 11 March 2016 and to the social and ethics committee on 11 May 2016. Paul resigned from the social and ethics committee on 22 August 2016.

(4) Jan Wandrag was appointed to the board and the social and ethics committee on 22 August 2016.

(5) Karen Bodenstein (chairperson of the audit and risk committees) was appointed to the board, as a member of the nomination committee and as chairperson of the audit and risk committees on 27 September 2016.

(6) Ronnie Porter was appointed to the board on 11 March 2016. Ronnie was appointed as chairman of the audit, remuneration and social and ethics committees and as a member of the nomination and investment committees with effect from 11 May 2016. On 28 June 2016 he resigned as chairman of the audit committee and was appointed chairman of the risk committee on 11 August 2016. Ronnie resigned from the risk committee on 27 September 2016.

(7) Teddy Lo Seen Chong was appointed to the board on 1 March 2016. He was appointed as a member of the audit and risk committees on 11 May 2016, a member of the remuneration and social and ethics committee member on 11 August 2016. Teddy resigned as a member of the audit committee with effect from 27 September 2016.

(8) Jorge da Costa was appointed to the board on 9 February 2016 and resigned on 27 September 2016.

(9) Karene Figaro was appointed to the board on 1 March 2016 and resigned on 28 June 2016.

(10) Mark Olivier was appointed to the board as chairman of the audit committee and as a member of the nomination committee on 28 June 2016. On 27 September 2016, Mark resigned as chairman of the audit committee, was appointed as chairman of the nomination and investment committees, and as a member of the remuneration committee.

BENEFICIAL SHAREHOLDING OF DIRECTORS AND OFFICERS

At 30 September 2016	Direct holding	Indirect holding	Associate holding	Total shares held	Percentage of issued shares
Terry Warren	1 041 666	-	-	1 041 666	0,02%
Stephen Delpont	25 272 022	11 763 333	20 000	37 055 355	0,75%
Paul May	8 361 204	-	-	8 361 204	0,17%
Mark Olivier	-	2 615 500	-	2 615 500	0,05%
	34 674 892	14 378 833	20 000	49 073 725	1,00%

The shareholding of directors and officers has not changed between the end of the financial year and one month prior to the date of the notice of the Annual General Meeting, other than as follows:

Date	Director/officer	Associate	Direct/indirect	Number of shares
6 December 2016	Terry Warren	-	Direct	12 659
6 December 2016	Stephen Delpont	-	Direct	307 131
6 December 2016	Stephen Delpont	Boabab Consulting CC	Indirect	142 960
6 December 2016	Stephen Delpont	Ulrich Delpont	-	122
6 December 2016	Stephen Delpont	Stefani Delpont	-	122
6 December 2016	Paul May	-	Direct	101 614
6 December 2016	Mark Olivier	The Thistle Trust	Indirect	14 432

SCOPE OF THE INTEGRATED REPORT

Greenbay is pleased to present its first Integrated Report to stakeholders for the year ended 30 September 2016 in accordance with the Code of Corporate Governance for Mauritius ("the Code").

Our Integrated Report has been prepared to provide stakeholders with an insight into Greenbay's business model, performance, governance framework, strategy, risks and opportunities. While we have attempted to include information relevant to all stakeholders, the Integrated Report has been primarily prepared for the providers of financial capital in accordance with the International Integrated Reporting Framework ("the Framework") issued in December 2013.

The information included in the Integrated Report has been provided in accordance with International Financial Reporting Standards ("IFRS"), the Mauritian Companies Act, 2001, the Mauritian Securities Act, 2005, the Stock Exchange of Mauritius ("SEM") Listing Rules, the JSE Listings Requirements, the Framework and the Code.

This Integrated Report covers the financial and non-financial performance of Greenbay. Greenbay's operations are primarily based in Mauritius. Greenbay, via its subsidiaries, owns two properties in Slovenia. Details of Greenbay's subsidiaries are set out in note 6 of the financial statements. All of these entities fall within the reporting ambit of this Integrated Report.

In determining materiality when preparing the 2016 Integrated Report, Greenbay applied the definition as per the Framework as: "Information about matters that substantively affect the group's ability to create value over the short, medium and long term". All items identified as being material by the board have been disclosed in this report.

STAKEHOLDER PROFILE

ORGANISATIONAL STAKEHOLDERS

- Employees

ECONOMIC STAKEHOLDERS

- Suppliers
- Financiers
- Tenants
- Property managers
- Investors

SOCIETAL STAKEHOLDERS

- Government
- Regulatory bodies
- Communities
- Local authorities

BUSINESS MODEL AND STRATEGY

OUR SHAREHOLDERS (Financial capital)

Greenbay strives to deliver both capital and distribution growth to its shareholders by investing globally in direct property as well as listed real estate and infrastructure companies with competitive yields that have the prospect of capital growth. In doing so, Greenbay undertakes to manage its assets in a responsible manner.

The performance of Greenbay's share price is illustrated in the graph provided on page 18 of this report.

OUR INVESTMENTS (Manufactured capital)

Greenbay is a hybrid company that invests in both direct property and indirectly through investments in listed real estate and infrastructure securities. Greenbay has a substantial listed real estate and infrastructure security portfolio with a market value of GBP260,5 million.

Our management is constantly investigating potential investments that will provide sustainable, long-term growth that exceeds industry norms whether in the form of a potential development, purchase of an existing property, expansion of existing shopping centres or through investments in listed real estate and infrastructure securities. Details of our direct property investments that meet our quality and location criteria in accordance with our growth strategy, holdings of listed real estate and infrastructure securities are detailed on pages 72 to 74.

A stringent approval process is in place for properties to be acquired or developed. Our investment committee members, who are all experienced in the property sector, approve Greenbay's acquisitions, redevelopments and disposals and receive updates on these at each meeting.

OUR PROPERTIES (Manufactured capital)

The day-to-day management of our properties has been outsourced to our property manager, CBRE GmbH, which has the requisite experience and presence in the country in which our properties are located. We also have experienced and dedicated in-house asset managers who are responsible for overseeing the properties, the performance of the properties and managing the tenant relationships. The asset managers report directly to the chief executive officer. We are constantly assessing opportunities for upgrades, refurbishments, extensions and redevelopments of our properties.

Further information on our property portfolio is shown on page 74 of this report.

OUR TENANTS (Social and relationship capital)

Greenbay's management team fosters long-term relationships with all our tenants, recognising that there is an important symbiotic relationship between their success and ours.

We assess the tenant mix of our properties on an ongoing basis and relocate tenants where we feel that their trading and the property's performance can be improved.

FUNDING OUR BUSINESS (Financial capital)

Greenbay's ability to access funding is intrinsic to its operations and thus its ability to create value. Greenbay had no gearing at year end and intends utilising a diversity of funding sources by using different banks to manage its financing costs and concentration risk. In addition, we ensure that the currencies of our investments largely match those of the currencies of the underlying funding. Greenbay utilises in-country financing where sources of funding exist and the terms are in line with the company's funding strategy.

Greenbay raised GBP296,4 million of equity by way of placements during the financial year.

OUR BUSINESS PARTNERS (Social and relationship capital)

We have relationships with global financial institutions with best-of-breed operating platforms reducing both our operational and counterparty credit risk.

We enter into developments with reputable partners with whom we share values and goals. These relationships allow us to leverage off the specific skills and experience of our partners, all of whom have proven track records in the markets in which they operate.

OUR EMPLOYEES (Human capital)

Our employees are as intrinsic to our business as our properties, thus we aim to attract and retain motivated, high-calibre executives and employees whose interests are aligned with the interests of shareholders. Further details on our remuneration strategy and policy can be found on pages 14 to 17 of this report.

Our employees are encouraged to attend job and industry related training.

Our strategy is to grow and develop our employees such that when there is a job opening we can first look to promoting existing staff rather than hiring externally.

SUSTAINABILITY (Natural capital)

We aim to improve the sustainability of our properties by investigating new technologies, and energy efficiency is foremost in our sustainability endeavours. Further details of our progress in this regard is shown on page 19 of this report.

An overview of the capital used by Greenbay is detailed below and further details are shown throughout this report.

FINANCIAL CAPITAL	<ul style="list-style-type: none">- 0,0999 GBP pence maiden dividend per share.- GBP296,4 million raised through two well-oversubscribed placements.
MANUFACTURED CAPITAL	<ul style="list-style-type: none">- Acquisitions totalling GBP60,66 million concluded during the year.
HUMAN CAPITAL	<ul style="list-style-type: none">- Low staff turnover.
SOCIAL AND RELATIONSHIP CAPITAL	<ul style="list-style-type: none">- Good relationships with financiers.
NATURAL CAPITAL	<ul style="list-style-type: none">- Residential developments are designed to incorporate green areas and parks in an urban environment.- A focus on the building aspect, which helps to passively address the insulation and natural lighting options in our developments.
INTELLECTUAL CAPITAL	<ul style="list-style-type: none">- Highly regarded and experienced management team with property and investment specific knowledge.- Well established procedures and systems which enhance efficiency and value creation.



DIRECTORS' REPORT

1. STRUCTURE AND LISTING

Greenbay is a Category One Global Business Licence company registered in Mauritius. The company has a primary listing on the Stock Exchange of Mauritius ("SEM") and a secondary listing on the Alternative Exchange of the Johannesburg Stock Exchange Ltd ("JSE"). Greenbay invests globally in direct property as well as in listed real estate and infrastructure companies.

Greenbay successfully raised GBP296,4 million by issuing 4 895 833 333 shares in two well-oversubscribed placements, one during June 2016 and the other in September 2016. The number of shareholders and trading liquidity of the company's shares have increased significantly.

2. DISTRIBUTABLE EARNINGS AND COMMENTARY ON RESULTS

The company's portfolio performed in line with guidance provided in the June 2016 quarterly results and the board has declared a cash dividend of 0,0999 GBP pence per share as Greenbay's maiden distribution. This distribution represents a 6,1% annualised yield on the capital raised on 8 June 2016.

The increased attraction of property investments internationally can be linked to the policies adopted by central banks over the past few years. Due to low interest rates and low government bond yields, investors have been driven towards alternative, "near bond-like" assets that offer similar characteristics to fixed income investments.

The rise of online shopping has prompted some retailers to opt for fewer but more iconic stores that also support online operations. The location of these high-profile stores matters more than ever and these prime properties have outperformed. As a result, capitalisation rates of prime property have compressed more than those of secondary properties.

The outcome of the Brexit referendum in the United Kingdom negatively affected sentiment across Europe. The pound has fallen to a 31-year low to the US dollar and continues to trade at these levels. Consumer confidence and the challenging political environment globally remain a concern and have resulted in investors remaining cautious given increased levels of volatility. Greenbay is well positioned to take advantage of the resulting opportunities.

Greenbay's listed portfolio performed well and resulted in an increase in the net asset value per share from 5,72 GBP pence at June 2016 to 6,76 GBP pence at September 2016. The September 2016 capital raise resulted in Greenbay having no gearing at year end.

3. DIRECT PROPERTY

Greenbay acquired Planet Tuš shopping centre situated in Koper, Slovenia, for EUR56 million at a yield of 8%. This 31 625m² GLA shopping centre opened for trading in 2010 and will be rebranded as "Planet Koper". The mall layout and tenant mix will be improved which will further strengthen the mall's dominance and enable it to grow its income. Greenbay has accepted a 10-year property finance facility at an interest rate of Euribor plus 2,75%.

Greenbay concluded an agreement with Tivoli Projekt d.o.o. to acquire 9 932m² of zoned land for development. This land is situated in Ljubljana, Slovenia, and will be developed into a multi-purpose development comprising 127 premium apartments, 3 257m² GLA of high street retail and 3 864m² GLA of A-grade offices. The completed project is estimated to cost EUR70 million with a projected internal rate of return of 15%.

The majority of retail markets across Europe have seen positive sales growth in 2016 and the EU average sales growth is a healthy 3,2%. The fastest growth rates have been recorded in central European countries. Spain and Portugal are experiencing cyclical recoveries.

Greenbay remains focused on dominant assets supported by strong local consumer markets. Assets are selected on a risk-adjusted return basis with an emphasis on defensive assets in strong locations with barriers to entry. As in the instance of the Tivoli Projekt, higher return developments are combined with a defensive portfolio to enable the company to outperform.

Greenbay has an acquisition and development pipeline of approximately EUR150 million with a strong balance sheet to minimise execution risks.

4. LISTED INVESTMENTS

The listed portfolio is well diversified across the real estate and infrastructure sectors. The company's strategy of investing in infrastructure has proven defensive during the recent period of market volatility.

Infrastructure provides the backbone to many modern economies, be it through the provision of electricity (generation, transmission and distribution), natural gas (transmission and distribution or supply), water, waste management and various transport infrastructure (roads, airports, rail networks, harbours, toll roads). More recent additions to this sector include telecommunication towers, broadband and Wi-Fi services. Retail real estate and infrastructure assets share similar characteristics.

The table below compares these sectors:

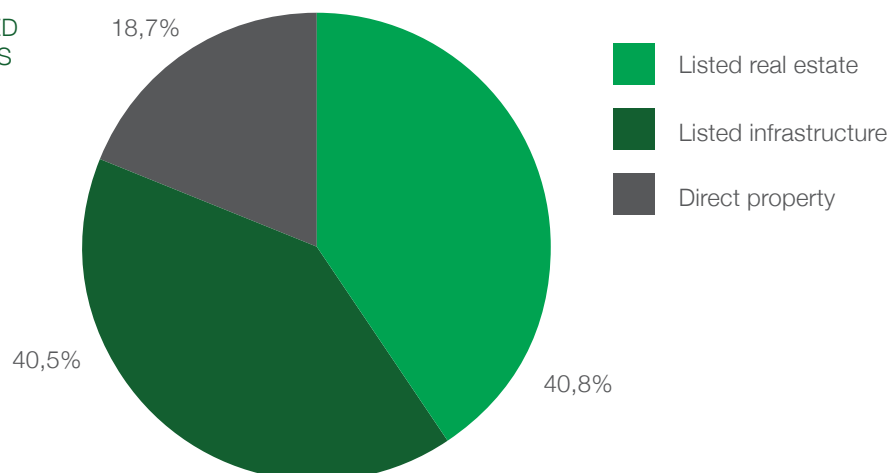
KEY DESCRIPTION	RETAIL REITs (Real Estate Investment Trusts)	INFRASTRUCTURE ASSETS
Type of consumer spending	Discretionary consumer spending.	Non-discretionary consumer spending, required utilities and services.
Impact of government	Low interest rates may have assisted consumers and supported valuations of REITs.	Low interest rates may have assisted consumers and fiscal policy may increasingly boost this sector.
Asset duration	Long duration assets.	Long duration assets.
Driver of return on equity ("ROE")	ROE generated primarily through net margins and leverage, not asset sales.	ROE generated primarily through net margins and leverage, not asset sales.
Dividend policy	Large proportion of net operating income paid as dividends.	Large proportion of net operating income paid as dividends.
Valuation metric	Free funds from operations ("FFO"), an operational cash flow measure.	Adjusted free cash flow from operations, an operational cash flow measure.
Debt-to-enterprise value	Typically between 30% – 40%.	Typically between 35% – 50%.
Income tax	REITs exempt.	Sometimes exempt, frequently incentivised through upfront tax deductions.
Research coverage	Established, well-researched sector.	Under-researched sector.
Commodity price sensitivity	Indirect exposure to prices of energy.	More direct exposure to various forms of energy.

The low gearing level of Greenbay has provided substantial protection from market volatility. This has also enabled the company to take advantage of attractive opportunities while retaining the focus on sustainable earnings growth. Greenbay established a prime broking relationship with Bank of America Merrill Lynch.

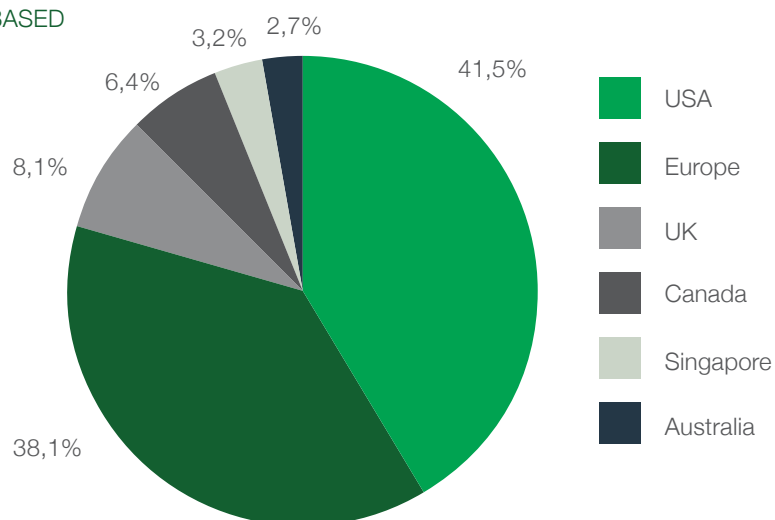
DIRECTORS' REPORT

[CONTINUED]

SECTORAL PROFILE BASED ON FAIR VALUE OF ASSETS



GEOGRAPHICAL PROFILE BASED ON FAIR VALUE OF ASSETS



The following table indicates the group's top 10 investments (including equity derivatives and direct property) by fair value as at September 2016:

Investment	Sector	Jurisdiction	Fair value as at Sep 2016 GBP'000
Planet Tuš	Direct property	Europe	49 152
Unibail-Rodamco SE	Listed real estate	Europe	16 109
Hammerson plc	Listed real estate	UK	12 333
Tivoli Projekt	Direct property	Europe	11 509
Klepierre	Listed real estate	Europe	11 308
British Land Co plc	Listed real estate	UK	10 120
Enagas SA	Listed infrastructure	Europe	8 174
Ferrovial SA	Listed infrastructure	Europe	7 714
Enterprise Products Partners	Listed infrastructure	USA	7 664
EQT Midstream Partners LP	Listed infrastructure	USA	7 632

SUMMARY OF FINANCIAL PERFORMANCE

	Sep 2016	Sep 2015
Dividend per share (GBP pence)	0,0999	-
Shares in issue	4 920 833 333	15 234 790
Net asset value per share (GBP pence)	6,76	6,37
Loan-to-value ratio*	-	34,8%

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

The board's policy is not to exceed a loan-to-value ratio of 35%.

5. CHANGES TO THE BOARD DURING THE QUARTER

Mrs Karen Bodenstern was appointed as an independent non-executive director on 27 September 2016. Mr Jorge da Costa resigned as a director on 27 September 2016.

6. OUTLOOK

Greenbay intends migrating its secondary listing on the AltX to the Main Board of the JSE and is also exploring a listing on a major stock exchange in Europe.

At the upcoming AGM, shareholders will be requested to vote on changing Greenbay's reporting and trading currency to the Euro to more accurately align the financial reporting with the group's asset base.

The board forecasts dividends of approximately 0,40 GBP pence for the year to September 2017 based on the assumption of a 25% gearing and no direct property acquisitions. This forecast and the assumptions on which it is based is the responsibility of the board and have not been reviewed or reported on by the company's external auditors. The forecast assumes that a stable global macro-economic environment will prevail and that no failures of listed REITs or infrastructure companies, in which Greenbay is invested, will occur.



REMUNERATION REPORT

Greenbay's remuneration committee ("the committee") oversees the development and annual review of the remuneration policy which is ultimately approved by the board. In doing so it ensures that the policy aligns the executive and management remuneration with the value delivered to the group's stakeholders and further recognises exceptional individual contributions. The committee has been mandated by the board to authorise the remuneration and incentivisation of all employees, including executive directors. The members of the remuneration committee are Ronnie Porter (chairman) and Mark Olivier, who are both independent non-executive directors and Teddy Lo Seen Chong, who is a non-independent non-executive director.

REMUNERATION POLICY

The remuneration policy is aligned with the strategic objectives of the company which is to create long-term, sustainable value for stakeholders. Remuneration is a combination of salary, medium-term performance-based incentivisation and long-term incentivisation in order to attract and retain motivated, high-calibre executives and employees whose interests are aligned with the interests of stakeholders. The remuneration policy aims to balance organisational and individual performance with the appropriate balance of guaranteed and variable pay. The policy is applicable to the company's executive directors as well as all employees.

Greenbay is committed to utilising a job evaluation system. The purpose of job evaluation is to determine the relative worth of one job against another. Each position in the organisation will be documented and evaluated in line with job evaluation principles. The job evaluation is communicated to the incumbent, and is utilised in determining pay structures that are fair and objective. Job evaluation is also utilised in other human resource practices such as career pathing and recruitment.

Overview

The group aims to retain its competitive advantage in the industry by attracting talented individuals and retaining experienced staff who demonstrate the behavioural traits which fit the group's entrepreneurial and dynamic culture.

The remuneration policy is based on the following guiding principles:

- Remuneration must support key business strategies;
- Remuneration must create a strong, performance orientated environment that is consistent with the group's long-term objective of value creation for stakeholders;
- Remuneration must be structured to attract, motivate and retain talented employees;
- The remuneration policy should promote risk management and not encourage excessive risk-taking by key decision-makers;
- Remuneration should be structured in a manner that allows for the recognition and encouragement of exceptional performance, both at an individual and group level;
- The remuneration policy should be transparent and easy to understand; and
- Remuneration should be equitable both from an internal perspective, taking into account employees, their roles and qualifications, and from an external perspective, ensuring that remuneration is in line with the market.

Executive and management remuneration principles

The group draws from a wide variety of sources in determining the remuneration of staff, including independent surveys, peer group comparisons, publicly available data and marketplace intelligence from local as well as international sources.

Remuneration packages are structured depending on the required skills and experiences at each level as well as the employee's level of influence on strategy and the complexity of each role.

Remuneration comprises both fixed and variable pay. Fixed pay comprises an annual salary. The group does not offer any medical aid or retirement benefits and these are for the account of the employee.

Variable pay comprises medium-term performance incentives through cash bonuses and long-term incentives through the share incentive scheme. Medium-term performance incentives are used to motivate and reward annual performance in line with the group's strategic goals. This remuneration is payable in cash and based on the individual's performance which is, *inter alia*, linked to the group's performance.

Long-term incentives create value and align the interests of employees with shareholders. Details of the scheme, including individual limits and the regularity of issues, are discussed in the table alongside.

The methods for determining the various remuneration components are as follows:

Total Guaranteed Package (TGP)	Executive directors	Fixed	Compensation, at market related levels, for directors performing their specific roles	<p>TGPs are benchmarked at the median of the peer group.</p> <p>The committee considers the following when reviewing TGPs:</p> <ul style="list-style-type: none"> • inflation over the period; • market for specific employee skills; • individual performance; and • group performance including growth in distributions per share. <p>TGPs are reviewed annually in November and increases are effective 1 January.</p>
	Management	Fixed	Compensation, at market related levels, for employees performing their specific roles	<p>TGPs are benchmarked at the median of the peer group.</p> <p>The committee considers the following when reviewing TGPs:</p> <ul style="list-style-type: none"> • inflation over the period; • market for specific employees skills; • individual performance. • changes in responsibilities; and • gains in experience. <p>TGPs are reviewed annually in November and increases are effective 1 January.</p>
Medium-term incentive scheme	Executive directors and management	Variable	Achievement of short and medium term organisational goals	<p>The committee awards cash bonuses to management based on set objectives.</p>
Long-term share incentive scheme	Executive directors and management	Variable	Alignment of long-term organisational goals and sustainable long-term total shareholder return	<p>The committee may award employees shares based on growth in distributions, relative to a peer group and the cumulative annual growth rate over three years of the company's shares.</p> <p>The quantum of the award is formula-driven. The employee will have the option to utilise the award to acquire ordinary shares in the company ungeared or geared up against the award by electing a loan as detailed below.</p> <p>The scheme shares, or any rights flowing from such shares, will vest over three years (one third every year).</p> <p>No loan elected</p> <ul style="list-style-type: none"> • Participants may only take delivery of their entitlements under the scheme on vesting. • In the event of resignation before vesting, employees will forfeit the shares not already vested. <p>Loan elected</p> <ul style="list-style-type: none"> • Participants are offered leverage (loan finance) based on four times the value of their contributions. • The participant's contribution may not exceed their entitlement (pre-tax). • Interest will be levied at 5% p.a. • Participants may only take delivery of their entitlements under the scheme on vesting and full settlement of their loan accounts. • In the event of resignation before vesting, employees will receive up to a maximum of their initial contributions to the extent that the shares are worth more than the outstanding debt. • Loan accounts must be settled within five years of the grant of shares or the entitlements expire. • The participants carry market risk on any decline in the share price during the tenure of the scheme up to a maximum of their prepaid contribution and will benefit from any market price increase, but only to the extent that the increase exceeds the average cost of funding on the advance, net of dividends. • The above will be phased in over three years and the existing scheme will be phased out according to its terms. The total loans (both schemes) to a participant at any point in time may not exceed 25 times the annual salary of that participant.

REMUNERATION REPORT

[CONTINUED]

Service contracts

All employees, including executive directors, are required to sign employment contracts with the group. These contracts set out the working hours, salary, leave entitlement, notice and probation periods and other relevant information. There is no restraint of trade clause in any of the employment contracts. Executive directors do not receive directors' or sub-committee fees.

Pay date

Remuneration is paid on the 25th day of each month and if this day falls on a weekend, remuneration will be paid on the Friday preceding the 25th.

Tax allowances

Management and employees can request assistance in structuring their remuneration packages. The primary allowance that will be allowed is a travel allowance.

EXECUTIVE DIRECTORS' REMUNERATION

	Remuneration (paid by the company) 2016 GBP	Bonus (paid by the company) 2016 GBP	Remuneration (paid by the company) 2015 GBP	Bonus (paid by the company) 2015 GBP
Stephen Delpont ⁽¹⁾	22 961	-	-	-
Paul May ⁽²⁾	15 896	-	-	-
Jan Wandrag ⁽³⁾	9 256	-	-	-
	48 113	-	-	-

⁽¹⁾ Stephen Delpont was appointed to the board on 1 March 2016.

⁽²⁾ Paul May was appointed to the board on 11 March 2016.

⁽³⁾ Jan Wandrag was appointed to the board on 22 August 2016.

Details of the allocations of shares to directors in terms of the previous Management Incentive Loans ("MIL") on which debt remained outstanding at 30 September 2016 are as follows:

	Number of shares	Date of issue	Issue price GBP
Stephen Delpont	25 083 612	8 Jun 2016	0,052
Paul May	8 361 201	8 Jun 2016	0,052

NON-EXECUTIVE DIRECTORS' REMUNERATION

Non-executive directors' remuneration consists of an annual fee. The remuneration committee recommends non-executive directors' fees to the board which proposes the fees for shareholder approval at the AGM. Attendance of directors at the various board and sub-committee meetings is disclosed on page 6.

Non-executive directors do not participate in the MIL nor is there any other remuneration paid to non-executive directors, including remuneration linked to the performance of the group.

		For services as a director (paid by the company) 2016 GBP	For services as a director (paid by the company) 2015 GBP
Terry Warren ⁽¹⁾	Chairman	693	-
Karen Bodenstein ⁽²⁾	Audit committee chairperson Risk committee chairperson Nomination committee member	-	-
Jorge da Costa ⁽³⁾		3 160	-
Teddy Lo Seen Chong ^{(4) (5)}	Risk committee member Remuneration committee member Social and ethics committee member	-	-
Mark Olivier ⁽⁶⁾	Nomination committee chairman Investment committee chairman Audit committee member Remuneration committee member	1 291	-
Ronnie Porter ⁽⁷⁾	Remuneration committee chairman Social and ethics committee chairman Audit committee member Nomination committee member Investment committee member	2 788	-
		7 932	-

⁽¹⁾ Terry Warren was appointed to the board and as chairman on 11 August 2016.

⁽²⁾ Karen Bodenstein was appointed to the board, as chairperson of the audit and risk committees and as a member of the nomination committee on 27 September 2016.

⁽³⁾ Jorge da Costa resigned from the board and all relevant committees on 27 September 2016.

⁽⁴⁾ Teddy Lo Seen Chong's remuneration is incorporated into the fees paid by the company to Intercontinental Trust Limited, the company's company secretary.

⁽⁵⁾ Teddy Lo Seen Chong was appointed to the board on 1 March 2016. He was appointed as a member of the audit and risk committees on 11 May 2016, a member of the remuneration and social and ethics committees on 11 August 2016. Teddy resigned as a member of the audit committee with effect from 27 September 2016.

⁽⁶⁾ Mark Olivier was appointed to the board as chairman of the audit committee and as a member of the nomination committee on 28 June 2016. On 27 September 2016, Mark resigned as chairman of the audit committee, was appointed as chairman of the nomination and investment committees, and as a member of the remuneration committee.

⁽⁷⁾ Ronnie Porter was appointed to the board on 11 March 2016. Ronnie was appointed as chairman of the audit, remuneration and social and ethics committees and as a member of the nomination and investment committees with effect from 11 May 2016. On 28 June 2016 he resigned as chairman of the audit committee and was appointed chairman of the risk committee on 11 August 2016. Ronnie resigned from the risk committee on 27 September 2016.

PAYMENTS TO PAST DIRECTORS

There were no payments to past directors in 2016.

PAYMENTS FOR LOSS OF OFFICE

There were no payments for loss of office to any employees or past directors in 2016.



SHARE PERFORMANCE

The board is committed to creating sustainable stakeholder value by managing the portfolio and by maximising returns on its assets.

The graphs below indicate the share price performance of Greenbay on both an actual price and percentage return basis. The performance of the Greenbay shares are indexed using a base of 100 on 7 June 2016.

CLOSING PRICE



PRICE PERFORMANCE



SUSTAINABILITY REPORTING

At Greenbay, our approach to the concept of sustainability relates to the maintenance and enhancement of environmental, social and economic resources in order to meet the needs of current and future generations. This is founded on a commitment to being a good corporate citizen, and operating in a commercially sensible and socially responsible manner.

ENVIRONMENTAL

Greenbay has adopted an environmental policy which sets out its intentions and commitment to sustainability through the reduction of electricity consumption and water usage. This policy is monitored by executive management. Energy efficiency is foremost in our sustainability endeavours.

In respect of all works there is a focus on the fundamental architectural principles, one of which is building aspect, which helps to passively address the insulation and natural lighting options available in buildings. Since air-conditioning and heating constitute the largest percentage of energy consumption, in the region of 60%, new and retrofit systems will incorporate improved standards of insulation, shading, glazing, ventilation and an efficient air-conditioning plant.

Where possible we are utilising newer, more efficient lighting systems incorporating rational design principles to maximise the lighting levels. We have and will continue to retrofit our buildings on a replacement basis with more efficient technologies.

Greenbay undertakes construction both in the form of new developments and redevelopments of existing properties. Our aim is to minimise the impact on the environment.

SOCIAL

Our employees

Our employees are as intrinsic to our business as our assets. We strive to create a productive working environment. We aim to attract and retain high-calibre, motivated employees. The remuneration of our employees is elaborated on in the remuneration report on pages 14 to 17.

As discussed in note 4 to the financial statements, Greenbay has management incentive loans which are granted to employees to enable them to purchase shares in Greenbay. We believe that empowering our employees in this way aligns their interests even closer to those of shareholders.

Our communities

The impact of developments on surrounding communities is carefully considered and we engage directly with these communities where possible. Residential developments are designed to incorporate green areas and parks in an urban environment.

SHAREHOLDER ANALYSIS

SHAREHOLDER SPREAD AT 30 SEPTEMBER 2016 AS DEFINED IN TERMS OF THE SEM AND JSE LISTINGS REQUIREMENTS.

	Number of shareholders	Number of shares held	Percentage of issued shares
Public	1 296	2 602 508 364	52,9%
Non-public	2	2 260 890 040	45,9%
Directors and employees	6	57 434 929	1,2%
	1 304	4 920 833 333	100%

Size of holding	Number of shareholders	Number of shares held	Percentage of issued shares
1 to 2 500 shares	95	76 298	0,0%
2 501 to 10 000 shares	221	1 415 991	0,1%
10 001 to 100 000 shares	469	21 227 359	0,4%
100 001 to 1 000 000 shares	321	114 039 959	2,3%
1 000 001 to 3 500 000 shares	88	163 229 635	3,3%
More than 3 500 000 shares	110	4 620 844 091	93,9%
	1 304	4 920 833 333	100,0%

Registered shareholders owning 5% or more of issued shares	Number of shares held	Percentage of issued shares
Resilient Properties Proprietary Limited	1 351 615 040	27,5%
Fortress Income 2 Proprietary Limited	909 275 000	18,5%
Peregrine Capital Proprietary Limited	380 103 019	7,7%
	2 640 993 059	53,7%

Control of more than 5% of issued shares	Number of shares held	Percentage of issued shares
Resilient Properties Proprietary Limited	1 351 615 040	27,5%
Fortress Income 2 Proprietary Limited	909 275 000	18,5%
Peregrine Capital Proprietary Limited	380 103 019	7,7%
	2 640 993 059	53,7%



KEY RISK FACTORS AND RISK MANAGEMENT

Risk is the volatility of unexpected outcomes. Within the Greenbay framework, this would specifically relate to the adverse impact on the value of its assets, equity or earnings. Risk management is the discipline by which these risks are identified, assessed and prioritised. It is essential to understand the multiple dimensions of risk in order to manage these effectively, with the aim of increasing shareholder value.

Risk management is essential for improved performance, growth and sustainable value creation. The process for identifying and managing risks has been set by the board. The board has overall responsibility for risk management but has delegated the responsibility for monitoring risk management processes and activities to Greenbay's risk committee. The day-to-day responsibility for risk management, including maintaining an appropriate internal control framework, remains the responsibility of Greenbay's executive management.

Risk management is an integral part of the company's strategic management and is the mechanism through which risks associated with the company's activities are addressed. The key objectives of the risk management system include:

- The identification, assessment and mitigation of risks on a timely basis;
- The provision of timely information on risk situations and appropriate risk responses;
- The identification of potential opportunities which would result in increasing firm value; and
- The instillation of a culture of risk management throughout the Greenbay group.

Risks are monitored *via* the risk management framework in terms of which management identifies risks, documents these in the risk matrix and assesses the probability of their occurrence as well as the potential impact of the risk on the organisation. Each identified risk is then managed and, where possible, mitigated. Due to the dynamic nature of the economic environment in which Greenbay operates, risks, and the impacts thereof, change constantly. Accordingly, risk management is a dynamic and ongoing discipline which is continuously adapted to its environment.

KEY RISK	STRATEGIC GOAL IMPACTED	BUSINESS IMPACT	MITIGATION OF THE RISK	STAKEHOLDERS
Risk of losses due to currency fluctuations.	Capital growth in share price	Income for the period is reduced due to foreign exchange fluctuations.	Greenbay hedges its exposure to currency risk to a reasonable extent by aiming to fund the purchase of counters in the currency in which that counter is denominated.	Shareholders
Risk of underperformance of investments, specifically forecasted dividends not being received.	Growth in distributable income	Distributable income is reduced due to the reduction of dividends received from investments.	Management monitors the performance of listed counters on a daily basis. All investments are made in accordance with the investment mandate and the board monitors compliance with such mandates on a quarterly basis.	Shareholders
Risk of financial loss to the company if a tenant or counterparty to a financial instrument fails to meet its contractual obligations. Arises principally from the company's receivables from tenants and investment securities.	Growth in distributable income. Capital growth in share price	Distributable income is reduced due to the reduction of rental income from tenants or dividends received from investments.	Financial instruments are entered into with reputable financial institutions. Greenbay's credit processes aim to ensure that each tenant is analysed and the lease agreed prior to occupancy of the premises. When available, the company's review includes external ratings. The company limits its exposure to credit risk by only investing in liquid securities and with globally recognised financial institutions and/or counterparties that are listed on a recognised stock exchange. The company limits its exposure to credit risk by utilising multiple globally recognised financial institutions.	Shareholders Tenants Financiers

KEY RISK FACTORS AND RISK MANAGEMENT

[CONTINUED]

KEY RISK	STRATEGIC GOAL IMPACTED	BUSINESS IMPACT	MITIGATION OF THE RISK	STAKEHOLDERS
Risk of losses owing to movements in the level or volatility of market prices and commodity prices.	Capital growth in share price	Net asset value is reduced due to losses incurred, which reduces the Greenbay share price.	Management monitors the performance of the counters on a daily basis. All investments are made in accordance with the investment mandate and the board monitors compliance with such mandates on a quarterly basis.	Shareholders Financiers
Greenbay is reliant on the expertise of the management team. Executive management is critical in the day-to-day operations of the business through their expertise and experience in the analysis of the market and the identification of suitable investment opportunities.	Capital growth in share price	Skilled and experienced staff may not be retained.	The remuneration of key staff is aligned with the interests of shareholders.	Employees Shareholders
Deterioration in the company's credit profile, a decline in debt market conditions or a general rise in interest rates could impact the cost and availability of funding.	Growth in distributable income	The cost of financing increases, substantially reducing distributable income.	The company monitors its key financial ratios. Interest rate risk is mitigated through the use of interest rate swaps in multiple currencies and jurisdictions.	Shareholders Financiers Employees
Inability to refinance debt at acceptable rates and over-exposure to a single financial institution.	Growth in distributable income	Higher finance costs result in lower distributable income.	Concentration exposure to one financial institution is avoided.	Shareholders Financiers Employees
Business continuity risk.	Growth in distributable income	Business interruption may have a severe impact on the operations of Greenbay and may reduce distributable income.	Greenbay has a business continuity plan which includes the daily backup of data which is tested regularly.	Employees Shareholders
Investing in international markets increases operational, regulatory and other risks.	Growth in distributable income. Maintenance of the Greenbay brand	Non-compliance with regulatory requirements could lead to fines, penalties and censures.	This risk is mitigated through the collaboration of the risk committee, the executives, Greenbay's legal advisers and service providers in identifying and ensuring compliance with regulatory requirements.	Shareholders Financiers Employees
Development projects fail to deliver expected returns due to increased costs or delays.	Growth in distributable income	Greenbay may suffer reputational damage as well as financial loss if developments are not completed timeously and within budget.	Greenbay has access to professional, independent development managers who can be contracted on a watching brief basis to mitigate this risk. All construction works are, where possible, put to tender and only reputable professionals are engaged. Structural and occupation certificates are obtained for all developments on completion.	Financiers Shareholders Employees

KEY RISK	STRATEGIC GOAL IMPACTED	BUSINESS IMPACT	MITIGATION OF THE RISK	STAKEHOLDERS
The underperformance of property managers may result in inaccurate recovery of revenue and incorrect reporting.	Tenant relationships and retention. Growth in distributable income	Inaccurate billing of tenants and reporting.	Compliance with service level agreements is monitored regularly. Management reviews monthly reports and meets with the property managers on a regular basis.	Tenants Property managers Shareholders Employees Co-owners
Destruction of assets.	Maintaining and growing a quality portfolio of assets. Growth in distributable income	Buildings destroyed due to force majeure, fire etc. and as a result income cannot be generated from tenants.	Insurance cover is carefully monitored to ensure that it is sufficient. The insurable amount is based on replacement valuations obtained from an independent valuer. Greenbay uses reputable underwriters with sufficient financial backing to sustain the cover paid for.	Tenants Property managers Shareholders Employees Co-owners
Physical deterioration of properties rendering them untenable.	Maintaining and growing a quality portfolio of assets. Growth in distributable income	Properties that have physically deteriorated will be untenable resulting in decreased distributable income.	Asset managers perform regular property inspections as do the property managers.	Tenants Property managers Shareholders Employees Co-owners
Exposure to uncertain operating environments through investment in various European countries.	Growth in distributable income	Due to the dynamic legislative and regulatory environments in certain European countries, the risk of non-compliance is increased.	Management consults with professional advisors to identify and comply with legislation and regulations in the applicable jurisdictions.	Shareholders Financiers Co-owners
Significant volume of leases expiring in a specific period.	Tenant relationships and retention. Growth in distributable income	Rental income may be eroded due to new leases or renewals at lower rentals than previously achieved. Vacancies may not be let timeously thus reducing distributable income.	Asset and property managers closely monitor lease expiries and begin negotiations with tenants in advance of the expiry. All rentals are done at market related rates. Greenbay actively markets all vacant space.	Tenants Property managers Shareholders Employees Co-owners
Funding liquidity risk.	Growth in distributable income	Inability to meet obligations which may force early liquidation of the position as a result of margin calls.	Ensuring sufficient cash reserves are held by means of proper planning of cash flow needs by setting limits on cash flow gaps, by diversification, and by lending due consideration to how new funds can be raised to meet cash shortfalls.	Shareholders Financiers

INTERNAL CONTROLS

Within the sphere of risk management, special attention is paid to the company's internal controls by the board. In discharging its responsibility for the effectiveness of internal controls during the period, the board's approach was based on the internal control framework summarised below:

- Clear statements of the powers and responsibility of the board;
- The establishment of scrutinising sub-committees, reporting to the board, covering key risk and operational exposures;
- Prescribed investment mandate limits;
- Ability of independent directors to provide support to executive directors;
- Effective systems for authorising investment and other capital expenditure;
- Regular review meetings with management, managing agents and other advisers, including adequacy of reporting arrangements;
- Regular reporting to the board of operational forecasts and results with explanation of variances;
- Regular review of the company's capital funding requirements and debt/interest exposure; and
- Regular reporting to the board of health, safety and environmental matters.

CORPORATE GOVERNANCE REVIEW

The board of directors ("the board") endorses the code of corporate practices and conduct as set out in the Code of Corporate Governance for Mauritius ("the Code"). The disclosures included in this review are consistent with the requirements of the Code. Independent consultants have been made available to members of the board to ensure that all directors are fully conversant with the best practice and current thinking with regard to corporate governance.

HOLDING STRUCTURE

Greenbay is the ultimate holding company with six subsidiaries as detailed below:

Companies	Country of incorporation	% Capital shareholding	Reporting currency for local statutory purposes
Greenbay Investments 1 ⁽²⁾	Mauritius	100%	GBP
Greenbay Investments 2 ⁽²⁾	Mauritius	100%	GBP
Greenbay Investments UK Limited ⁽¹⁾	United Kingdom	100%	GBP
Greenbay Netherlands B.V. ⁽¹⁾	Netherlands	100%	EUR
Greenbay Investments d.o.o. ⁽¹⁾ ⁽²⁾	Slovenia	100%	EUR
Greenbay Tivoli d.o.o. ⁽¹⁾ ⁽²⁾	Slovenia	100%	EUR

⁽¹⁾ Paul May is a director of this company.

⁽²⁾ Jan Wandrag is a director of this company.

COMPOSITION OF THE BOARD OF DIRECTORS

The board comprises three executive directors, four independent non-executive directors and one non-independent non-executive director. All directors serve for a maximum period of one year and are subject to retirement by rotation and re-election by members in a general meeting. Board appointments are made in terms of the policy on nominations and appointments. Board appointments are transparent and a matter for the board as a whole.

There are no fixed term contracts for executive directors and the notice period for termination or resignation is one calendar month. There is no restraint of trade period for executive directors.

ROLE OF THE DIRECTORS

Ultimate control of the company rests with the board of directors while the executive management is responsible for the proper management of the company. To achieve this, the board is responsible for establishing the objectives of the company and setting a philosophy for investments, performance and ethical standards. Although quarterly board meetings will be arranged every year, additional meetings are called should circumstances require it. Two board meetings were called during the 2016 financial year.

The chairman, with the assistance of the company secretary, led a formal review of the effectiveness of the board and its committees. Each director completed a detailed evaluation questionnaire and an analysis of the findings was presented to the board. There was agreement that the board was operating effectively. The results were positive and action plans were agreed upon where required.

BOARD CHARTER

In order to fulfil its duties, the board has adopted a charter setting out its responsibilities. The board reviewed this charter in 2016.

The board acknowledges that it is responsible for ensuring the following functions as set out in the board charter:

- Good corporate governance and implementation of the code of corporate practices and conduct as set out in the Code;
- That the company performs at an acceptable level and its affairs are conducted in a responsible and professional manner; and
- The board recognises its responsibilities to all stakeholders.

RESPONSIBILITIES OF THE BOARD

Although certain responsibilities are delegated to committees or management executives, the board acknowledges that it is not discharged from its obligations in regard to these matters.

The board acknowledges its responsibilities as set out in the board charter in the following areas:

- The adoption of strategic plans and ensuring that these plans are carried out by management;
- Monitoring the operational performance of the business against predetermined budgets;
- Monitoring the performance of management at both operational and executive levels;
- Ensuring the company complies with all laws, regulations and codes of business practice; and
- Ensuring a clear division of responsibilities at board level to ensure a balance of power and authority in terms of group policies.

INDEPENDENCE OF THE DIRECTORS

The board of directors' independence from the executive management team is ensured by the following:

- Separation of the roles of chairman and managing director, with the chairman being independent;
- The board being dominated by independent non-executive directors;
- The audit, investment, nomination, remuneration, risk and social and ethics committees having a majority of independent non-executive directors;
- Non-executive directors not holding service contracts;
- All directors having access to the advice and services of the company secretary; and
- With prior agreement from the chairman, all directors are entitled to seek independent professional advice concerning the affairs of the company at the company's expense.

The following independent non-executive directors chair the various sub-committees of the board:

- Audit: Karen Bodenstein
- Investment: Mark Oliver
- Nomination: Mark Olivier
- Remuneration: Ronnie Porter
- Risk: Karen Bodenstein
- Social and ethics: Ronnie Porter

The independence of the non-executive directors was assessed and four are considered independent in terms of the requirements of the Code. Independent evaluations will be done annually.

DIRECTORS' INTERESTS

A full list of directors' interests is maintained and directors certify that the list is correct at each board meeting. Directors recuse themselves from any discussion and decision on matters in which they have a material financial interest.

AUDIT COMMITTEE

The primary role of the audit committee is to ensure the integrity of financial reporting and the audit process. In pursuing these objectives, the audit committee oversees relations with the external auditors. The committee also assists the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and internal control processes, overseeing the preparation of accurate financial reports and statements in compliance with all applicable legal requirements and accounting standards, ensuring compliance with good governance practices and nomination of external auditors. The role of the audit committee has been codified in the audit committee charter which has been approved by the board. This charter has been aligned with the recommendations of the Code. The board reviewed the charter in 2016.

The audit committee presently comprises: Karen Bodenstein (chairperson), Ronnie Porter and Mark Olivier, all of whom are independent non-executive directors. The managing director and financial director attend meetings as invitees. The committee members have unlimited access to all information, documents and explanations required in the discharge of their duties, as do the external auditors.

The board, in consultation with the audit committee chairperson, makes appointments to the committee to fill vacancies. Members of the audit committee are subject to re-election by members in a general meeting on an annual basis.

CORPORATE GOVERNANCE REVIEW

[CONTINUED]

The board has determined that the committee members have the skills and experience necessary to contribute meaningfully to the committee's deliberations. In addition, the chairperson has the requisite experience in accounting and financial management. The committee met twice during the financial period. The audit committee has satisfied itself that no breakdown in accounting controls, procedures and systems has occurred during the period under review.

In fulfilling its responsibility of monitoring the integrity of financial reports to shareholders, the audit committee has reviewed accounting principles, policies and practices adopted in the preparation of financial information and has examined documentation relating to the annual Integrated Report and interim financial report. The clarity of disclosures included in the financial statements was reviewed by the audit committee, as was the basis for significant estimates and judgements. The audit committee is further satisfied that the chief financial officer, Paul May CA(SA), is sufficiently competent and that the finance function has adequate resources and sufficient expertise.

It is the function of the committee to review and make recommendations to the board regarding quarterly financial results and the Integrated Report prior to approval by the board. The audit committee has complied with its legal, regulatory and other responsibilities. The audit committee recommended the Integrated Report to the board for approval.

EXTERNAL AUDIT

A key factor that may impair auditors' independence is a lack of control over non-audit services provided by the external auditors. In essence, the external auditors' independence is deemed to be impaired if the auditors provide a service which:

- Results in auditing of own work by the auditors;
- Results in the auditors acting as a manager or employee of the company;
- Puts the auditors in the role of advocate for the company; or
- Creates a mutuality of interest between the auditors and the company.

The company addresses this issue through three primary measures, namely:

- Disclosure of the extent and nature of non-audit services;
- The prohibition of selected services; and
- Prior approval by the audit committee of non-audit services.

Other safeguards encapsulated in the policy include:

- The external auditors are required to assess periodically, in their professional judgement, whether they are independent of the company;
- The audit committee ensures that the scope of the auditors' work is sufficient and that the auditors are fairly remunerated; and
- The audit committee has primary responsibility for making recommendations to the board on the appointment, re-appointment and removal of the external auditors.

The committee reviews audit plans for external audits and the outcome of the work performed in executing these plans. It further ensures that items identified for action are followed up. The external auditors report annually to the audit committee to confirm that they are and have remained independent from the company during the financial year.

The audit committee considered information pertaining to the balance between fees for audit and non-audit work for the company in 2016 and concluded that the nature and extent of non-audit fees do not present a threat to the external auditors' independence. These fees are disclosed in note 14 of the financial statements. Furthermore, after reviewing a report from the external auditors on all their relationships with the company that might reasonably have a bearing on the external auditors' independence and the audit engagement partner and staff's objectivity, and the related safeguards and procedures, the committee has concluded that the external auditors' independence was not impaired. The audit committee approved the external auditors' terms of engagement, scope of work, the annual audit and the applicable levels of materiality. Based on submitted written reports, the committee reviewed, with the external auditors, the findings of its work and confirmed that all significant matters had been satisfactorily resolved. The committee determined that the 2016 audit was completed without any restriction on its scope.

The audit committee has satisfied itself as to the suitability of the external auditors for re-appointment for the ensuing year.

INTERNAL AUDIT

The company does not have a formalised internal audit department. This is primarily due to the fact that the majority of property management functions are outsourced to external property managers who are subjected to annual external audits. The board considers that the monitoring duties of the audit and risk committees is key to the effectiveness of the company's internal control framework and overall risk management. The audit committee continually examines the appropriateness of utilising independent internal auditors to periodically review activities of the company.

ETHICAL PERFORMANCE

The board of directors forms the core of the values and ethics subscribed to by the company through its various bodies and committees. These values and ethics are sustained by the directors' standing and reputation in the business community and their belief in free and fair dealings in utmost good faith and respect for laws and regulations. Greenbay has a code of ethics communicated to all staff. The code of ethics stipulates, among other things, that all stakeholders are expected to act in good faith, that bribery in any form is not tolerated, all conflicts of interest need to be declared and that compliance with all legislation is of the utmost importance. The code of ethics is reviewed by the social and ethics committee on an annual basis.

The board is not aware of any transgressions of the code of ethics during the financial year. No issues of non-compliance, fines or prosecutions have been levied against Greenbay.

INTERNAL FINANCIAL AND OPERATING CONTROLS

A framework of financial reporting, internal and operating controls has been established by the board to ensure reasonable assurance as to the accurate and timely reporting of business information, safeguarding of company assets, compliance with laws and regulations, financial information and general operations.

The board reviewed and was satisfied with the effectiveness of the internal financial and operating controls, the process of risk management and the monitoring of legal governance compliance within the company.

INVESTMENT COMMITTEE

All acquisitions, disposals and capital expenditure are considered by the investment committee. The investment committee approves acquisitions, disposals and capital expenditure up to pre-set limits.

The investment committee consists of Mark Olivier (chairman) and Ronnie Porter who are independent non-executive directors, as well as Stephen Delport who is an executive director. All members of this committee have extensive experience and technical expertise in the property industry.

The investment committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2016.

NOMINATION COMMITTEE

The nomination committee is mandated by the board to identify suitable candidates to be appointed to the board, in order to fill vacancies, ensure there is a succession plan in place for key management, assess the independence of non-executive directors and assess the composition of the board sub-committees. The nomination committee recommends the individuals to the board for appointment.

The nomination committee comprises three independent non-executive directors being Mark Olivier (chairman), Ronnie Porter and Karen Bodenstein.

The nomination committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2016.

REMUNERATION COMMITTEE

The remuneration committee is mandated by the board to authorise the remuneration and incentivisation of all employees, including executive directors.

CORPORATE GOVERNANCE REVIEW

[CONTINUED]

In addition, the remuneration committee recommends directors' fees payable to non-executive directors and members of board sub-committees. Further details are provided in the remuneration report on pages 14 to 17.

The remuneration committee comprises two independent non-executive directors being Ronnie Porter (chairman) and Mark Olivier and one non-independent non-executive director, Teddy Lo Seen Chong.

The remuneration committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2016.

RISK COMMITTEE

The risk committee is mandated by the board to ensure that a sound risk management system is maintained to assist the board in discharging its duties relating to the safeguarding of assets and to ensure that the company has implemented an effective plan for risk management that will enhance the company's ability to achieve its strategic objectives.

The risk management plan is in line with industry practice, reviewed annually and the risk matrix is presented and discussed at each meeting. The risk committee is satisfied that the company has complied, in all material respects, with its risk management policy.

The risk committee consists of Karen Bodenstein (chairperson and independent non-executive director), Teddy Lo Seen Chong, a non-independent non-executive director and an executive director, Stephen Delport. The board has determined that the committee members have the necessary skills and experience to contribute to the effective implementation of the risk committee charter.

The risk committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2016.

SOCIAL AND ETHICS COMMITTEE

The social and ethics committee's focus is to monitor compliance with labour legislation as well as the corporate social responsibilities and corporate citizenship. The social and ethics committee also serves the function of ensuring that the reporting requirements on corporate governance are in accordance with the principles of the Code.

The social and ethics committee comprises Ronnie Porter (chairman and independent non-executive director), Teddy Lo Seen Chong, a non-independent non-executive director and Jan Wandrag, an executive director.

The social and ethics committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2016.

COMPANY SECRETARY

The board has considered the competence, qualifications and experience of the company secretary, Intercontinental Trust Limited ("ITL"), and deemed it fit to continue in the role as company secretary for Greenbay. ITL is independent of Greenbay and the relationship with the board has been assessed and is considered to be at arm's length.

The board has considered and has concluded that Teddy Lo Seen Chong's role as both director of ITL as well as non-independent non-executive director of Greenbay does not impact on the independence of the company secretary. In reaching this conclusion the board has, amongst other things, considered the following factors:

- ITL is one of the largest management companies in Mauritius and the provision of company secretarial functions is within the ordinary course of its business.
- ITL is paid a market related fee for these services by the company which is governed by a service level agreement between Greenbay and ITL.
- ITL itself is not a director of Greenbay.
- Teddy Lo Seen Chong is an executive director of ITL and his position as executive director does not involve oversight over the day-to-day company secretarial functions undertaken by ITL for Greenbay.
- Teddy Lo Seen Chong is not the point of contact between Greenbay and ITL pertaining to company secretarial matters. In addition, no correspondence pertaining to company secretarial matters is sent to him unless it involves the business of the non-executive directors of Greenbay and other non-executives are also included.
- Teddy Lo Seen Chong is not responsible for the engagement between Greenbay and ITL from ITL's perspective.
- The board undertakes an evaluation of the company secretary on an annual basis and has concluded that it is sufficiently independent and has the requisite qualifications, experience and competence to fulfil the role of company secretary.

INFORMATION TECHNOLOGY (“IT”) GOVERNANCE

The board is ultimately responsible for IT governance. The Greenbay IT function is outsourced to a third-party service provider and is governed by a service level agreement.

The risks and controls over IT assets and data are considered by the risk committee.

DEALING IN SECURITIES BY THE DIRECTORS

Dealing in the company’s securities by directors and company officials is regulated and monitored as required by the SEM Listing Rules. With regard to directors’ dealings in the shares of their own company, the directors confirm that they have followed the absolute prohibition principles and notification requirements of the model code for securities transactions by directors as detailed in Appendix 6 of the SEM Listing Rules. All directors’ trading must take place exclusively outside the closed periods prescribed by the Stock Exchange Regulations and requires written authorisation from the board of directors. Greenbay maintains a closed period from the end of a financial period to the date of publication of the financial results.

MATERIAL CLAUSES OF THE CONSTITUTION

There are no clauses of the constitution deemed material enough for separate disclosure.

SHAREHOLDERS’ AGREEMENTS

There is currently no shareholders’ agreement affecting the governance of Greenbay by the board.

SHARE ISSUES

There were three share issues during the year:

- Effective 27 November 2015, 9 765 210 Greenbay shares were issued at R1,22 on the South African register by way of a private placement.
- Effective 8 June 2016, 3 333 333 333 Greenbay shares were issued at R1,20 per share on the South African register and GBP0,052 per share on the Mauritian register by way of a bookbuild.
- Effective 29 September 2016, 1 562 500 000 Greenbay shares were issued at R1,44 per share on the South African register and GBP0,079 on the Mauritian register by way of a bookbuild.

COMMUNICATIONS WITH STAKEHOLDERS

Greenbay is committed to ensuring timeous, effective and transparent communication with shareholders and other stakeholders as set out below.

Stakeholder	Communication
Shareholders	Greenbay is committed to providing shareholders with timely access to applicable information. Communication with its shareholders is open, honest and transparent. Shareholders are provided with information <i>via</i> circulars and integrated and interim reports. Additional information is provided on Greenbay’s website, <i>via</i> SENS announcements, SEM communiques and press releases.
Analysts	Greenbay will introduce semi-annual results presentations in 2017.
Financiers	Greenbay meets with its financiers on a regular basis to discuss its requirements and theirs. Information is provided through analyst presentations, road shows, integrated reports and interim reporting.
Tenants	Greenbay strives to form mutually beneficial business relationships with its tenants. Greenbay’s asset managers and property managers meet with the tenants on a regular basis and conduct regular site visits to Greenbay’s properties.
Government	Greenbay endeavours to have mutually beneficial relationships with government, its departments and parastatals. Greenbay engages with local authorities both directly and <i>via</i> its property managers and external consultants regarding utility issues, rates clearances, zoning, etc.
Business partners	Greenbay maintains professional working relationships with its business partners at the same time as fostering a culture of teamwork. Greenbay ensures that all of its business partners fully understand its performance standards and requirements. Greenbay’s business partners include the property managers and both Greenbay asset managers and senior management meet with the property managers on a regular basis.

CORPORATE GOVERNANCE REVIEW

[CONTINUED]

Stakeholder	Communication
Communities and environment	Greenbay is committed to being a good corporate citizen and frequently evaluates the impact of its projects and developments on society and the environment.
Suppliers	Greenbay maintains professional working relationships with all of its suppliers and ensures that its suppliers understand Greenbay's performance standards and requirements. Where possible, Greenbay will have service level agreements or terms of reference for its relationships with suppliers, which include performance expectations.

DIVIDEND POLICY

The company has a semi-annual distribution policy with the intention to distribute the majority of the company's earnings to the shareholders, after making provision for expenses and working capital in respect of the six-month periods ending 31 March and 30 September each year, as set out in the listing particulars.

MISCELLANEOUS ITEMS

- The company does not have an employee share option scheme.
- The company and its subsidiaries made no charitable or political donations during the year.
- Related party transactions are set out in note 26 of the financial statements.
- There was no third party management agreement between third parties and the company in the period under review aside from those property management agreements that relate to the day-to-day property management of Greenbay's properties.

The company's subsidiaries did not incur any audit fees during the year.



PLANET KOPER, SLOVENIA

DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

THE DIRECTORS ACKNOWLEDGE THEIR RESPONSIBILITIES FOR:

- (i) adequate accounting records and maintenance of effective internal control systems;
- (ii) the preparation of financial statements which fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for that year and which comply with International Financial Reporting Standards ("IFRS"); and
- (iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

THE DIRECTORS REPORT THAT:

- (i) adequate accounting records and an effective system of internal controls and risk management have been maintained;
- (ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii) IFRS has been adhered to. Any departure in the interest in fair presentation has been disclosed, explained and quantified; and
- (iv) the Code of Corporate Governance has been adhered to. Reasons have been provided where there has not been compliance.

In addition, the directors have made an assessment of the group's and company's ability to continue as a going concern and there is no reason to believe that the business will not be a going concern in the year ahead.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS OF THE COMPANY

The annual financial statements of the group and company were approved by the board of directors on 10 November 2016 and signed on its behalf by:



Paul May
Chief financial officer



Stephen Delport
Chief executive officer

STATEMENT OF COMPLIANCE

We, the directors of Greenbay, confirm to the best of our knowledge that the company has complied with all of its obligations and requirements under the Code of Corporate Governance.



Paul May
Chief financial officer



Stephen Delport
Chief executive officer

COMPANY SECRETARY'S CERTIFICATE FOR THE YEAR ENDED 30 SEPTEMBER 2016

We certify that, to the best of our knowledge and belief, the company has filed with the Registrar of Companies all such returns as are required of the company under the Companies Act 2001.



Intercontinental Trust Ltd
Company secretary
10 November 2016

REPORT OF THE AUDIT COMMITTEE

The audit committee is pleased to submit its report for the year ended 30 September 2016. Details on the composition of the audit committee, frequency of meetings and attendance at meetings are set out in the board of directors' section of the Integrated Report on page 6 and further details on the role of the audit committee are set out in the corporate governance review section on pages 25 and 26.

EXECUTION OF THE FUNCTIONS OF THE AUDIT COMMITTEE

The audit committee has carried out its functions in terms of the audit committee charter as approved by the board and any other legal or regulatory responsibilities.

EXTERNAL AUDITORS

The audit committee is satisfied that the external auditors are independent of the group. The audit committee considered information pertaining to the balance between fees received by the external auditors for audit and non-audit work for the group in 2016 and concluded that the nature and extent of non-audit fees do not present a threat to the external auditors' independence. Furthermore, after obtaining confirmation and reviewing a report from the external auditors on all their relationships with the company that might reasonably have a bearing on the external auditors' independence and the audit engagement partner's objectivity, and the related safeguards and procedures, the audit committee has concluded that the external auditors' independence was not impaired.

The audit committee approved the external auditors' terms of engagement, scope of work, the annual fee and noted the applicable levels of materiality. Based on written reports submitted, the audit committee reviewed, with external auditors, the findings of their work and confirmed that all significant matters had been satisfactorily resolved. The audit committee is satisfied that the 2016 audit was completed without any restrictions on its scope.

The audit committee has satisfied itself as to the suitability of the external auditors for re-appointment for the ensuing year.

FINANCIAL STATEMENTS AND ACCOUNTING POLICIES

The audit committee has reviewed principles, policies and practices adopted in the preparation of financial statements for the 2016 financial year and, where necessary, has obtained appropriate explanations relating to such financial information included in the Integrated Report. The audit committee is satisfied that they are adequate and appropriate and that the financial statements comply with International Financial Reporting Standards and the Companies Act.

The audit committee has applied its mind to the preparation and presentation of the Integrated Report and acknowledges its responsibility to ensure the integrity of the Integrated Report. The audit committee recommended the Integrated Report to the board for approval.

INTERNAL FINANCIAL CONTROLS AND THE FINANCE FUNCTION

The audit committee has satisfied itself that no breakdown in accounting controls, procedures and systems has occurred during the year under review that could have a material impact on financial reporting.

The audit committee has considered and confirms that the chief financial officer, Paul May has the appropriate expertise and experience and that the finance function has adequate resources and expertise.



Karen Bodenstein
Chairperson of audit committee
10 November 2016



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of Greenbay Properties Limited, as a body, in accordance with section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the group financial statements of Greenbay Properties Limited and its subsidiaries (the group) and the company's separate financial statements (the company) on pages 34 to 71, which comprise the statements of financial position at 30 September 2016, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 34 to 71 give a true and fair view of the financial position of the group and of the company at 30 September 2016, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Other matter

The financial statements of the company for the period ended 30 September 2015 were audited by another auditor who expressed an unmodified opinion on those financial statements on 16 December 2015.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with, or interests in, the company or any of its subsidiaries, other than in our capacity as auditors and business advisers and dealings in the ordinary course of business. We have obtained all information and explanations we have required. In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.

Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report. Our responsibility is to report the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the annual report is consistent with the requirements of the Code.

BDO & Co
Chartered Accountants
Port Louis, Mauritius

Per Rookaya Ghanty, FCCA
Licensed by FRC

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2016

	Note	GROUP		COMPANY	
		2016 GBP	Restated 2015 GBP	2016 GBP	Restated 2015 GBP
ASSETS					
Non-current assets		65 550 167	1 621 187	67 413 466	863 644
Investment property	3	49 150 653	1 175 000	-	-
Straight-lining of rental revenue adjustment	3	1 281	-	-	-
Greenbay management incentive loans	4	2 208 060	-	2 208 060	-
Investments	5	2 681 076	446 187	2 681 076	446 187
Investment property under development	3	11 509 097	-	-	-
Investment in and loans to subsidiaries	6	-	-	62 524 330	417 457
Current assets		268 535 063	300 737	265 579 636	965
Equity derivative margin	7	74 679 340	-	74 679 340	-
Trade and other receivables	9	6 525 350	25 818	3 928 284	965
Cash and cash equivalents	8	187 330 373	274 919	186 972 012	-
Total assets		334 085 230	1 921 924	332 993 102	864 609
EQUITY AND LIABILITIES					
Total equity attributable to equity holders		332 493 118	971 161	332 516 092	852 601
Stated capital	10	297 973 130	882 457	297 973 130	882 457
Non-distributable reserve		17 590 747	22 215	17 590 751	(18 814)
Currency translation reserve		2 695	-	-	-
Retained earnings/(deficit)		16 926 546	66 489	16 952 211	(11 042)
Total liabilities		1 592 112	950 763	477 010	12 008
Non-current liabilities					
Interest-bearing borrowings	11	-	794 922	-	-
Current liabilities		1 592 112	155 841	477 010	12 008
Trade and other payables	12	1 477 809	112 046	365 752	11 991
Interest-bearing borrowings	11	-	43 778	-	-
Bank overdraft	8	-	17	-	17
Income tax payable	10	114 303	-	111 258	-
Total equity and liabilities		334 085 230	1 921 924	332 993 102	864 609

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	GROUP		COMPANY	
		For the year ended 30 Sep 2016 GBP	Restated for the period ended 30 Sep 2015 GBP	For the year ended 30 Sep 2016 GBP	Restated for the period ended 30 Sep 2015 GBP
Net rental and related revenue		359 449	84 366	-	-
Recoveries and contractual rental revenue		480 661	112 705	-	-
Straight-lining of rental revenue adjustment		1 261	-	-	-
Rental revenue		481 922	112 705	-	-
Property operating expenses		(122 473)	(28 339)	-	-
Income from equity derivatives	13	3 833 842	-	3 833 842	-
Fair value gain on investment property, investments and equity derivatives		12 827 496	-	12 869 786	-
Adjustment resulting from straight-lining of rental revenue		(1 261)	-	-	-
Fair value loss on investments		(184 168)	-	(184 168)	-
Fair value gain on equity derivatives		13 012 925	-	13 053 954	-
Operating expenses		(208 224)	(28 313)	(195 353)	(11 058)
Listing costs		(259 534)	-	(259 534)	-
(Loss)/profit on disposal of subsidiary	18	(24 635)	-	77 114	-
Foreign exchange gain		17 590 747	-	17 590 751	16
Operating profit/(loss)		34 119 141	56 053	33 916 606	(11 042)
Net finance income/(costs)		431 655	(37 511)	767 470	-
Finance income		473 413	15 727	773 658	-
Interest on Greenbay management incentive loans		116 342	-	116 342	-
Interest income from group companies		-	-	309 159	-
Interest received		357 071	15 727	348 157	-
Finance costs		(41 758)	(53 238)	(6 188)	-
Interest on borrowings		(41 758)	(53 238)	(6 188)	-
Gain on bargain purchase		-	47 947	-	-
Profit/(loss) before income tax expense	14	34 550 796	66 489	34 684 076	(11 042)
Income tax expense	15	(122 207)	-	(111 258)	-
Profit/(loss) for the year/period attributable to equity holders of the company		34 428 589	66 489	34 572 818	(11 042)
Other comprehensive income net of tax					
Items that may subsequently be reclassified to profit or loss					
Exchange differences on translation of foreign operations		2 695	-	-	-
Other comprehensive income realised through profit or loss		-	22 215	-	(18 814)
		2 695	22 215	-	(18 814)
Total comprehensive income for the year/period attributable to equity holders of the company		34 431 284	88 704	34 572 818	(29 856)
Weighted average number of shares in issue		1 079 376 274	8 022 071	1 079 376 274	8 022 071
Basic earnings/(loss) per share (GBP pence)	20	3,19	0,83	3,20	(0,14)
Headline earnings/(loss) per share (GBP pence)	21	3,19	0,23	3,20	(0,14)

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016

GROUP					
	Stated capital GBP	Non-distri- butable reserves GBP	Currency translation reserve GBP	Retained earnings GBP	Total GBP
Issue of shares	882 457	-	-	-	882 457
Issue of 7,40 million shares on 31 August 2014	432 273				432 273
Issue of 7,84 million shares on 14 August 2015	450 184				450 184
Total comprehensive income for the period	-	22 215	-	66 489	88 704
Profit for the period				66 489	66 489
Other comprehensive income for the period		22 215			22 215
Balance at 30 Sep 2015	882 457	22 215	-	66 489	971 161
Issue of shares	297 090 673	-	-	-	297 090 673
Issue of 9,77 million shares on 27 November 2015	679 953				679 953
Issue of 3 333,33 million shares on 8 June 2016	173 089 006				173 089 006
Issue of 1 562,5 million shares on 29 September 2016	123 321 714				123 321 714
Total comprehensive income for the year	-	(22 215)	2 695	34 450 804	34 431 284
Profit for the year				34 428 589	34 428 589
Other comprehensive income for the year		(22 215)	2 695	22 215	2 695
Transfer to non-distributable reserve		17 590 747		(17 590 747)	-
Balance at 30 Sep 2016	297 973 130	17 590 747	2 695	16 926 546	332 493 118

COMPANY					
	Stated capital GBP	Non-distri- butable reserves GBP	Currency translation reserve GBP	Retained earnings GBP	Total GBP
Issue of shares	882 457	-	-	-	882 457
Issue of 7,40 million shares on 31 August 2014	432 273				432 273
Issue of 7,84 million shares on 14 August 2015	450 184				450 184
Total comprehensive income for the period	-	(18 814)	-	(11 042)	(29 856)
Loss for the period				(11 042)	(11 042)
Other comprehensive income for the period		(18 814)			(18 814)
Balance at 30 Sep 2015	882 457	(18 814)	-	(11 042)	852 601
Issue of shares	297 090 673	-	-	-	297 090 673
Issue of 9,77 million shares on 27 November 2015	679 953				679 953
Issue of 3 333,33 million shares on 8 June 2016	173 089 006				173 089 006
Issue of 1 562,5 million shares on 29 September 2016	123 321 714				123 321 714
Total comprehensive income for the year	-	18 814	-	34 554 004	34 572 818
Profit for the year				34 572 818	34 572 818
Other comprehensive income realised through profit or loss		18 814		(18 814)	-
Transfer to non-distributable reserve		17 590 751		(17 590 751)	-
Balance at 30 Sep 2016	297 973 130	17 590 751	-	16 952 211	332 516 092

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	GROUP		COMPANY	
		For the year ended 30 Sep 2016 GBP	Restated for the period ended 30 Sep 2015 GBP	For the year ended 30 Sep 2016 GBP	Restated for the period ended 30 Sep 2015 GBP
Operating activities					
Cash generated from/(utilised in) operations	16.1	1 202 733	119 038	3 352 768	(17)
Interest received		357 071	15 727	348 157	-
Interest on borrowings		(41 758)	(53 238)	(6 188)	-
Income tax paid	16.2	(7 904)	-	-	-
Cash inflow/(outflow) from operating activities		1 510 142	81 527	3 694 737	(17)
Investing activities					
Greenbay management incentive loans settled		6 169 152	-	6 169 152	-
Proceeds on disposal of subsidiary net of cash and cash equivalents		240 011	-	509 387	-
Proceeds on disposal of listed security investments		398 626	-	398 626	-
Acquisition of subsidiary net of cash and cash equivalents		-	373 882	-	-
Increase in investment in and loans to subsidiaries		-	-	(62 229 990)	-
Acquisition of investment property		(59 201 236)	7 929	-	-
Development of investment property		(491 341)	-	-	-
Increase in equity derivative position		(61 466 150)	-	(61 466 150)	-
Acquisition of investments		(2 865 244)	-	(2 865 244)	-
Cash (outflow)/inflow from investing activities		(117 216 182)	381 811	(119 484 219)	-
Financing activities					
Decrease in interest-bearing borrowings		-	(47 273)	-	-
Movement in shareholder loan		-	(141 163)	-	-
Proceeds from share issuances		302 761 511	-	302 761 511	-
Cash inflow/(outflow) from financing activities		302 761 511	(188 436)	302 761 511	-
Increase/(decrease) in cash and cash equivalents		187 055 471	274 902	186 972 029	(17)
Cash and cash equivalents at the beginning of the year/period		274 902	-	(17)	-
Cash and cash equivalents at the end of the year/period		187 330 373	274 902	186 972 012	(17)
Cash and cash equivalents consist of:					
Current accounts	8	187 330 373	274 902	186 972 012	(17)





NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

REPORTING ENTITY

Greenbay Properties Limited ("the company") is a public company limited by shares incorporated in Mauritius on 14 August 2014. The company holds a Category One Global Business Licence issued by the Financial Services Commission. The consolidated financial statements of the company for the year ended 30 September 2016 comprise the company and its subsidiaries. The financial statements were authorised for issue by the directors on 10 November 2016.

Effective on 17 March 2016, the company changed its name from Green Flash Properties Ltd to Greenbay Properties Ltd.

The group's main activity is to invest globally in direct property in developed and developing markets as well as listed real estate and infrastructure securities. Its registered office is Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius. These financial statements will be submitted for consideration and approval at the forthcoming AGM.

BASIS OF PREPARATION

Basis of measurement

The consolidated and separate financial statements are prepared on the historical-cost basis, except for financial instruments designated as financial instruments at fair value through profit or loss, investment properties and other relevant financial assets and financial liabilities which are measured at fair value or carried at amortised cost, as appropriate.

Statement of compliance

The annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB"), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and with the Mauritian Companies Act 2001.

The accounting policies are consistent with those applied in the prior periods with the exception of standards and interpretations that became effective in the current year.

This report was compiled under the supervision of Paul May CA(SA), the chief financial officer.

Functional and presentation currency

The functional currency of Greenbay is the Great British Pound ("GBP"), and the group has elected to present its financial statements in GBP, being the denomination of the issued stated capital of the group.

On 17 March 2016 the company announced that it had changed its reporting and functional currency from Euro ("EUR") to Pounds Sterling ("GBP") as approved by the Registrar of Companies effective as from 16 March 2016. In accordance with IAS 21, the change in functional and presentation currency has been accounted for retrospectively and the financial results of the group have subsequently been presented in GBP.

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

EUR/GBP exchange rate – 0,7415 – at 30 September 2015.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next period are set out in note 25.

1. ACCOUNTING POLICIES

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 September 2016 and the comparative information presented in these financial statements for the period ended 30 September 2015.

1.1 BASIS OF CONSOLIDATION

Subsidiaries

The consolidated annual financial statements incorporate the annual financial statements of the company and entities controlled by the company and its subsidiaries.

The company reassesses whether or not it controls an investee if the facts and circumstances indicate that there are changes to one or more of the three elements of control.

The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

- The size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the company may have the current ability to direct the relevant activities at the time that decisions need to be made.

The results of subsidiaries are included from the date that control was acquired up to the date when control ceased. The acquisition method of accounting is used to account for business combinations by the group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interest issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the group recognises only non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree (if any) over fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as a bargain purchase gain.

Disposal of subsidiaries

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Investments in subsidiaries of the company are reflected at cost less accumulated impairment losses in the company's separate financial statements.

In preparing the consolidated financial statements, intragroup balances and any unrealised gains and losses arising from intragroup transactions with subsidiaries are eliminated to the extent of the group's interest in these entities.

The accounting policies of the subsidiaries are consistent with those of the company.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

Foreign subsidiaries

On consolidation, the assets and liabilities of the group's overseas entities are translated at exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences are classified in other comprehensive income. Such translation differences are recognised in profit or loss in the period in which the entity is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Transactions in foreign currency

The results of foreign entities are translated as follows:

- Statement of financial position – at the spot exchange rate at period end.
- Statement of comprehensive income – at the average exchange rate for the period.

1.2 INVESTMENT PROPERTY

Investment property

Investment properties are those held either to earn rental income or for capital appreciation or both but not for sale in the ordinary course of business or for administration purposes.

The cost of investment property comprises the purchase price and directly attributable expenditure. Subsequent expenditure relating to investment property is capitalised when it is probable that there will be future economic benefits from the use of the asset. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

After initial recognition, investment properties are measured at fair value. Fair values are determined annually by external independent professional valuers with appropriate and recognised professional qualifications and recent experience in the location and category of property being valued. Valuations are done on the open market value basis and the valuers use either the discounted cash flow method or the capitalisation of net income method or a combination of the methods. Gains or losses arising from changes in the fair values are included in profit or loss for the period in which they arise. Immediately prior to disposal of investment property the investment property is revalued to the net sales proceeds and such revaluation is recognised in profit or loss during the period in which it occurs.

When investment property is acquired, the group performs an assessment to determine whether the acquired assets and associated liabilities meet the definition of a business included in IFRS 3 Appendix B. In performing this assessment, consideration is given to the existence of inputs and processes applied to those inputs in order to create outputs. The property itself is considered to be the input with the ability to earn rental revenue identified as the output. The existence of processes that are applied to the input is an area of judgement that is considered with each individual acquisition. When identifying the existence of a process, the group considers the nature of the activities and the specific knowledge or skill involved in the application of these activities. The group does not consider the transfer of administrative-type services the existence of a process. Should a process be identified, the acquisition is accounted for as a business combination in terms of IFRS 3. All other acquisitions are accounted for as asset purchases in terms of IAS 40.

Investment property is maintained, upgraded and refurbished, where necessary, in order to preserve and/or to improve the capital value. Maintenance and repairs which neither materially add value to the properties nor prolong their useful lives are charged to profit or loss.

When the group redevelops an existing investment property for continued future use as investment property, the property remains classified as investment property. The investment property is not reclassified as investment property under development during the redevelopment.

Investment property under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property. To the extent that developments can be accurately fair valued, developments are carried at fair value.

All costs directly associated with the purchase and construction of a property, and all subsequent capital expenditures for the development qualifying as acquisition costs, are capitalised.

Borrowing costs are capitalised to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs may continue until the assets are substantially ready for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of development cost financed out of general funds, the weighted average cost of borrowings.

1.3 FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the group's statements of financial position when the group has become party to the contractual provisions of the instrument. Financial instruments acquired for trading purposes are stated at fair value. Resulting gains or losses are recognised directly in profit or loss. Financial instruments presented in the financial statements include cash and cash equivalents, investments in listed security investments, loans, trade and other receivables, trade and other payables and interest-bearing borrowings. Financial instruments are initially recognised at fair value including transaction costs, except for those carried at fair value through profit or loss.

Subsequent to initial recognition, these instruments are measured as detailed below:

1.3.1 Financial assets

The classification of financial assets depends on their nature and purpose and is determined at the time of initial recognition.

Financial investments at fair value through profit or loss – Financial investments at fair value through profit or loss are financial assets held-for-trading and those designated at fair value through profit or loss at inception. These assets are carried at fair value being the quoted closing price at the statement of financial position date. Realised gains/(losses) on disposal of investments and unrealised gains and losses arising from changes in the fair value of these investments are recognised in profit or loss in the period in which they arise. Attributable transaction costs are recognised in profit or loss as incurred.

Trade receivables – Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Loans – Loans are carried at amortised cost using the effective interest method net of impairment losses.

Cash and cash equivalents – Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purposes of the statements of cash flows. Cash and cash equivalents are carried at amortised cost.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively impacted.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit characteristics.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the subsequent increase in the recoverable amount can be related objectively to an event occurring after the impairment loss was recognised and the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss initially been recognised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where the contractual rights to receive cash flows from the asset have expired, the group retains the right to receive cash flows from the asset but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement or the group has transferred its rights to receive cash flows from the asset and either:

- Has transferred substantially all the risks and rewards from the asset; or
- Has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

1.3.2 Financial liabilities

Classification as debt or equity – Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Trade and other payables – Trade and other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

Interest-bearing borrowings – Interest-bearing borrowings are accounted for at amortised cost using the effective interest method.

Financial liabilities (or a portion thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Where an existing liability from a lender is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amount is recognised in profit or loss.

On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and the amount paid for it is recognised directly in profit or loss.

Offset – Where a legally enforceable right of set-off exists for recognised financial assets and financial liabilities, and there is an intention to settle the liability and realise the assets simultaneously, all related financial effects are offset.

1.4 DERIVATIVE FINANCIAL INSTRUMENTS

The group uses equity derivatives to obtain exposure to listed securities.

Derivatives are recognised initially at fair value at the date the derivative contracts are entered into. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for through profit or loss. Directly attributable transactions costs are recognised in profit or loss when incurred.

The fair value of derivatives is the estimated amount that the group would receive or pay to terminate the derivative at the statement of financial position date, taking into account the current relevant market conditions.

1.5 STATED CAPITAL

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity from the proceeds. When stated capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity.

1.6 EMPLOYEE BENEFITS

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The group does not provide any retirement or post-retirement benefits.

1.7 REVENUE, INVESTMENT INCOME AND EXPENSES

Revenue

Revenue comprises rental revenue and recovery of expenses, excluding VAT. Rental revenue from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue over the lease period.

Dividend income is recognised when the shareholder's right to receive payment is established, which in the case of listed securities is usually the ex-dividend date.

Expenses

Service costs and property operating expenses

Service costs for service contracts entered into and property operating expenses are expensed as incurred.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense on a straight-line basis.

Finance income and finance costs

Finance income comprises interest receivable and is recognised as it accrues, taking into account the effective yield on the asset. Finance costs comprise interest payable on borrowings calculated using the effective interest rate method.

1.8 TAX

Current tax comprises tax payable calculated on the basis of the expected taxable income for the period, using the tax rates and laws enacted or substantively enacted at the reporting date, and any adjustment of tax payable in respect of previous years.

Deferred tax is recognised for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, except to the extent that the deferred tax liability arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax is charged to profit or loss except to the extent that it relates to a transaction that is recognised directly in equity, or a business combination that is an acquisition. The effect on deferred tax of any changes in tax rates is recognised in the statements of comprehensive income, except to the extent that it relates to items previously charged or credited directly to equity.

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured at fair value, the carrying amounts of such properties are presumed to be recovered entirely through sale.

1.9 TRANSLATION OF FOREIGN CURRENCIES

The functional currency of Greenbay is GBP. Accordingly, transactions denominated in currencies other than GBP are translated at the average rate of exchange during the month in which the transaction occurs. The prevailing rate of exchange on the date of a significant transaction is, however, utilised where significant fluctuations in the rate of exchange occur during the month in which the transaction occurs.

Monetary assets and liabilities denominated in foreign currencies (other than monetary items that form part of the net investment in a foreign operation) are translated at the rates of exchange ruling at the reporting date, with gains and losses recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost and are translated using the rates of exchange ruling at the date of the transaction.

1.10 DIVIDENDS TO SHAREHOLDERS

A dividend to the company's shareholders is recognised directly in equity on the date that the dividend is declared.

1.11 SEGMENT REPORTING

The group determines and presents operating segments based on the information that is provided internally to the Executive Management Committee (Exco), the group's operating decision making forum. The group's primary segment is based on geographic segments.

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by Exco to make decisions about resources to be allocated to the segment and to assess its performance.

1.12 RELATED PARTIES

Related parties in the case of the group include any shareholder who is able to exert a significant influence on the operating policies of the group. Directors, their close family members and any employee who is able to exert significant influence on the operating policies of the group are also considered to be related parties.

In the case of the company, related parties would also include subsidiaries.

1.13 EARNINGS PER SHARE

The group presents basic and headline earnings per share.

Basic earnings or loss per share is calculated by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares in issue during the year. Headline earnings or loss per share is calculated by dividing headline earnings or loss by the weighted average number of shares in issue during the year.

1.14 DISTRIBUTABLE EARNINGS PER SHARE

The group presents distributable earnings per share, in accordance with its distribution policy.

Distributable earnings per share are calculated by dividing the distributable profit (earnings plus deferred tax, less/plus fair value increases/decreases, less/plus capital gains/losses on disposal and other adjustments that the board may consider necessary) for the period by the number of shares in issue which are entitled to dividends at the end of the period.

1.15 NON-DISTRIBUTABLE RESERVES

All realised/unrealised losses of a capital nature are transferred to non-distributable reserves.

2. FINANCIAL RISK MANAGEMENT

The group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk (including currency risk, interest rate risk and price risk).

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. Further quantitative disclosures are included throughout these financial statements (refer to note 24).

The board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board has delegated the responsibility for developing and monitoring the group's risk management policies to the risk committee. The committee reports to the board of directors on its activities. The risk committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

Credit risk

Credit risk is the risk of financial loss to the group if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from tenants, investment securities, management incentive loans, loans, and cash and cash equivalents.

Investments

The group invests in listed securities by means of direct investments and by utilising equity swap derivatives with recognised financial institutions. The group limits its exposure to credit risk in its direct investments by only investing in liquid securities listed on a recognised stock exchange. The group has policies and procedures in place to mitigate the credit risk associated with equity swaps. Counterparty credit risk is monitored and any changes thereto are analysed and policies are in place to mitigate any risks associated with increased counterparty credit risk.

Trade and other receivables and investment income receivable

Trade and other receivables relate mainly to dividends from investments accrued by the group as at the end of the period but which have not yet been received. The credit risk associated with these receivables is monitored as part of the group's greater investment strategy. The group ensures that the companies in which it invests are listed on a recognised stock exchange, are liquid and solvent and appear to be trading as a going concern for the foreseeable future.

The majority of rental revenue is derived from retail properties situated in Slovenia.

Trade and other receivables include amounts owing by the group's tenants. The group's exposure to credit risk is influenced by the individual characteristics of each tenant. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, industry, size of business and existence of previous financial difficulties.

The credit risk is mitigated by the security that is provided to Greenbay in the form of the pledge and cession of the shares by the employee to the group.

Management has established a credit policy under which each new tenant is analysed individually for creditworthiness before the group's standard terms and conditions are offered.

The group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

Greenbay management incentive loans

The group's exposure to credit risk is influenced by the security provided for the loan, in the form of the pledge and cession of the shares by the employee to the group, and also the characteristics of each borrower, who are employees of the group.

The group establishes an allowance for impairment that represents its estimate of specific losses to be incurred in the event of the borrowers' inability to meet their commitments.

The shares issued to employees vest immediately and participants assume the full risks associated with the investment and the loan advanced. Loans are repayable in full at the earlier of the tenth anniversary of the loans being granted or the termination of employment. Where shares are granted to employees on loan account and the employee accepts the risks of repayment of the loan, the transaction is recognised as a financial asset and a corresponding issue of equity.

Cash and cash equivalents

The group's exposure to credit risk is limited through the use of financial institutions of good standing for investment and cash handling purposes.

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations, comprising interest-bearing borrowings and trade and other payables, as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. In this respect, the group prepares cash flow analyses and forecasts which enable the directors to assess the level of financing required in future periods.

The board of directors agrees on gearing parameters for the group and the gearing levels are consistently monitored, taking into account the fluctuations in the underlying investments.

Typically the group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. The group generates a significant amount of cash from dividends received from listed security investments. Management is able to accurately budget the respective cash inflows as the dividend policies of the underlying investments are published in advance. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Rentals received on a monthly basis and dividends received are used to reduce the group's borrowings.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The group invests in derivatives, and also incurs financial liabilities, in order to manage market risks. The investment committee together with the risk committee determine parameters by which investments in listed securities are made taking into account an appropriate margin of safety regarding the collateral pool to ensure the portfolio is able to withstand volatile market movements.

Currency risk

The group is exposed to foreign currency risk on investments denominated in Euro, United States Dollar, Singapore Dollar, Danish Krone, Australian Dollar and the Canadian Dollar. The group mitigates a portion of the risk associated with exposure to foreign currency fluctuations by borrowing in the same currency as the underlying investment. In addition, the group hedges its exposure to currency fluctuations on distributable income through the use of currency forwards.

Interest rate risk

The group is exposed to interest rate risk on its interest-bearing borrowings and cash and cash equivalents. Interest-bearing borrowings and cash and cash equivalents bear interest at rates linked to the base lending rate in the jurisdiction to which they relate.

Equity price risk

The group is exposed to equity price risk on its investments. It limits its exposure to equity price risk by only investing in liquid

securities that are listed on a recognised stock exchange and where the directors are in agreement with the business strategy implemented by such companies.

Fair values

The fair value of financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current closing price. These instruments are classified as level 1. Instruments classified as level 1 comprise primarily quoted equity investments classified as trading securities or available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; or
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Investment property

An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the group's investment property portfolio every year excluding those properties acquired within six months of the financial year end for which management views the purchase price as an appropriate measure of the fair value. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

Investments – The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted closing price at the reporting date.

Trade and other receivables – The fair value of loans and trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Derivatives – The fair value of derivatives is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Non-derivative financial liabilities – The fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Capital management

The group considers the equity attributable to equity holders as the permanent capital of the group. The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board also monitors the level of dividends to shareholders. The board seeks to maintain a balance between the higher returns that may be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The board's objectives when managing capital are:

- To safeguard the group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

	GROUP	
	2016 GBP	2015 GBP
3. INVESTMENT PROPERTY, STRAIGHT-LINING OF RENTAL REVENUE ADJUSTMENT AND INVESTMENT PROPERTY UNDER DEVELOPMENT		
Investment in property comprises:		
Investment property	49 150 653	1 175 000
Straight-lining of rental revenue adjustment	1 281	-
	49 151 934	1 175 000
Investment property under development	11 509 097	-
Total investment property	60 661 031	1 175 000
Details of the investment property are as follows:		
At cost	49 150 653	1 175 000
Straight-lining of rental revenue adjustment	1 281	-
Investment property at fair value	49 151 934	1 175 000
Movement in investment property is as follows:		
Carrying amount at the beginning of the year	1 175 000	-
Additions and costs capitalised	49 150 653	1 175 000
Disposals	(1 175 000)	-
Straight-lining of rental revenue adjustment	1 281	-
	49 151 934	1 175 000
Details of investment property under development are as follows:		
Carrying amount at the beginning of the year	-	-
Additions and costs capitalised	11 509 097	-
	11 509 097	-

A register of investment property is available for inspection at the registered office of the company (refer to page 74).

The directors consider that the purchase price of the investment properties represented their fair value as at 30 September 2016.

Investment properties are categorised as level 3 in the fair value hierarchy. There have been no transfers between levels in the current year.

There are currently no restrictions on the ability to realise the investment properties.

Both properties were acquired within one month of the end of the financial year and therefore management views the purchase price as an appropriate measure of fair value.

4. GREENBAY MANAGEMENT INCENTIVE LOANS

The Greenbay management incentive loans ("MIL") were approved by the board during the financial year. The purpose of the scheme is to provide employees with an incentive linked to the growth of the company's long-term value as measured by the share price. This form of long-term incentivisation is designed to provide an incentive programme that will contribute to the achievement of the company's objectives and enhance shareholder value. Employees are provided with a 10-year loan to facilitate the purchase of Greenbay shares which are pledged as security for the aforesaid loan. Dividends received on these shares are applied to settle the interest payable on the loans and any excess is then utilised to reduce the outstanding liability balance.

GROUP AND COMPANY			
	2016 % of issued shares	2016 Number of shares	2016 Loan balance GBP
Shares issued to directors and employees in terms of the MIL	3,2%	158 862 876	2 208 060

The participants in the MIL carry the risk associated with the shares issued to them.

This disclosure includes all shares issued since incorporation.

The MIL loans bear interest at 5% for the year ended 30 September 2016. The loans are secured by 41,81 million (2015: GBP nil) shares in Greenbay with a fair value of GBP3,76 million (2015: GBP nil). The value of security held for each individual loan exceeds the amount of the related loan. The loans are repayable on the tenth anniversary of the loans being granted.

Details of the shares issued to directors in terms of the Greenbay Management Incentive Scheme as at 30 September 2016 are as follows:

	Number of shares issued	Date of issue	Issue price – GBP per share (excluding costs)	Employee asset recorded GBP
Stephen Delport	25 083 612	8 Jun 16	0,052	1 324 836
Paul May	8 361 204	8 Jun 16	0,052	441 612

5. INVESTMENTS

Listed security investments are categorised as financial assets measured at fair value through profit or loss. The fair values of the listed security investments are determined based on quoted prices in active markets. The list of investments is provided in the Schedule of Investments from page 72 of this report.

GROUP AND COMPANY		
	2016 GBP	2015 GBP
Cumulative carrying amount	2 865 244	465 001
Decrease in fair value	(184 168)	(18 814)
Total investment balance	2 681 076	446 187
Non-current (level 1)	2 681 076	446 187

The currency profile of listed security investments is disclosed in note 19. Changes in fair values are recorded in profit or loss and none of the financial assets are impaired.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

	Main business	Incorporated in and place of business	Effective interest and stated capital 2016
6. INVESTMENT IN AND LOANS TO SUBSIDIARIES			
Subsidiaries			
Greenbay Investments 1 ¹⁾	Investment holding company	Republic of Mauritius	100% – GBP7 145 360
Greenbay Investments 2 ¹⁾	Investment holding company	Republic of Mauritius	100% – GBP100
Greenbay Investments UK Limited ^{2) 5)}	Investment holding company	United Kingdom	100% – GBP7 145 260
Greenbay Netherlands BV ^{1) 6)}	Investment holding company	Netherlands	100% – EUR8 250 000
Greenbay Investments d.o.o. ^{3) 7)}	Property holding company	Slovenia	100% – EUR8 257 500
Greenbay Tivoli d.o.o. ^{3) 8)}	Property holding company	Slovenia	100% – EUR7 500
Banstead Property Holdings Limited ⁴⁾	Property holding company	United Kingdom	0% – GBP10 000

1) 30 September year end

2) 30 June year end

3) 31 December year end

4) 31 March year end

5) Share capital held through Greenbay Investments 1, a wholly owned subsidiary.

6) Share capital held through Greenbay Investments UK Limited, a wholly owned subsidiary.

7) Share capital held through Greenbay Netherlands BV, a wholly owned subsidiary.

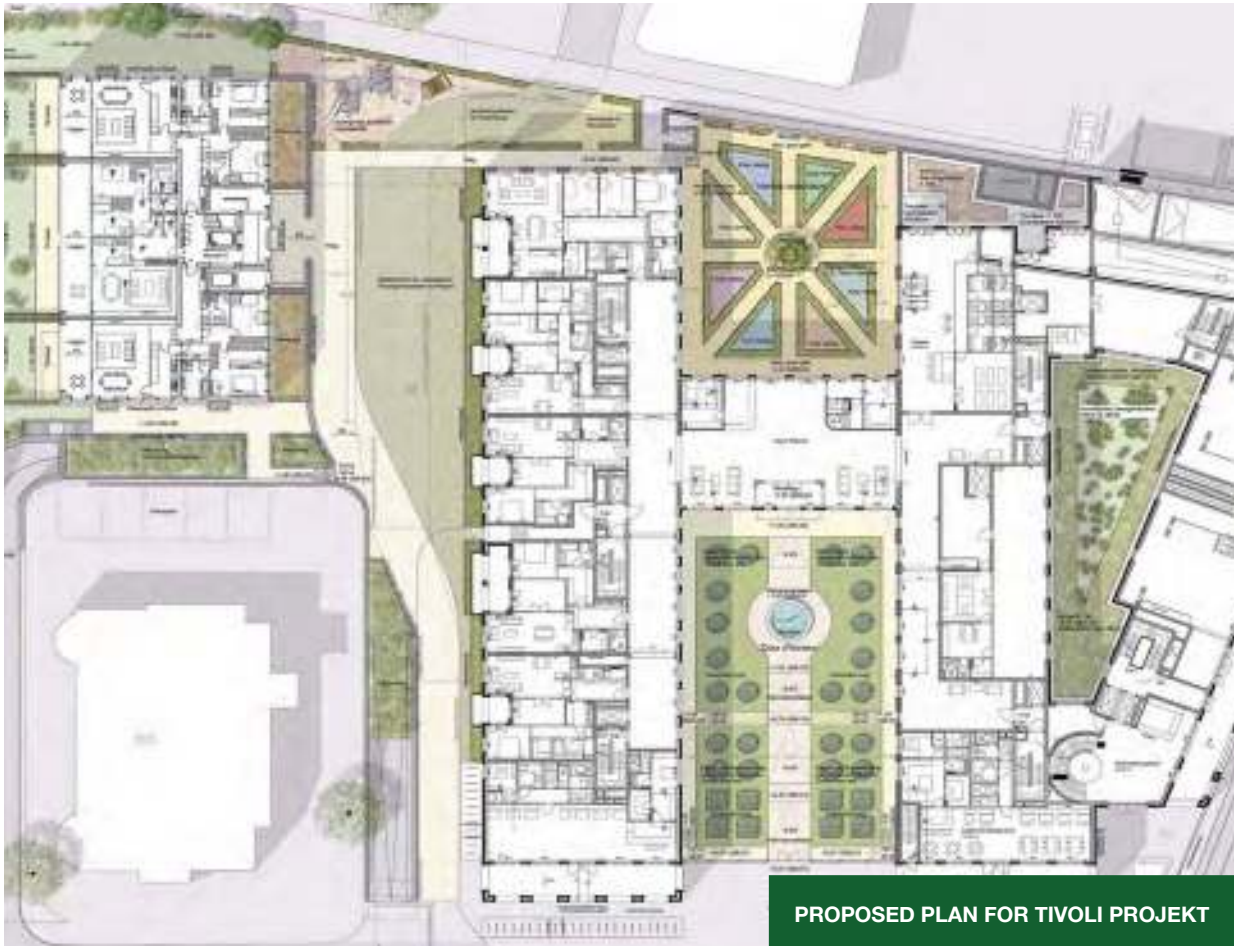
8) Share capital held through Greenbay Investments d.o.o., a wholly owned subsidiary.

The class of shares held in subsidiary companies are all ordinary share capital.

Amounts owing by subsidiaries are unsecured, and bear interest at rates between 2.75% and 15%. The investment in Banstead Property Holdings Limited was disposed of during the year. Refer to note 18.

COMPANY

Effective interest and stated capital 2015	Investment 2016 GBP	Amount owing by 2016 GBP	Total 2016 GBP	Investment 2015 GBP
0%	7 145 260	(100)	7 145 160	-
0%	100	55 379 070	55 379 170	-
0%	-	-	-	-
0%	-	-	-	-
0%	-	-	-	-
0%	-	-	-	-
100% – GBP10 000	-	-	-	417 457
	7 145 360	55 378 970	62 524 330	417 457



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

GROUP AND COMPANY

	2016 GBP	2015 GBP
7. EQUITY DERIVATIVE MARGIN		
Margin requirement – Merrill Lynch	35 950 992	-
Margin requirement – Bank of America	38 728 348	-
	74 679 340	-
Gross exposure to listed investments	260 520 579	-

The company utilises equity swap derivatives to obtain exposure to listed real estate and infrastructure companies for which a margin of between 25% and 45% of the gross exposure is required.

The margin requirement is specific to the underlying equity.

The equity derivative margin of GBP74 679 340 (2015: GBP nil) included in current assets provided the company with exposure to investments of GBP260 520 579 (2015: GBP nil) at 30 September 2016.

The fair value gain on equity derivatives of GBP13 012 925 (company – GBP13 053 954) includes interest of GBP697 373 on the implied interest-bearing borrowings of GBP185 841 239.

The list of investments is provided in the Schedule of Investments on pages 72 and 73 of this report.

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP
8. CASH AND CASH EQUIVALENTS				
Cash and cash equivalents comprise the following:				
Cash at bank – current accounts	187 330 373	274 919	186 972 012	-
Cash at bank – bank overdraft	-	(17)	-	(17)
	187 330 373	274 902	186 972 012	(17)

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP
9. TRADE AND OTHER RECEIVABLES				
Trade and other receivables include the following:				
VAT receivables	2 441 978	-	-	-
Income from equity derivatives receivable *	1 290 061	-	1 290 061	-
Management incentive loans – settlement of shares sold	1 767 658	-	1 767 658	-
Trade receivables	155 088	2 168	-	-
Other receivables	-	18 070	-	-
Accrued income	-	2 529	-	-
Prepayments	-	3 051	-	-
Mark-to-market settlement of equity derivatives	870 565	-	870 565	965
	6 525 350	25 818	3 928 284	965

* Income from equity derivatives receivable pertains to income which has met the revenue recognition requirements of IAS 18 as set out in note 1.7 and has accordingly been recognised as income during the current financial year, but has not yet been received as at the end of the financial year. The geographical breakdown of this receivable is disclosed in note 19. As of 30 September 2016, none of the receivables were past due or impaired. In addition, no provision for impairment has been recognised as of 30 September 2016. The maximum exposure to credit risk at the reporting date pertaining to these receivables is the fair value of the receivables. The company does not hold any collateral as security.

GROUP AND COMPANY

	2016 GBP	2015 GBP
--	-------------	-------------

10. STATED CAPITAL

Authorised

7 475 000 000 (2015: 1 000 000 000) ordinary shares of no par value

Issued

4 920 833 333 (2015: 15 234 790) ordinary shares of no par value 297 973 130 882 457

* Transaction costs recognised as a deduction from equity in the current year amounted to GBP0,36 million.

GROUP AND COMPANY

	2016 Shares	2015 Shares
--	----------------	----------------

Reconciliation of movement in issued shares

Balance at the beginning of the year/period	15 234 790	-
Shares issued on incorporation	-	100
Shares issued on acquisition of subsidiary	-	7 395 940
Shares issued on acquisition of listed investment	-	7 838 750
Shares issued in MIL	158 862 876	-
Shares issued for cash consideration	4 746 735 667	-
	4 920 833 333	15 234 790

11. INTEREST-BEARING BORROWINGS

The group's interest-bearing borrowings comprise short-term interest-bearing borrowings as well as long-term facilities. The borrowing facilities, together with stated capital, are used to fund the investment activities. The group's investment mandate allows it to have borrowings of up to 35% of the total asset value.

Short-term interest-bearing borrowings are measured at amortised cost.

The group's exposure to interest rate, foreign currency and liquidity risk is discussed in note 24.

GROUP

2015	Nominal interest rate	Maturity	Fair value GBP	Carrying amount GBP
Group				
Interest-bearing borrowings				
	5,25% above the UK base rate with a minimum of			
Investec Bank	5,75%	5 years	838 700	838 700
Current portion included in current liabilities			(43 778)	(43 778)
			794 922	794 922

The Investec Bank loan was disposed of when the group sold Banstead Property Holdings Limited in June 2016.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

GROUP

	2015 Investment property GBP	2015 Cash and cash equivalents GBP	2015 Total GBP
11. INTEREST-BEARING BORROWINGS (CONTINUED)			
Interest-bearing borrowings are secured by the following:			
Interest-bearing borrowings – current	-	-	-
Interest-bearing borrowings – current and long term ⁽¹⁾	1 175 000	224 997	1 399 997
	1 175 000	224 997	1 399 997

⁽¹⁾ Secured by first mortgage over the investment property and first ranking security interest agreement over an Investec deposit account.

GROUP

COMPANY

	2016 GBP	2015 GBP	2016 GBP	2015 GBP
12. TRADE AND OTHER PAYABLES				
Trade and other payables include the following:				
Interest accrued on equity swaps	203 894	-	203 894	-
Other interest accrued	-	469	-	-
Accrued expenses	161 958	-	161 858	-
Tenant deposits	143 503	-	-	-
Property transfer tax payable	968 454	-	-	-
Amounts received in advance	-	49 680	-	-
Trade and other payables	-	25 930	-	11 991
Shareholder loan	-	32 194	-	-
VAT payable	-	3 773	-	-
	1 477 809	112 046	365 752	11 991

13. INCOME FROM EQUITY DERIVATIVES

Income from equity derivatives relates to dividend income from the underlying equities recognised by the company during the year in accordance with the recognition and measurement criteria in IAS 18 and the accounting policy in note 1.7. The geographical spread of this amount is provided in the segmental reporting provided in note 19.

	GROUP	COMPANY	GROUP AND COMPANY
	2016 GBP	2016 GBP	2015 GBP

14. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE

Profit/(loss) before income tax expense is stated after charging:

	GROUP	COMPANY	GROUP AND COMPANY
	2016 GBP	2016 GBP	2015 GBP
Auditors' remuneration			
- audit fee	(2 377)	(2 377)	-
- other services *	(30 508)	(30 508)	-
Directors' remuneration			
- services as director (non-executive)	(7 932)	(7 932)	-
- other services (executive)	(48 113)	(48 113)	-
Salaries	(22 572)	(22 572)	-
Travel and accommodation	(11 776)	(11 776)	-

* Non-audit services relate mainly to professional services with respect to the company's listing on the Alternative Exchange of the Johannesburg Stock Exchange in November 2015. These were rendered by Moore Stephens, the company's previous auditor.

	GROUP	COMPANY	GROUP AND COMPANY
	2016 GBP	2016 GBP	2015 GBP

15. INCOME TAX EXPENSE

Normal tax	(122 207)	(111 258)	-
- Current tax current year	(122 207)	(111 258)	-

Reconciliation of tax rate

The tax on the company's loss before taxation differs from the theoretical amount that would arise using the basic rate of the company as follows:

	GROUP		COMPANY	
	2016	2015	2016	2015
Standard tax rate	15,00%	15,00%	15,00%	15,00%
Foreign tax credit*	(12,00%)	(12,00%)	(12,00%)	(12,00%)
Difference in foreign tax rates	0,07%	-	-	-
Permanent differences	(2,72%)	(3,00%)	(2,68%)	(3,00%)
Effective tax rate	0,35%	0,00%	0,32%	0,00%

* The company is subject to 15% income tax in Mauritius according to the provisions of the Income Tax Act 1995 as amended. As the company holds a Category One Global Business Licence, the Income Tax (Foreign Tax Credit) Regulations 1996 provides for the setting off of any underlying tax, withholding tax or tax sparing credit by the company against the 15% tax or a deemed 80% foreign tax credit on the company's foreign source income where written evidence of foreign tax charged is not presented to the tax authorities in Mauritius. Gains on sale of securities are exempted from tax in Mauritius.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP
16. NOTES TO THE STATEMENT OF CASH FLOWS				
16.1 Cash generated from/(utilised in) operations				
Profit/(loss) before income tax expense	34 550 796	66 489	34 684 076	(11 042)
Adjusted for:				
Fair value gain on equity derivatives	(13 012 925)	-	(13 053 954)	-
Fair value loss on investments	184 168	-	184 168	-
Gain on bargain purchase	-	(47 947)	-	-
Interest received on the Greenbay management incentive loans	(116 342)	-	(116 342)	-
Interest on borrowings	41 758	53 238	6 188	-
Loss on sale of investments	89 835	-	89 835	-
Loss/(gain) on sale of subsidiary	24 635	-	(77 114)	-
Interest income on intercompany loans	-	-	(309 159)	-
Interest received	(357 071)	(15 727)	(348 157)	-
Foreign exchange gain	(13 931 708)	-	(13 931 708)	(16)
	7 473 146	56 053	7 127 833	(11 058)
Changes in working capital				
Increase in trade and other receivables	(6 512 952)	(24 557)	(3 927 319)	(965)
Increase in trade and other payables	242 539	87 542	152 254	12 006
	1 202 733	119 038	3 352 768	(17)
16.2 Income tax paid				
Income tax payable at the beginning of the year/period	-	-	-	-
Charged to the statement of comprehensive income during the year/period	(122 207)	-	(111 258)	-
Income tax payable at the end of the year/period	114 303	-	111 258	-
	(7 904)	-	-	-

17. CONTINGENT LIABILITIES

There are no contingent liabilities at 30 September 2016.

18. DISPOSAL OF SUBSIDIARY

On 10 June 2016, the company disposed of its 100% holding in Banstead Property Holdings Limited for a cash consideration of GBP509 387.

	GROUP	COMPANY
	2016 GBP	2016 GBP
Carrying value of assets sold		
Investment in and loans to subsidiaries	-	432 273
Investment property	1 175 000	-
Cash and cash equivalents	269 376	-
Trade and other receivables	13 421	-
Trade and other payables	(91 334)	-
Interest-bearing borrowings	(806 229)	-
Net carrying amount	560 234	432 273
(Loss)/profit on disposal	(24 635)	77 114
Other comprehensive income realised on disposal	(26 212)	-
	509 387	509 387
Consideration received		
Cash	509 387	509 387
Net cash flow on disposal of subsidiary		
Consideration received	509 387	509 387
Less: Cash and cash equivalents disposed of	(269 376)	-
	240 011	509 387

GROUP

	Greenbay manage- ment incentive loans	Direct property invest- ments* GBP	Listed security invest- ments GBP	Cash and cash equivalents including equity derivative margin GBP	Trade and other receiv- ables GBP	Total assets GBP
19. SEGMENTAL REPORTING						
Segmental statement of financial position as at 30 September 2016						
Geographical segment						
Australia	-	-	-	(20 152)	(25 568)	(45 720)
Canada	-	-	-	193 741	701 834	895 575
Europe	-	60 661 031	2 675 206	(388 871)	3 228 826	66 176 192
United Kingdom	-	-	5 870	202 408 316	1 735 949	204 150 135
Singapore	-	-	-	(101 628)	271 876	170 248
United States of America	-	-	-	59 594 895	612 433	60 207 328
Corporate	2 208 060	-	-	323 412	-	2 531 472
	2 208 060	60 661 031	2 681 076	262 009 713	6 525 350	334 085 230

* Direct property investments include investment property, straight-lining of rental revenue adjustment and investment property under development.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

GROUP				
	Total equity attributable to equity holders GBP	Trade and other payables GBP	Income tax payable GBP	Total equity and liabilities
19. SEGMENTAL REPORTING (CONTINUED)				
Geographical segment				
Australia	-	10 680	-	10 680
Canada	-	21 886	-	21 886
Europe	-	1 145 993	3 045	1 149 038
United Kingdom	-	17 885	-	17 885
Singapore	-	5 203	-	5 203
United States of America	-	141 424	-	141 424
Corporate	332 493 118	134 738	111 258	332 739 114
	332 493 118	1 477 809	114 303	334 085 230

GROUP								
	Net finance (costs)/ income	Loss on disposal of subsidiary	Listing costs	Net rental and related revenue GBP	Income from equity derivatives GBP	Fair value gain on investment property, investments and equity derivatives GBP	Foreign exchange gain and other expenses GBP	Total segment result GBP
Segmental statement of comprehensive income for the year ended 30 September 2016								
Geographical segment								
Australia	179	-	-	-	45 173	161 302	-	206 654
Canada	1 163	-	-	-	281 645	1 371 747	-	1 654 555
Europe	(4 576)	-	-	359 449	326 466	1 949 827	(2 927)	2 628 239
United Kingdom	31 026	-	-	-	364 869	2 159 028	(9 944)	2 544 979
Singapore	9	-	-	-	125 571	545 422	-	671 002
United States of America	48 193	-	-	-	2 690 118	6 640 170	-	9 378 481
Corporate	355 661	(24 635)	(259 534)	-	-	-	17 395 394	17 466 886
	431 655	(24 635)	(259 534)	359 449	3 833 842	12 827 496	17 382 523	34 550 796

The group's customer base is diversified with no individually significant customer.

GROUP					
	Direct property investments GBP	Listed security investments GBP	Cash and cash equivalents GBP	Trade and other receivables GBP	Total assets GBP
Segmental statement of financial position as at 30 September 2015					
Geographical segment					
Australia	-	-	-	-	-
Canada	-	-	-	-	-
Europe	-	-	-	-	-
United Kingdom	1 175 000	446 187	274 919	24 853	1 920 959
Singapore	-	-	-	-	-
United States of America	-	-	-	-	-
Corporate	-	-	-	965	965
	1 175 000	446 187	274 919	25 818	1 921 924

GROUP					
	Total equity attributable to equity holders GBP	Interest-bearing borrowings GBP	Trade and other payables GBP	Bank overdraft GBP	Total equity and liabilities GBP
Geographical segment					
Australia	-	-	-	-	-
Canada	-	-	-	-	-
Europe	-	-	-	-	-
United Kingdom	-	838 700	100 056	-	938 756
Singapore	-	-	-	-	-
United States of America	-	-	-	-	-
Corporate	971 161	-	11 990	17	983 168
Total equity and liabilities	971 161	838 700	112 046	17	1 921 924

GROUP					
	Gain on bargain purchase	Net finance costs	Net rental and related revenue GBP	Foreign exchange gain and other expenses GBP	Total segment result GBP
Segmental statement of comprehensive income for the year ended 30 September 2015					
Geographical segment					
Australia	-	-	-	-	-
Canada	-	-	-	-	-
Europe	-	-	-	-	-
United Kingdom	-	(37 511)	84 366	(17 271)	29 584
Singapore	-	-	-	-	-
United States of America	-	-	-	-	-
Corporate	47 947	-	-	(11 042)	36 905
	47 947	(37 511)	84 366	(28 313)	66 489

20. EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 30 September 2016 is based on the income attributable to ordinary equity holders of GBP34,43 million (2015: income of GBP0,066 million) and the weighted average of 1 079 376 274 (2015: 8 022 071) ordinary shares in issue during the year.

The company has no dilutionary instruments in issue.

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP
Basic earnings/(loss) per share (GBP pence)	3,19	0,83	3,20	(0,14)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP
21. HEADLINE EARNINGS PER SHARE				
The calculation of basic headline earnings per share for the year ended 30 September 2016 is based on headline earnings of GBP34,45 million (2015: earnings of GBP0,019 million) and the weighted average of 1 079 376 274 (2015: 8 022 071) ordinary shares in issue during the year.				
Reconciliation of profit for the year/period to headline earnings				
Basic earnings – profit/(loss) for the year/period attributable to equity holders	34 428 589	66 489	34 572 818	(11 042)
Adjusted for:				
- bargain purchase	-	(47 947)	-	-
- loss/(profit) on sale of subsidiary	24 635	-	(77 114)	-
Headline earnings	34 453 224	18 542	34 495 704	(11 042)
Headline earnings/(loss) per share (GBP pence)	3,19	0,23	3,20	(0,14)

Greenbay has no dilutionary instruments in issue.

22. SUBSEQUENT EVENTS

The directors are not aware of any other events, subsequent to 30 September 2016, not arising in the normal course of business, which are likely to have a material effect on the financial information contained in this report.

	GROUP	
	2016 GBP	2015 GBP
23. OPERATING LEASE RENTALS		
Contractual rental revenue from tenants can be analysed as follows:		
Within one year	3 242 613	-
Within two to five years	9 215 925	-
More than five years	2 936 166	-
	15 394 704	-

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP

24. FINANCIAL INSTRUMENTS

24.1 Credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Investments	2 681 076	446 187	2 681 076	446 187
Greenbay management incentive loans	2 208 060	-	2 208 060	-
Trade and other receivables	4 083 372	25 818	3 928 284	965
Cash and cash equivalents	187 330 373	274 919	186 972 012	-
	188 136 137	746 924	195 789 432	447 152

The maximum exposure to credit risk for loans at the reporting date was:

Greenbay management incentive loans	2 208 060	-	2 208 060	-
Shares pledged as security	(3 762 542)	-	(3 762 542)	-
Net exposure	-	-	-	-

None of the borrowers to whom loans were granted were in breach of their obligations.

No impairment allowance is necessary in respect of loans as the fair value of the security provided exceeds the value of the loans.

The maximum exposure to credit risk for receivables at the reporting date by segment was:

Australia	(25 568)	-	(25 568)	-
Canada	701 834	-	701 834	-
Europe	786 848	-	631 760	-
United Kingdom	1 735 949	24 853	1 735 949	-
Singapore	271 876	-	271 876	-
United States of America	612 433	-	612 433	-
Corporate	-	965	-	965
Total receivables	4 083 372	25 818	3 928 284	965
Less: Tenant deposits held	(143 503)	-	-	-
Net exposure	3 939 869	25 818	3 928 282	965

The ageing of all receivables at the reporting date was less than 90 days.

The company believes that no impairment allowance is necessary in respect of trade receivables as a comprehensive analysis of outstanding amounts is performed on a regular basis and impairment losses are accounted for timeously. The company believes that where trade receivables pertain to investment income receivable, that the respective companies to which these amounts relate are liquid and solvent and will be able to pay the distribution declared on the prescribed payment date.

There are no significant concentrations of credit risk.

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP

Gross receivables:				
Not past due	4 083 372	25 818	3 928 284	965
Past due not impaired	-	-	-	-
	4 083 372	25 818	3 928 284	965

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

	Carrying value GBP	Contractual outlaws GBP	1-12 months GBP	2-5 years GBP	More than 5 years GBP
24. FINANCIAL INSTRUMENTS (CONTINUED)					
24.2 Liquidity risk					
The following are the contractual maturities of financial liabilities, excluding interest payments:					
Group – 2016					
Interest-bearing borrowings	-	-	-	-	-
Trade and other payables	1 477 809	1 477 809	1 477 809	-	-
Group – 2015					
Interest-bearing borrowings	838 700	838 700	43 778	794 922	-
Trade and other payables	108 029	108 029	108 029	-	-
Company – 2016					
Interest-bearing borrowings	-	-	-	-	-
Trade and other payables	365 752	365 752	365 752	-	-
Company – 2015					
Interest-bearing borrowings	-	-	-	-	-
Trade and other payables	11 991	11 991	11 991	-	-

Cash flows are monitored on a regular basis to ensure that cash resources are adequate to meet funding requirements.

	GROUP		COMPANY	
	2016 GBP	2015 GBP	2016 GBP	2015 GBP
Permitted borrowings for the company				
Total assets	334 085 230	1 921 924	332 993 102	864 609
35% of total assets	116 929 831	672 673	116 547 586	302 613
Total borrowings	-	(838 700)	-	-
Unutilised borrowing capacity	116 929 831	-	116 547 586	302 613

24.3 Market risk

24.3.1 Interest rate risk

Interest-bearing instruments comprise:

Variable rate instruments

Cash and cash equivalents	187 330 373	274 919	186 972 012	-
Interest-bearing borrowings	-	(838 700)	-	-
	187 330 373	(563 781)	186 972 012	-

	1-12 months GBP	2-5 years GBP	More than 5 years GBP	Total GBP
The exposure of the group's borrowings to interest-rate changes and the contractual repricing dates are as follows:				
2016				
Total borrowings	-	-	-	-
2015				
Total borrowings	43 778	794 922	-	838 700

The effective interest rates at the statement of financial position date are disclosed in note 11.

Cash flow sensitivity analysis for variable rate instruments

Interest

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) the profit or loss before income tax by the amounts shown below.

This analysis assumes that all other variables remain constant.

PROFIT OR LOSS BEFORE INCOME TAX		
	Increase GBP	Decrease GBP
Group – 2016		
Cash and cash equivalents	2 616 514	(2 616 514)
Interest-bearing borrowings and interest on equity derivatives	(2 605 206)	2 605 206
Cash flow sensitivity (net)	11 308	(11 308)
Group – 2015		
Cash and cash equivalents	2 749	(2 749)
Interest-bearing borrowings	(8 387)	8 387
Cash flow sensitivity (net)	(5 638)	5 638
Company – 2016		
Cash and cash equivalents	2 612 930	(2 612 930)
Interest-bearing borrowings and interest on equity derivatives	(2 605 206)	2 605 206
Cash flow sensitivity (net)	7 724	(7 724)
Company – 2015		
Cash and cash equivalents	-	-
Interest-bearing borrowings	-	-
Cash flow sensitivity (net)	-	-

GROUP AND COMPANY		
	2016 GBP	2015 GBP
24.3.2 Equity price risk		
The carrying amount of financial assets represents the maximum equity price risk exposure. The maximum exposure to equity price risk at the reporting date was:		
Investments	2 681 076	446 187

24.3.2 Equity price risk

The carrying amount of financial assets represents the maximum equity price risk exposure. The maximum exposure to equity price risk at the reporting date was:

Investments	2 681 076	446 187
-------------	-----------	---------

A 1% change in the market value of investments would have increased/(decreased) profit and loss by the amounts shown below.

This analysis assumes that all other variables remain constant.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

PROFIT OR LOSS BEFORE INCOME TAX		
	1% increase GBP	1% decrease GBP
24. FINANCIAL INSTRUMENTS (CONTINUED)		
24.3 Market risk (continued)		
24.3.2 Equity price risk (continued)		
Group and company		
2016		
Listed security investments	26 811	(26 811)
2015		
Listed security investments	4 462	(4 462)

PROFIT OR LOSS BEFORE INCOME TAX		
	GBP weakened 1% GBP	GBP strengthened 1% GBP
24.3.3 Currency risk		
The company has assets and liabilities in currencies other than the British Pound, its reporting currency. The company is mainly exposed to foreign exchange risk arising due to fluctuations of the British Pound <i>vis-à-vis</i> other currencies. The group hedges its currency exposure on distributable income.		
At 30 September 2016 if the British Pound had weakened/strengthened by 1% against the other currencies with all other variables constant, profit or loss before income tax for the year would have been impacted as follows:		
Group – 2016		
Investments at fair value through profit or loss	26 752	(26 752)
Receivables	47 894	(47 894)
Cash and cash equivalents	596 014	(596 014)
	670 660	(670 660)
Company – 2016		
Investments at fair value through profit or loss	26 752	(26 752)
Receivables	21 923	(21 923)
Cash and cash equivalents	592 430	(592 430)
	641 105	(641 105)
Group – 2015		
Investments at fair value through profit or loss	-	-
Receivables	10	(10)
Cash and cash equivalents	-	-
	10	(10)
Company – 2015		
Investments at fair value through profit or loss	-	-
Receivables	-	-
Cash and cash equivalents	-	-
	-	-

The currency profile of the company's assets and liabilities is disclosed in note 19.

	Designated at fair value GBP	Loans and receivables GBP	Amortised cost GBP	Total carrying amount GBP
--	------------------------------------	---------------------------------	--------------------------	------------------------------------

24.4 Fair values

The fair values of all financial instruments are substantially the same as the carrying amounts reflected on the statement of financial position.

Group – 2016

Investments at fair value through profit or loss	2 681 076	-	-	2 681 076
Greenbay management incentive loans	-	2 208 060	-	2 208 060
Trade and other receivables	-	6 525 350	-	6 525 350
Cash and cash equivalents	-	-	187 330 373	187 330 373
Trade and other payables	-	-	(1 477 809)	(1 477 809)
	2 681 076	8 733 410	185 852 564	197 267 050

Company – 2016

Investments at fair value through profit or loss	2 681 076	-	-	2 681 076
Greenbay management incentive loans	-	2 208 060	-	2 208 060
Loans to subsidiaries	-	55 378 970	-	55 378 970
Trade and other receivables	-	3 928 284	-	3 928 284
Cash and cash equivalents	-	-	186 972 012	186 972 012
Trade and other payables	-	-	(365 752)	(365 752)
	2 681 076	61 515 314	186 606 260	250 802 650

Group – 2015

Investments at fair value through profit or loss	446 187	-	-	446 187
Trade and other receivables	-	25 818	-	25 818
Cash and cash equivalents	-	-	274 919	274 919
Interest-bearing borrowings	-	-	(838 700)	(838 700)
Trade and other payables	-	-	(112 046)	(762)
	446 187	25 818	(675 827)	(92 538)

Company – 2015

Investments at fair value through profit or loss	446 187	-	-	446 187
Trade and other receivables	-	965	-	965
Cash and cash equivalents	-	-	(17)	(17)
Trade and other payables	-	-	(11 991)	(11 991)
	446 187	965	(12 008)	435 144

Level 1 financial instruments are investments in listed securities.

There were no transfers between levels 1,2 and 3 during the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

25. ACCOUNTING ESTIMATES AND JUDGEMENTS

Management discusses with the audit committee the development, selection and disclosure of the company's critical accounting policies and estimates and the application of these policies and estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years are discussed below.

25.1 Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the company's view of possible near-term market changes that cannot be predicted with any certainty.

25.2 Valuation of investment properties

The group carries its investment properties at fair value. The directors consider that the purchase price of the investment properties acquired during the year represented their fair value as at 30 September 2016. This determination requires the use of judgement.

25.3 Impairment of assets

The group tests whether assets have suffered any impairment in accordance with the accounting policy stated in note 1. The recoverable amounts of cash generating units have been determined based on future cash flows discounted to their present value using appropriate rates. Estimates are based on interpretation of generally accepted industry based market forecasts.

25.4 Trade receivables

Management identifies impairment of trade receivables on an ongoing basis. Impairment adjustments are raised against trade receivables when the collectability is considered to be doubtful. Management believes that the impairment write-off is conservative and there are no significant trade receivables that are doubtful and have not been written off. In determining whether a particular receivable could be doubtful, the following factors are taken into consideration:

- Age;
- Customer current financial status;
- Security held; and
- Disputes with customer.

26. RELATED PARTY TRANSACTIONS

Identity of related parties with whom material transactions have occurred

The subsidiaries and directors are related parties. The subsidiaries of the company are identified in note 6. The directors are set out on pages 4 and 5.

Material related party transactions

Loans to subsidiaries are set out in note 6.

Interest received from subsidiaries is set out in the statement of comprehensive income.

Remuneration paid to directors is set out on pages 16 and 17 and in note 14.

Greenbay management incentive loans to directors are set out in note 4.

Interest paid by directors to the Greenbay share incentive scheme amounts to GBP27 318 (2015: GBP nil)

Related party transactions are made in the normal course of business.

For the year ended 30 September 2016, the group and the company have not recorded any impairment of receivables relating to amounts owed by related parties (2015: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which it operates.

27. STANDARDS AND INTERPRETATIONS

Statement of compliance with International Financial Reporting Standards (“IFRS”)

The group applies all applicable IFRSs as issued by the International Accounting Standards Board (“IASB”) in preparation of the financial statements. Consequently, all IFRS statements that were effective at the date of issuing this report and are relevant to Greenbay’s operations have been applied.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016 [CONTINUED]

27. STANDARDS AND INTERPRETATIONS (CONTINUED)

At the reporting date of these financial statements, the following were in issue but not yet effective:

Standard			Effective date
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Amendments resulting from September 2014 Annual Improvements to IFRSs	Annual periods beginning on or after 1 January 2016
IFRS 7	Financial Instruments: Disclosures	Amendments resulting from September 2014 Annual Improvements to IFRSs	Annual periods beginning on or after 1 January 2016
IFRS 9	Financial Instruments	Re-issue of a complete standard with all the chapters incorporated	Annual periods beginning on or after 1 January 2018
IFRS 10	Consolidated Financial Statements	Amendments on Sale or Contribution of Assets between an investor and its associate or joint venture	Deferred indefinitely
IFRS 10	Consolidated Financial Statements	Amendments related to the application of the investment entities exceptions	Annual periods beginning on or after 1 January 2016
IFRS 11	Joint Arrangements	Amendments regarding the accounting for acquisitions of an interest in a joint operation	Annual periods beginning on or after 1 January 2016
IFRS 12	Disclosure of Interests in Other Entities	Amendments related to the application of the investment entities exceptions	Annual periods beginning on or after 1 January 2016
IFRS 14	Regulatory Deferral Accounts	Original issue	Annual periods beginning on or after 1 January 2016
IFRS 15	Revenue from Contracts with Customers	Original issue	Annual periods beginning on or after 1 January 2017
IFRS 15	Revenue from Contracts with Customers	Amendment to defer effective date to 1 January 2018 Clarifications to IFRS 15	Annual periods beginning on or after 1 January 2018
IFRS 16	Leases	Original issue	Annual periods beginning on or after 1 January 2017
IAS 1	Presentation of Financial Statements	Amendments under the Disclosure Initiative	Annual periods beginning on or after 1 January 2016
IAS 7	Cash Flow Statement	Amendments under the Disclosure Initiative	Annual periods beginning on or after 1 January 2017
IAS 12	Income Taxes	Amendments regarding the recognition of deferred tax assets for unrealised losses	Annual periods beginning on or after 1 January 2017
IAS 16	Property, Plant and Equipment	Amendments resulting from clarification of acceptable methods of depreciation and amortisation (Amendments to IAS 16 and IAS 38)	Annual periods beginning on or after 1 January 2016
IAS 16	Property, Plant and Equipment	Amendments to include "bearer plants" within the scope of IAS 16 rather than IAS 41	Annual periods beginning on or after 1 January 2016
IAS 19	Employee Benefits	Amendments resulting from September 2014 Annual Improvements to IFRSs	Annual periods beginning on or after 1 January 2016
IAS 27	Separate Financial Statements	Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.	Annual periods beginning on or after 1 January 2016
IAS 28	Investments in Associates and Joint Ventures	Amendments on Sale or Contribution of Assets between an investor and its associate or joint venture	Deferred indefinitely
IAS 28	Investments in Associates and Joint Ventures	Amendments regarding the application of the consolidation exception	Annual periods beginning on or after 1 January 2016
IAS 34	Interim Financial Reporting	Amendments resulting from 2012–2014 Annual Improvements Cycle	Annual periods beginning on or after 1 January 2016
IAS 38	Intangible Assets	Amendments resulting from clarification of acceptable methods of depreciation and amortisation	Annual periods beginning on or after 1 January 2016

Where relevant, the group is still evaluating the effect of these standards, amendments to published standards and interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 25.

28. DISTRIBUTABLE EARNINGS PER SHARE

The calculation of distributable earnings per share was based on the profit after tax, adjusted as shown in the table below, to arrive at the distributable earnings and the number of shares in issue at 30 September 2016.

This will be Greenbay's first distribution.

	Unaudited 2016 GBP
Profit for the year attributable to equity holders	34 428 589
Foreign exchange gain	(17 590 747)
Fair value gain on equity derivatives	(13 012 925)
Fair value loss on investments	184 168
Interest on equity derivative	(697 373)
Dividends accrued	(215 515)
Listing costs	259 534
Loss on sale of subsidiary	24 635
Antecedent dividend	1 535 546
Distributable earnings for the year	4 915 912
Final dividend declared	(4 915 912)
Earnings not distributed	-
Number of shares entitled to distribution	4 920 833 333

SCHEDULE OF INVESTMENTS

LISTED SECURITY INVESTMENTS - Direct holdings		Primary Sector	Valuation as at 30 Sep 2016 GBP	Valuation as at 30 Sep 2015 GBP
EUROPE				
Immobiliare Grande Distribuzione		Real Estate	2 675 206	-
UNITED KINGDOM				
Hammerson plc		Real Estate	5 870	-
Redefine International plc		Real Estate	-	446 187
			5 870	446 187
			2 681 076	446 187
LISTED SECURITY INVESTMENTS - Equity derivative exposure		Primary Sector	Valuation as at 30 Sep 2016 GBP	Valuation as at 30 Sep 2015 GBP
AUSTRALIA				
APA Group		Infrastructure	3 721 219	-
Transurban Group		Infrastructure	1 207 944	-
Woodside Petroleum Ltd		Infrastructure	3 885 182	-
			8 814 345	-
CANADA				
Cominar Real Estate Investment Trust		Real Estate	1 791 524	-
Enbridge Inc.		Infrastructure	4 400 035	-
H & R Real Estate Investment Trust		Real Estate	3 818 259	-
RioCan Real Estate Investment Trust		Real Estate	2 796 175	-
Transcanada Corp		Infrastructure	4 754 876	-
Veresen Inc.		Infrastructure	3 278 465	-
			20 839 334	-
EUROPE				
Abertis Infraestructuras SA		Infrastructure	6 722 167	-
Dong Energy		Infrastructure	1 599 125	-
Enagas SA		Infrastructure	8 174 179	-
Ferrovial SA		Infrastructure	7 713 742	-
Klepierre		Real Estate	11 307 539	-
Suez		Infrastructure	6 936 240	-
Unibail-Rodamco SE		Real Estate	16 109 087	-
Wereldhave NV		Real Estate	1 366 653	-
			59 928 732	-
SINGAPORE				
Ascendas Real Estate Investment Trust		Real Estate	5 342 085	-
Capitaland Mall Trust		Real Estate	4 906 804	-
			10 248 889	-

LISTED SECURITY INVESTMENTS - Equity derivative exposure	Primary Sector	Valuation as at 30 Sep 2016 GBP	Valuation as at 30 Sep 2015 GBP
UNITED KINGDOM			
British Land Co plc	Real Estate	10 120 000	-
Centrica plc	Infrastructure	3 765 300	-
Hammerson plc	Real Estate	12 327 000	-
		26 212 300	-
UNITED STATES OF AMERICA			
AGNC Investment Corp	Real Estate	4 380 601	-
Annaly Capital Management Inc.	Real Estate	5 150 253	-
AT & T Inc.	Infrastructure	4 933 666	-
Care Capital Properties Inc.	Real Estate	2 587 339	-
Crown Castle International Corp	Real Estate	3 564 333	-
Dominion Resources Inc.	Infrastructure	4 810 232	-
Duke Energy Corp	Infrastructure	4 141 746	-
Energy Transfer Partners LP	Infrastructure	3 119 138	-
Enterprise Products Partners LP	Infrastructure	2 420 141	-
EQT Midstream Partners LP	Infrastructure	3 489 595	-
HCP Inc.	Real Estate	2 626 789	-
Host Hotels & Resorts Inc.	Real Estate	4 105 532	-
Kinder Morgan Inc.	Infrastructure	2 604 521	-
Macquarie Infrastructure Corp	Infrastructure	7 664 009	-
MFA Financial Inc.	Real Estate	7 631 571	-
MPLX LP	Infrastructure	7 134 881	-
Nextera Energy Inc.	Infrastructure	4 712 378	-
OGE Energy Corp	Infrastructure	5 930 389	-
Omega Healthcare Investors Inc.	Real Estate	5 704 435	-
Parallel Media Group	Infrastructure	3 513 480	-
Pattern Energy Group Inc.	Infrastructure	3 629 440	-
Plains GP Holdings LP	Infrastructure	3 655 059	-
Sabra Health Care REIT Inc.	Real Estate	4 078 873	-
Spirit Realty Capital Inc.	Real Estate	4 106 881	-
Starwood Property Trust Inc.	Real Estate	3 823 992	-
Sunoco Logistics Partners LP	Infrastructure	1 649 101	-
Taubman Centers Inc.	Real Estate	3 492 060	-
Tesoro Logistics LP	Infrastructure	6 333 356	-
Vereit Inc.	Real Estate	1 719 987	-
Welltower Inc.	Real Estate	2 397 026	-
Weyerhaeuser Co	Real Estate	2 983 222	-
Williams Cos Inc.	Infrastructure	4 032 720	-
WP Carey Inc.	Real Estate	2 350 233	-
		134 476 979	-
		260 520 579	-

SCHEDULE OF PROPERTIES

No	Property name	Primary use	Geographical location	Acquisition date	Vacancy	Gross lettable area (m ²)	Purchase price GBP	Valuation GBP
Direct property investment								
1	Planet Tus	Retail	Slovenia	30 August 2016	-	31 625	49 151 934	49 151 934
Address: Corner of Gosposvetska cesta and Zupancicev ulica, Ljubljana, Slovenia, 1000								
Property under development								
2	Tivoli Projekt	Development	Slovenia	31 August 2016	n/a	n/a	11 509 097*	11 509 097
Address: Ankaranska cesta 2, 6000 Koper, Slovenia								
Total							60 661 031	60 661 031

* Purchase price includes capitalised costs to date.



**ARTIST IMPRESSION,
TIVOLI PROJEKT, SLOVENIA**

CORPORATE INFORMATION

COMPANY DETAILS

Greenbay Properties Ltd (previously Green Flash Properties Ltd)

Registration number: C124756 C1/GBL

SEM share code: GFP.N0000 ISIN: MU0461N00007

JSE share code: GRP

c/o Intercontinental Trust Limited

Level 3, Alexander House

35 Cybercity

Ebene, 72201

Mauritius

COMMERCIAL BANKERS

Standard Bank Mauritius

Level 9, Tower A

1 Cybercity

Ebene, 72201

Mauritius

Afrasia Bank Limited

3rd Floor, NexTeracom Tower 3

Ebene

Mauritius

TRANSFER SECRETARY IN SOUTH AFRICA

Link Market Services South Africa Proprietary Limited

13th Floor Rennie House

19 Ameshoff Street

Braamfontein

Johannesburg, 2001

(PO Box 4844, Johannesburg, 2000)

JSE SPONSOR

Java Capital

6A Sandown Valley Crescent Sandown

Sandton, 2196

(PO Box 2087, Parklands, 2121)

MAURITIAN MANAGEMENT COMPANY

Intercontinental Trust Limited

Level 3, Alexander House

35 Cybercity

Ebene, 72201

Mauritius

AUDITORS

BDO & Co

DCCDM Building

10 Frère Félix de Valois Street

Port Louis

Mauritius

SEM AUTHORISED REPRESENTATIVE AND SPONSOR

Perigeum Capital Ltd

Level 3, Alexander House

35 Cybercity

Ebene, 72201

Mauritius

SECRETARY AND REGISTERED OFFICE

Intercontinental Trust Limited

Level 3, Alexander House

35 Cybercity

Ebene, 72201

Mauritius

CORPORATE ADVISOR AND LEGAL ADVISOR AS TO MAURITIAN LAW

C&A Law (Registered as a Law Firm in Mauritius)

Suite 1005, Level 1, Alexander House

35 Cybercity, Ebene, 72201

Mauritius

CORPORATE DIARY

Final 2016

Financial year end	Friday	30 September 2016
Publication of summarised results – SENS	Friday	11 November 2016
Last day to trade shares inclusive of dividend (<i>cum</i> dividend)	Tuesday	29 November 2016
Shares trade ex-dividend from	Wednesday	30 November 2016
Last day to update share register for dividend (record date)	Friday	2 December 2016
Dividend payment	Tuesday	6 December 2016
Integrated report and notice of annual general meeting posted on	Monday	6 March 2017
Annual general meeting	Friday	31 March 2017

First quarter 2017

Quarter ends	Saturday	31 December 2016
Announcement of quarterly results (provisional)	Friday	10 February 2017



PLANET KOPER, SLOVENIA

AGM NOTICE

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

GREENBAY PROPERTIES LTD
(Formerly known as Green Flash Properties Ltd)
(Incorporated in the Republic of Mauritius on 14 August 2014)
(Registration number C124756 C1/GBL)
SEM share code: GFP.N0000
JSE share code: GRP
ISIN: MU0461N00007
("Greenbay" or "the company")

If you are in any doubt as to what action you should take arising from the following resolutions, please consult your stockbroker, banker, attorney, accountant or other professional advisor immediately. Greenbay has its primary listing on the Official Market of the Stock Exchange of Mauritius Limited ("SEM") and a secondary listing on the Alternative Exchange ("AltX") of the Johannesburg Stock Exchange Limited ("JSE").

Notice is hereby given that the second annual general meeting of shareholders of Greenbay ("annual general meeting") will be held at the company's registered office c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene, 72201, Mauritius on Friday 31 March 2017 at 10h00 Mauritian time (08h00 South African time) for the purpose of:

- a) presenting the audited company and group financial statements for the year ended 30 September 2016 together with the reports of the directors, the audit committee and the auditors;
- b) considering and, if deemed fit, adopting, with or without modification, the shareholder resolutions set out below.

Unless otherwise stated, in order for the ordinary resolutions to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required and in order for special resolutions to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass such resolution.

ORDINARY RESOLUTION NUMBER 1:

Receiving and adopting the audited company and group financial statements for the year ended 30 September 2016.

ORDINARY RESOLUTION NUMBER 2:

RESOLVED THAT the following directors, who retire in terms of clause 12.4.2 of the company's Constitution and who offer themselves for re-election be and are hereby re-elected, each by way of a separate vote:

2.1 Terry Warren (61)

Independent non-executive director and chairman
Date of appointment: 11 August 2016

Terry has over 25 years' experience in the retail and wholesale industry. He started his career with the Spar Group before joining their wholesale division. Terry, was one of the founding members and executive directors of CCW Wholesalers, later to become CBW Wholesalers under the Massmart Group, where he remained as an executive director. He went into residential property development on the KwaZulu-Natal South Coast and in 2010 relocated to Mauritius.

2.2 Paul May (40)

Chief financial officer
BCompt, BCompt (Hons), CA(SA)
Date of appointment: 11 March 2016

Paul has 13 years' post qualification experience in various finance roles, including group financial manager at Canadian-listed mining groups, European Goldfields Ltd and Rockwell Diamonds Inc., based in London and Johannesburg respectively, and a JSE-listed electrical group, Delta Electrical Industries.

2.3 Stephen Delpoit (36)

Chief executive officer
BSc (Hons) Mathematics
Date of appointment: 1 March 2016

Stephen has a BSc with on financial orientation, majoring in mathematics, mathematical statistics and economics; and a BSc (Hons) Mathematics from the University of Johannesburg. Stephen started his career in 2003 in the asset management industry as a research analyst. He has gained a thorough insight into the global listed real estate industry, having managed several types of portfolios to date including collective investment schemes, exchange trade funds and hedge funds. Stephen joined Resilient REIT Limited in 2007 and Rockcastle Global Real Estate Company Limited ("Rockcastle") in 2012 and has been part of a successful and consistent property investment philosophy and process.

AGM NOTICE

[CONTINUED]

2.4 Jan Wandrag (37)

Chief operating officer

BCom (Law)

Date of appointment: 22 August 2016

Jan joined Greenbay in 2016 from Maitland in Mauritius where he managed their operations and business development from 2013. Jan served as a director and trustee on numerous companies and trusts set up on behalf of high net worth individuals and families, corporations and various funds. Before joining Maitland, Jan managed a team at GMG Trust company which provided independent administration services to corporate structures, including syndications, securitisations, BEE structures, hedge funds, property investment trusts and debenture trusts from 2009. During this time, he served as director of various JSE-listed entities, including financial vehicles created by banks and other blue chip organisations. From 2006 to 2009, Jan worked as a legal officer at Integer and was part of the teams responsible for providing legal advice, collections, credit processes and product development.

2.5 Ronnie Porter (42)

Independent non-executive director

BCom – Business Economics, Wits

Post Graduate Diploma – Business Administration, Wits Business School

Date of appointment: 11 March 2016

Ronnie has been in the investment and finance industry for over 18 years. Most recently he was an investment specialist at Falcon Private Wealth Ltd in London. Prior to this, Ronnie held various investment advisory positions in the Barclays International Group covering jurisdictions such as Russia, UAE and Sub-Saharan Africa.

2.6 Karen Bodenstein (35)

Independent non-executive director

BCom (Accounting Sciences)

Date of appointment: 27 September 2016

Karen completed her articles at BDO Spencer Steward in South Africa in 2004 and rose to the position of senior auditor, gaining invaluable experience in a wide variety of South African businesses. She has 12 years' experience in the construction and development industry, having been closely involved in a number of property-related companies working as the management accountant, including a leading Mauritian property development organisation and medium-sized South African construction company. For the past three years she has been managing her own business providing consulting and accounting services to a range of global business companies in Mauritius. Karen has been living in Mauritius since 2007.

2.7 Teddy Lo Seen Chong (48)

Non-independent non-executive director

Date of appointment: 1 March 2016

Teddy is the finance director of Intercontinental Trust Limited. He was previously the manager of the fund administration department. He worked for six years in a firm of chartered accountants in London where his areas of responsibility were auditing, accounting and taxation. He also worked for Deloitte in Mauritius where he was involved in the listing of a major local bank on the Stock Exchange of Mauritius. He spent the last 11 years in Canada where he gathered valuable experience in the field of accounting and finance in North America. He is a member of the Institute of Chartered Accountants in England and Wales and of the Canadian Institute of Chartered Accountants. He also holds a Mauritius Stockbrokers Examination Certificate and is currently pursuing the business valuers designation.

2.8 Mark Olivier (48)

Independent non-executive director

CA(SA)

Date of appointment: 28 June 2016

Mark has over 20 years' experience in managing debt, property and private equity assets and providing corporate finance and strategic advice, predominantly to public companies in the United Kingdom. Prior to founding Hibridge Capital (a London-based boutique, private equity and advisory business) in 2003, Mark was a shareholder and employee of Hawkpoint Partners, which was previously the corporate finance division of Natwest Markets. Mark worked for BoE Limited where he served on the executive committee of the group's international business, headquartered in London. Mark is a qualified chartered accountant and in his early career worked at KPMG as a manager in their London offices.

Mark is the chairman of Trelidor, the largest physical barrier security business in South Africa. He is a non-executive director of the Dynasty Group of companies, which is owned and managed by Macquarie and Blackstone Inc., which was the first ever wholesale international vehicle established to invest in retail properties in China.

The nomination committee has considered the past performance and contribution of each of the directors standing for re-election and recommends that they be re-elected as directors of the company.

ORDINARY RESOLUTION NUMBER 3:

RESOLVED THAT BDO & Co be and is hereby re-appointed as the auditor of the company with Mrs Rookaya Ghanty currently being the designated audit partner.

ORDINARY RESOLUTION NUMBER 4:

RESOLVED THAT the directors be and are hereby authorised to determine the remuneration of the group's auditors.

ORDINARY RESOLUTION NUMBER 5:

RESOLVED THAT fees to be paid by the company to the non-executive directors for their services as directors be and are hereby approved as GBP5 000 per non-executive director per annum.

ORDINARY RESOLUTION NUMBER 6:

RESOLVED THAT, subject to the provisions of the Mauritian Companies Act 2001, the SEM Listing Rules and the JSE Listings Requirements, and pursuant to inter alia the company's Constitution, the board of directors of the company be and are hereby authorised to allot and issue additional shares of the company for cash, until this authority lapses which shall be at the next annual general meeting or 15 months from the date hereof, whichever is the earliest, and which authority is subject to the restrictions below:

- a) the allotment and issue of shares must be made to persons qualifying as public shareholders and not to related parties, as defined in the JSE Listings Requirements;
- b) the shares which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;
- c) the total aggregate number of shares which may be issued for cash in terms of this authority may not exceed 746,669,363 shares, being 15% (fifteen percent) of the total issued share capital. Accordingly, any shares issued under this authority prior to this authority lapsing shall be deducted from the 746,669,363 shares the company is authorised to issue in terms of this authority for the purpose of determining the remaining number of shares that may be issued in terms of this authority;
- d) in the event of a sub-division or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio;
- e) the maximum discount at which the shares may be issued is 10% (ten percent) of the weighted average traded price of such shares measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares;
- f) after the company has issued shares for cash which represent, on a cumulative basis, within the period that this authority is valid, 5% (five percent) or more of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the number of shares issued, the average discount to the weighted average trade price of the shares over the 30 (thirty) days prior to the date that the issue is agreed in writing and an explanation, including supporting documentation (if any), of the intended use of the funds.

In terms of the JSE Listings Requirements, in order for ordinary resolution number 6 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

ORDINARY RESOLUTION NUMBER 7:

RESOLVED THAT the trading currency of the company's shares on the Stock Exchange of Mauritius be and is hereby changed from GBP to EUR, subject to the necessary regulatory approval and to change the reporting currency of the company from GBP to EUR subject to the approval of the Registrar of Companies in Mauritius and to change the denomination of the share capital of the company from GBP to EUR under section 50(4) of the Companies Act 2001 subject to the approval of the Registrar of Companies in Mauritius.

ORDINARY RESOLUTION NUMBER 8:

RESOLVED THAT, pursuant to the company's Constitution and subject to the provisions of the Mauritian Companies Act 2001, the SEM Listing Rules and the JSE Listings Requirements, the board be and hereby is authorised to issue unissued shares and/or grant options to subscribe for unissued shares, as the directors in their discretion deem fit, provided that the corporate action to which any such issue or grant of options relates, has, to the extent required, been approved by the JSE and the SEM.

The directors consider that the passing of resolutions 1 to 8 is in the best interests of the company and its shareholders as a whole and accordingly recommend that you vote in favour of all the resolutions to be proposed at the annual general meeting.

ORDINARY RESOLUTION NUMBER 9:

RESOLVED THAT any director of the company or the company secretary be and is hereby authorised to do all such things and sign all such documents as may be required to give effect to ordinary resolutions numbers 1 to 8 and to special resolutions numbers 1 to 3.

AGM NOTICE

[CONTINUED]

SPECIAL RESOLUTION NUMBER 1:

RESOLVED THAT, to the extent required by the Mauritian Companies Act 2001 ("the Companies Act"), the board of directors of the company may, subject to compliance with the requirements of the company's Constitution, the Companies Act, the JSE Listings Requirements and the SEM Listing Rules, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance in terms of section 81 of the Companies Act and section 82 of the Companies Act by way of loans, guarantees, the provisions of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related to the company for any purpose or in connection with any matter, such authority to endure until the next annual general meeting of the company.

The reason for and effect of special resolution number 1:

The company provides loans to and/or guarantees loans or other obligations of companies in the group. The company believes it necessary that it continues to have the ability to provide financial assistance to, inter alia, ensure that the company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the company (as opposed to banks) and is accordingly proposing special resolution number 1.

Therefore, the reason for, and effect of, special resolution number 1 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 81 of the Companies Act and section 82 of the Companies Act) to the entities referred to in special resolution number 1 above.

In terms of section 81 of the Companies Act, if the resolution is adopted, the board of directors will only be entitled to authorise such financial assistance if it is satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company and, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test contemplated in the Companies Act.

SPECIAL RESOLUTION NUMBER 2:

RESOLVED THAT, the company or any of its subsidiaries be and are hereby authorised by way of a general authority to acquire shares issued by the company, subject to the SEM Listing Rules, the Securities (Purchase of Own Shares) Rules 2007, the JSE Listings Requirements and subject to the following provisions of the JSE Listings Requirements:

- a) any acquisition of shares shall be implemented through the order book of the JSE or the SEM and without prior arrangement;
- b) this general authority shall be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 months from the date of passing this special resolution;
- c) the company (or any subsidiary) is duly authorised by its Constitution to do so;
- d) acquisitions of shares in the aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a subsidiary) of the company's issued ordinary share capital as at the date of passing this special resolution;
- e) in determining the price at which shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired will be 10% of the weighted average of the market value of the shares on the JSE over the five business days immediately preceding the repurchase of such shares;
- f) at any point in time the company (or any subsidiary) may appoint only one agent to effect repurchases on its behalf;
- g) repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the JSE Listings Requirements) unless a repurchase programme is in place (where the dates and quantities of shares to be repurchased during the prohibited period are fixed) and has been submitted to the JSE in writing and published on the SEM's website prior to commencement of the prohibited period;
- h) an announcement will be published as soon as the company or any of its subsidiaries have acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the granting of the repurchase authority and pursuant to which the aforesaid threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such repurchases;
- i) the board of directors of the company must resolve that the repurchase is authorised, the company and its subsidiaries have passed the solvency and liquidity test and since that test was performed, there have been no material changes to the financial position of the group.

In accordance with the JSE Listings Requirements and the SEM Listing Rules, the directors record that although there is no immediate intention to effect a repurchase of the shares of the company, the directors will utilise this general authority to repurchase shares as and when suitable opportunities present themselves, which may require expeditious and immediate action.

The directors undertake that, after considering the maximum number of shares that may be repurchased and the price at which the repurchases may take place pursuant to the general authority, for a period of 12 months after the date of notice of this annual general meeting:

- The company and the group will, in the ordinary course of business, be able to pay its debts;
- The consolidated assets of the company and the group fairly valued in accordance with International Financial Reporting Standards, will exceed the consolidated liabilities of the company and the group fairly valued in accordance with International Financial Reporting Standards; and
- The company's and the group's share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information, some of which may appear elsewhere in the annual report (of which this notice forms part), is provided in terms of paragraph 11.26 of the JSE Listings Requirements for purposes of this general authority:

- Major beneficial shareholders – page 20
- Stated capital of the company – page 55

The reason for and effect of special resolution number 2:

The reason for special resolution number 2 is to afford the company a general authority to effect a repurchase of the company's shares on the SEM and the JSE.

The effect of the resolution will be that the directors will have the authority, subject to the SEM Listing Rules, the JSE Listings Requirements, the Companies Act 2001 and the company's Constitution, to effect repurchases of the company's shares.

SPECIAL RESOLUTION NUMBER 3:

RESOLVED THAT, upon recommendation by the directors of the company and in order to comply with the JSE Listings Requirements for the company to move its listing from the AltX to the Main Board of the JSE ("Main Board"), the existing Constitution of the company (the "Existing Constitution") be revoked and the New Constitution (as defined below) be adopted as the Constitution of the company, subject to approval of the New Constitution by the SEM and the JSE.

The reason for, and effect of, special resolution number 3 is as follows:

Subject to regulatory approvals, the company intends migrating the listing of its shares from the AltX to the Main Board. In order to obtain approval from the JSE for such a transfer, the constitutional documents of a company are required to comply with the JSE Listings Requirements for a Main Board primary JSE listing.

Accordingly, in order to comply with the JSE Listings Requirements and to enable the company to migrate its listing from the AltX to the Main Board, Greenbay proposes to amend the Existing Constitution. The proposed amendments are incorporated in the new Constitution of the company to be adopted (the "New Constitution"), a copy of which, together with a marked-up version showing the tracked changes from the Existing Constitution, is available for inspection during business hours at the offices of the company secretary at Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius, and at any time on the company's website (www.greenbayprop.mu).

Directors' responsibility statement

The directors whose names appear on pages 4 and 5 of the Integrated Report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the JSE Listings Requirements and the SEM Listing Rules.

Material changes

There have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of release of the summarised audited consolidated financial statements for the year ended 30 September 2016 and up to the date of this notice.

The salient dates and times in relation to the annual general meeting are set out below:

Notice of annual general meeting posted to shareholders	Monday, 6 March 2017
Record date to be recorded in the register in order to be entitled to vote at the annual general meeting	Friday, 24 March 2017
Last day to lodge forms of proxy for the annual general meeting by 10h00 Mauritian time (08h00 South African time)	Thursday, 30 March 2017
Annual general meeting held at 10h00 Mauritian time (08h00 South African time)	Friday, 31 March 2017

* Members who have consented to receive communications by electronic means will be emailed accordingly.

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[CONTINUED]

Voting and proxies

Members holding shares in dematerialised form in “own-name”:

- may attend and vote at the annual general meeting; alternatively
- may appoint an individual as a proxy (who need not also be a member of the company) to attend, participate in and speak and vote in your place at the annual general meeting by completing the attached form of proxy and returning it to the company secretary, by no later than 10h00 Mauritian time (08h00 South African time) on Friday, 31 March 2017. Alternatively, the form of proxy may be handed to the chairman of the annual general meeting at the annual general meeting or at any time prior to the commencement of the annual general meeting. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the company secretary or handed to the chairman of the annual general meeting, before your proxy may exercise any of your rights as a member of the company at the annual general meeting.

Please note that any member of the company that is a company may authorise any person to act as its representative at the annual general meeting.

Please note that if you are the owner of dematerialised shares held through a Central Securities Depository Participant (“CSDP”), the Central Depository and Settlement Company Limited (“CDS”) or broker (or their nominee) and are not registered as an “own-name” dematerialised shareholder, then you are not a registered shareholder of the company, but your CSDP, CDS or broker (or their nominee) would be.

Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP, CDS or broker as the case may be:

- if you wish to attend the annual general meeting you must contact your CSDP, CDS or broker, and obtain the relevant letter of representation from it; alternatively
- if you are unable to attend the annual general meeting but wish to be represented at the annual general meeting, you must contact your CSDP, CDS or broker, and furnish it with your voting instructions in respect of the annual general meeting and/or request it to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP, CDS or broker, within the time period required by your CSDP, CDS or broker.
- CSDPs, CDSs or brokers or their nominees, as the case may be, recorded in the company’s sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the annual general meeting or by completing the attached form of proxy in accordance with the instructions thereon and return it to the company secretary, by no later than 10h00 Mauritian time (08h00 South African time) on Friday, 31 March 2017. Alternatively, the form of proxy may be handed to the chairman of the annual general meeting at the annual general meeting at any time prior to the commencement of the annual general meeting.

VOTING AT THE ANNUAL GENERAL MEETING

In order to more effectively record the votes and give effect to the intentions of members, voting on all resolutions will be conducted by way of a poll.

By order of the board

Intercontinental Trust Ltd

Company secretary
6 March 2017

Address of registered office

c/o Intercontinental Trust Ltd
Level 3, Alexander House, 35 Cybercity,
Ebène, 72201, Mauritius

Address of transfer secretaries

Link Market Services South Africa Proprietary Limited
13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000)

FORM OF PROXY

GREENBAY PROPERTIES LTD
 (Formerly known as Green Flash Properties Ltd)
 (Incorporated in the Republic of Mauritius on 14 August 2014)
 (Registration number: C124756 C1/GBL)
 SEM share code: GFP.N0000
 JSE share code: GRP
 ISIN: MU0461N00007
 ("Greenbay" or "the company")

For use by the holders of the company's dematerialised shares held through a Central Securities Depository Participant ("CSDP"), broker or the Central Depository and Settlement Company Limited ("CDS") who have selected "own-name" registration ("own-name dematerialised shareholders"), at the annual general meeting of members of the company to be held at the company's registered office, Level 3, Alexander House, 35 Cybercity, Ebene, 72201, Mauritius, on Friday, 31 March 2017 at 10h00 Mauritian time (08h00 South African time), or at any adjournment thereof if required. Additional forms of proxy are available from the company's registered office.

Not for use by dematerialised shareholders who have not selected "own-name" registration. Such shareholders must contact their CSDP, CDS or broker timeously if they wish to attend and vote at the annual general meeting and request that they be issued with the necessary Letter of Representation to do so, or provide the CSDP, CDS or broker timeously with their voting instructions should they not wish to attend the annual general meeting in order for the CSDP, CDS or broker to vote in accordance with their instructions at the annual general meeting.

I/We _____ (name/s in block letters)
 of _____ (address)
 being the registered holder of _____ ordinary shares in the capital of the company do hereby appoint:
 1 _____ or failing him/her,
 2 _____ or failing him/her,
 3 the chairman of the annual general meeting.

as my/our proxy to act for me/us on my/our behalf at the annual general meeting to be held on Friday, 31 March 2017 at 10h00 Mauritian time (08h00 South African time) or any adjournment thereof, which will be held for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat as detailed in the notice of annual general meeting; and to vote for and/or against such resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

	Number of votes		
	For	Against	Abstain
Ordinary resolution number 1 (Receiving and adopting the audited company and group financial statements)			
Ordinary resolution number 2.1 (Re-election of Terry Warren as a director)			
Ordinary resolution number 2.2 (Re-election of Paul May as a director)			
Ordinary resolution number 2.3 (Re-election of Stephen Delpont as a director)			
Ordinary resolution number 2.4 (Re-election of Jan Wandrag as a director)			
Ordinary resolution number 2.5 (Re-election of Ronnie Porter as a director)			
Ordinary resolution number 2.6 (Re-election of Karen Bodenstein as a director)			
Ordinary resolution number 2.7 (Re-election of Teddy Lo Seen Chong as a director)			
Ordinary resolution number 2.8 (Re-election of Mark Olivier as a director)			
Ordinary resolution number 3 (Re-appointment of auditor)			
Ordinary resolution number 4 (Authorising directors to determine auditors' remuneration)			
Ordinary resolution number 5 (Approving non-executive directors' fees)			
Ordinary resolution number 6 (Authorising directors to issue shares for cash)			
Ordinary resolution number 7 (Change of reporting, trading and denomination of share capital currency)			
Ordinary resolution number 8 (Authority to issue unissued shares and/or grant options to subscribe for unissued shares)			
Ordinary resolution number 9 (Authority for directors or company secretary to implement resolutions)			
Special resolution number 1 (Approval of financial assistance to related or inter-related companies)			
Special resolution number 2 (Approval of repurchase of shares)			
Special resolution number 3 (Amendment to company's Constitution)			

Signed at _____ on _____ 2017

Signature _____

Assisted by (where applicable) _____

(Indicate instructions to proxy in the spaces provided above). Unless otherwise instructed, my proxy may vote as he/she thinks fit.

Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

1. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
2. Members that are own-name dematerialised shareholders or hold ordinary shares in certificated form are entitled to attend and vote at the annual general meeting may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space(s) provided, with or without deleting "the chairperson of the annual general meeting", but any such deletion must be initialled by the shareholder(s). Such proxy(ies) may participate in, speak and vote at the annual general meeting in the place of that shareholder at the annual general meeting. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy the chairperson shall be deemed to be appointed as the proxy.
3. A member's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the member in the appropriate box(es) provided. Failure to comply with the above will be deemed to authorise the proxy, in the case of any proxy other than the chairperson, to vote or abstain from voting as deemed fit and in the case of the chairperson to vote in favour of the resolution.
4. A member or his/her proxy is not obliged to use all the votes exercisable by the member, but the total of the votes cast or abstained may not exceed the total of the votes exercisable in respect of the shares held by the member.
5. A shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as at the later of the date stated in the revocation instrument, if any; or the date on which the revocation instrument was delivered in the required manner.
6. A vote given in terms of an instrument of proxy shall be valid in relation to the annual general meeting notwithstanding the death of the person granting it or the transfer of the shares in respect of which the vote is given, unless an intimation in writing of such death or transfer is received by the company secretary not less than 48 hours before the commencement of the annual general meeting.
7. The chairperson of the annual general meeting may reject or accept any form of proxy which is completed and/or received otherwise than in compliance with these notes, provided that, in respect of acceptances, the chairperson is satisfied as to the manner in which the member concerned wishes to vote.
8. The completion and lodging of this form of proxy will not preclude the relevant member from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such member wish to do so.
9. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company or the company secretary or waived by the chairperson of the annual general meeting.
10. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the company or the company secretary.
11. Where there are joint holders of shares, the vote of the first joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted and only that holder whose name appears first in the register in respect of such shares need to sign this form of proxy.

Forms of proxy must be deposited at, posted, faxed or emailed to:

The Company Secretary

Greenbay Properties Ltd
Level 3, Alexander House
35 Cybercity, Ebene, 72201
Mauritius

Tel: (230) 403 0800
Fax: (230) 403 0801

Email: greenbay@intercontinentaltrust.com to be received by no later than 10h00 Mauritian time (08h00 South African time) on Thursday, 30 March 2017.

FACT SHEET

Company name	Greenbay Properties Ltd (Registration number: C124756 C1/GBL)								
Registered address	Level 3, Alexander House 35 Cybercity, Ebene, 72201 Mauritius								
Year end	30 September								
Chairman of the board	Terry Warren								
Board of directors	Terry Warren; Stephen Delpont; Jan Wandrag; Paul May; Karen Bodenstein; Mark Olivier; Teddy Lo Seen Chong; Ronnie Porter								
	<table> <tr> <td>Independent non-executive</td> <td>4</td> </tr> <tr> <td>Non-independent non-executive</td> <td>1</td> </tr> <tr> <td>Executive</td> <td>3</td> </tr> <tr> <td></td> <td style="border-top: 1px solid black;">8</td> </tr> </table>	Independent non-executive	4	Non-independent non-executive	1	Executive	3		8
Independent non-executive	4								
Non-independent non-executive	1								
Executive	3								
	8								
Chief executive officer	Stephen Delpont								
Company secretary	Intercontinental Trust Limited								
SEM authorised representative and sponsors	Perigeum Capital								
JSE corporate advisor and sponsor	Java Capital								
External auditors	BDO & Co								
Date of listing SEM	30 January 2015								
Date of listing JSE	27 November 2015								
Shares in issue	4 920 833 333 (2015 – 15 234 790)								
Interest-bearing debt to asset ratio	N/A (2015 – 34,8%)								

Investment portfolio	2016	2015
Listed securities – direct holdings	GBP2,21 million	GBP0,446 million
Listed securities – gross exposure through equity derivatives	GBP260,52 million	GBP nil
Direct property investments	GBP60,66 million	GBP1,18 million

Share price (GBP pence per share)	2016	2015
High	10,55	-
Low	5,49	-
Closing	8,59	-

Distributions (GBP pence per share)	2016	2015
Final – proposed	0,0999	-

Volume traded	481 847 605 shares (2015: n/a)
Value traded	GBP36 366 690 (2015: n/a)
Annual general meeting	31 March 2017 Level 3, Alexander House, 35 Cybercity, Ebene, 72201 Mauritius

Dividend calendar (final dividend for the 2016 financial year)

Last day to trade <i>cum</i> dividend	Tuesday, 29 November 2016
Record date	Friday, 2 December 2016
Dividend payment	Tuesday, 6 December 2016

2016 INTEGRATED REPORT



Greenbay Properties Ltd
Level 3, Alexander House, 35 Cybercity,
Ebene, 72201, Mauritius
info@greenbay.mu
Tel +230 403 0800 Fax +230 403 0801

