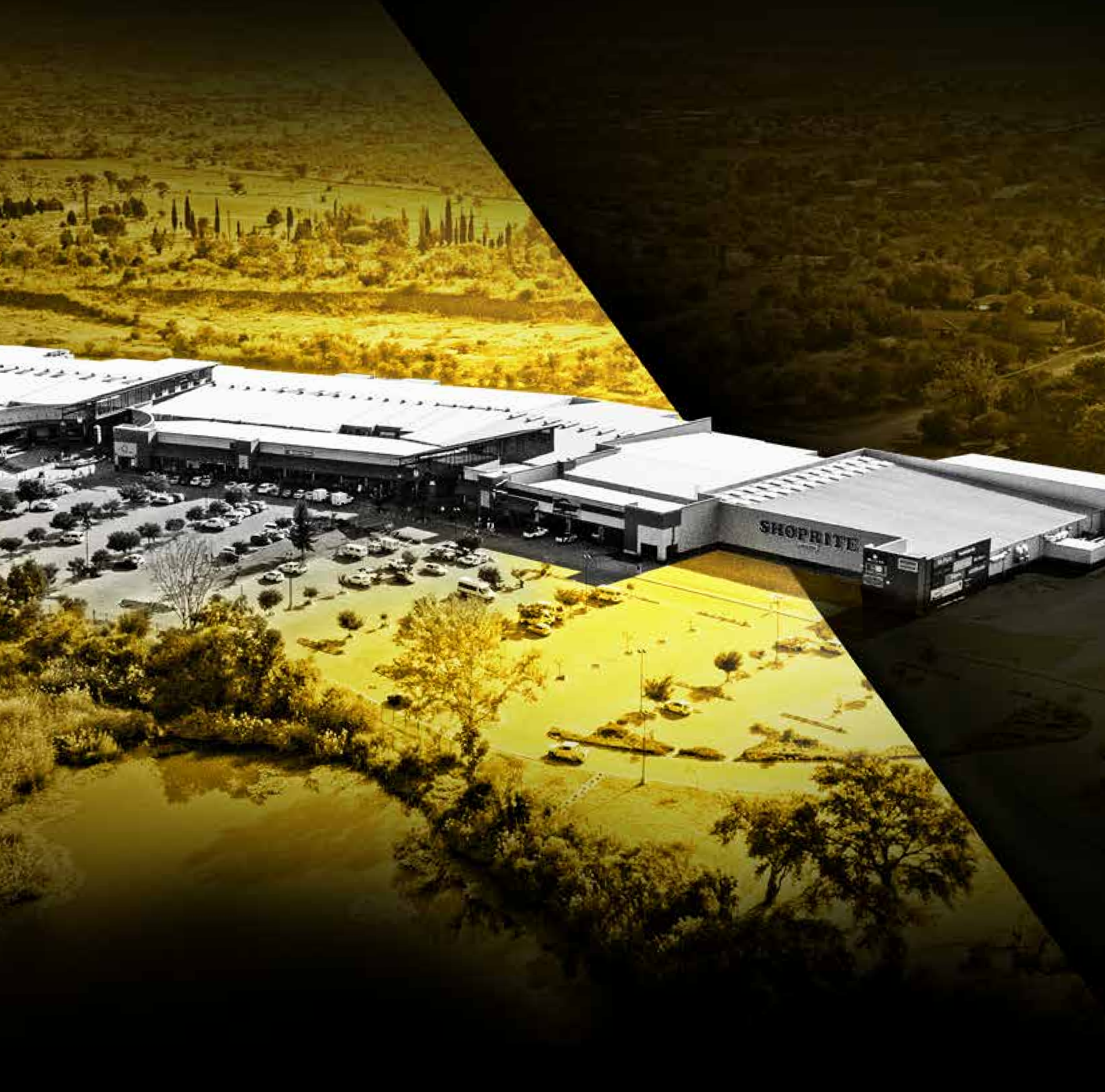
CHAPTER 4

ANNUAL FINANCIAL STATEMENTS



GENERAL INFORMATION

REGISTERED NAME
Exemplar REITail Limited

COMPANY REGISTRATION NUMBER
2018/022591/06

COUNTRY OF INCORPORATION AND DOMICILE
South Africa

NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES
Exemplar REITail is a market leader in the ownership and management of retail real estate in South Africa

EXECUTIVE DIRECTORS
Church, DA
McCormick, J (Jason)
McCormick, J (John)

NON-EXECUTIVE DIRECTORS
Azzopardi, GVC
Berkeley, FM
Katzenellenbogen, PJ
Maponya, EP

REGISTERED OFFICE AND BUSINESS ADDRESS
Corner Lyttelton Road and Leyden Avenue
Clubview
Centurion
0157

AUDITOR
BDO South Africa Incorporated
Chartered Accountants (S.A.)
Registered Auditor

LEVEL OF ASSURANCE
These group financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

PREPARER
The financial statements were internally compiled by: C.R. Sansom (BComm (Acc), PGDipTax) under the supervision of D.A. Church (Chief Financial Officer - BCompt (Hons), CA (SA))

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the Group and Company financial statements and related financial information included in this report. It is their responsibility to ensure that the Group financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the financial year then ended, in conformity with International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the Group financial statements.

The Group and Company financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and Company and all employees are required to maintain the highest ethical standards in ensuring the Group and Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group and Company is on identifying, assessing, managing and monitoring all known forms of risk across the Group and Company. While operating risk cannot be fully eliminated, the Group and Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Group and Company financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's and Company's cash flow forecast for the period to 29 February 2020 and, in light of this review and the current financial position, they are satisfied that the Group and Company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Group and Company financial statements. The Group and Company financial statements have been examined by the Group and Company's external auditor and their report is presented on pages 77 to 80.

The Group and Company financial statements set out on pages 81 to 125, which have been prepared on the going concern basis, were approved by the board of directors on 23 May 2019 and were signed on their behalf by:

JASON MCCORMICK
Chief Executive Officer

DUNCAN ALAN CHURCH
Chief Financial Officer

DECLARATION BY COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act, and in my capacity as company secretary, I hereby certify that, to the best of my knowledge, Exemplar REITail Limited has filed the required returns and notices with the Companies and Intellectual Property Commission as are required in terms of the Companies Act, for the year ended 28 February 2019, and that all such returns and notices appear to be true, correct, and up to date.

ANANDA BOOYSEN
Company Secretary
23 May 2019

AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee is pleased to present its report for the financial year ended 28 February 2019.

FUNCTION AND COMPOSITION OF THE COMMITTEE

The responsibilities of the committee are detailed in section 94(7)(f) of the Companies Act, King IV, the Company's memorandum of incorporation and the JSE Listings Requirements.

The key functions and responsibilities of the committee include ensuring the integrity of financial reporting and the audit process by overseeing the external audit and confirming the independence of the external auditor, overseeing integrated reporting, reviewing the expertise, resources and experience of the Company's finance function, ensuring that an effective plan for risk management is implemented, overseeing the compliance function to ensure compliance with applicable laws and regulations, overseeing the governance of technology and information, and ensuring that the Company has appropriate controls to detect and prevent fraud. The responsibilities of the committee have been codified in the committee charter, which is reviewed annually and approved by the board.

THE COMMITTEE COMPRISES THE FOLLOWING THREE INDEPENDENT NON-EXECUTIVE DIRECTORS:

PETER J KATZENELLENBOGEN (Chair)

FRANK M BERKELEY

ELIAS P MAPONYA

Attendance at the committee meetings is set out in the corporate governance review which forms part of the Integrated Annual Report. Members of the committee are elected annually by shareholders at the AGM.

In terms of the charter the performance of the committee and its members are assessed on an annual basis. The current evaluation was satisfactory and no matters of concern were raised.

ACTIVITIES OF THE COMMITTEE DURING THE REPORTING PERIOD

EXTERNAL AUDITORS

BDO South Africa Incorporated (BDO) was appointed as the Company and group external auditors in the place of Grant Thornton Johannesburg Partnership (Grant Thornton), who were the auditors of Exemplar's subsidiaries for several years prior to the appointment of BDO. The change was initiated by Grant Thornton following the merger of Grant Thornton and BDO, effective 1 December 2018.

The committee is satisfied with the suitability and independence of BDO as the external auditor and of Garron Chaitowitz as the engagement audit partner. The committee has reviewed the information detailed in paragraph 22.15(h) of the JSE Listings Requirements and concluded that the external auditor and the engagement audit partner are suitable and have the requisite competence, expertise and experience to discharge their responsibilities.

The committee approved the external auditor's engagement letter, reviewed the audit plan, and agreed the proposed audit fee for the year ended 28 February 2019. The committee has also approved a policy for the provision of non-audit services by the auditor.

The committee obtained the necessary assurance from the auditor of their independence, reviewed the external auditor's report and is satisfied with the performance and effectiveness of the external audit process.

Accordingly the committee nominates and recommends BDO as auditor, with Garron Chaitowitz as the engagement audit partner, for shareholder approval at the next annual general meeting.

INTERNAL AUDIT

The Company does not currently have an internal audit function. The committee resolved, based on the size and nature of operations of the Company, to implement internal audits on focussed areas and for specific projects in the ensuing financial year.

FINANCE FUNCTION REVIEW

The committee has satisfied itself of the appropriateness of the finance function's resources, experience and expertise as well as the experience and expertise of the Chief Financial Officer. The committee is satisfied that appropriate financial reporting procedures have been established and are operating and that these internal financial controls have been effective in all material respects throughout the period under review and underpin the basis for the preparation of reliable annual financial statements.

RISK MANAGEMENT

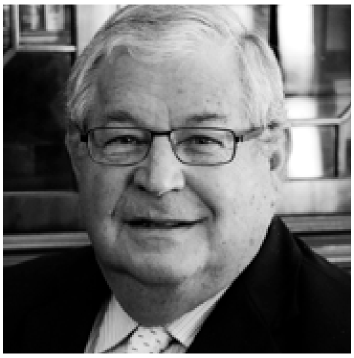
The Company recorded and ranked all risks in a risk register which guides the oversight provided by the committee. The committee approved the risk management policy and reviewed the risk register.

The committee is satisfied as to the effectiveness of the risk management processes and confirms that the risk management policy has been complied with in all material respects.

The risk management policy prohibits the Company from entering into any derivative transactions not in the ordinary course of business.

COMPLIANCE

The committee reviewed the compliance governance policy and compliance registers including a review of the Company's procedures for preventing and detecting fraud, bribery and corruption and the mechanisms for protected disclosure and whistleblowing. It receives and deals with any disclosures made via the anonymous whistleblowing hotline.



PETER J KATZENELLENBOGEN
Chair: Audit and Risk Committee
23 May 2019

ANNUAL FINANCIAL STATEMENTS AND ACCOUNTING POLICIES

The committee reviewed the annual financial statements for the year ended 28 February 2019 including the accounting policies and is satisfied that they comply with the Companies Act, International Financial Reporting Standards, and the JSE Listings Requirements.

The JSE's report on the proactive monitoring of financial statements in 2018 was considered during the review of the annual financial statements to ensure the integrity of the financial information in the annual financial statements. The committee recommended the adoption of the annual financial statements to the board of directors.

INTEGRATED ANNUAL REPORT

The committee reviewed the Integrated Annual Report and ensured that it is prepared in accordance with appropriate reporting standards and conforms to the requirements of King IV and the JSE Listings Requirements. The committee recommended the Integrated Annual Report for approval by the board of directors.

GOING CONCERN STATUS AND SOLVENCY AND LIQUIDITY

The committee reviewed the going concern assertion by management of the Company and recommended it for approval by the board.

The committee is satisfied that the board has performed a solvency and liquidity test of the Company as required in terms of sections 4 and 46 of the Companies Act and concluded that the Company will satisfy the test after payment of the final dividend. The committee also confirms that the test was performed at the interim distribution stage.

CONCLUSION

The committee is satisfied that it has discharged its statutory responsibilities, as well as its responsibilities in accordance with its charter, for the period under review.

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the Group financial statements of Exemplar for the period ended 28 February 2019.

The Company was incorporated on 17 January 2018 and commenced trading on 1 June 2018.

1. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The Group financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008.

Full details of the financial position, results of operations and cash flows of the Group are set out in these group financial statements, as well as the Chair's report, Chief Executive Officer's report and Chief Financial Officer's report in Exemplar REITail Limited's Integrated Annual Report.

2. SHARE CAPITAL

The Company's authorised share capital comprises 5 000 000 000 ordinary shares of no par value.

On incorporation, the Company issued 3 500 000 shares at 1 cent each, and on 9 March 2018 a further 500 000 shares also at 1 cent each. On 31 May 2018, 184 900 shares were issued at R10 each and a further 4 255 100 shares at R10 each in terms of the share purchase plan. On 1 June 2018, 297 431 896 shares were issued in exchange for the shares, shareholders' claims and property letting enterprises acquired as more fully detailed in note 35.

At 28 February 2019, the Company had 305 871 896 shares in issue.

During March 2019, a further 13 867 240 shares were issued at R10 each in respect of the acquisitions of the Kwagga Mall and Modi Mall redevelopments. These shares are reflected as "shares to be issued" in note 10.

As at the date of this report, the Company had 319 739 136 shares in issue.

3. DIVIDENDS

The Group's dividend policy is to consider an interim and a final dividend in respect of each financial period. At its discretion, the board of directors may consider a special dividend, where appropriate.

An interim dividend of 19.10 cents per share was declared in South African currency on 2 November 2018 and paid on 26 November 2018 to the Company's shareholders. This dividend equated to a total of R58 421 532. Dividends totalling R1 671 828 were paid to the non-controlling shareholders in three subsidiary companies.

Total dividends paid by the Group were therefore R60 093 360.

The dividends have been declared from distributable earnings and meet the requirement of a REIT "qualifying distribution" for purposes of section 25BB of the Income Tax Act 58 of 1962 (as amended).

The board of directors has recommended a final dividend of 42.74 cents per share.

The company uses distribution per share as its key performance measure for JSE Trading statement purposes.

4. DIRECTORS' INTERESTS

DIRECTORS' INTERESTS IN EXEMPLAR SHARES

John McCormick and Jason McCormick are beneficiaries of the John McCormick Family Trust (JMFT), which owns 100 shares in Exemplar. Additionally, both are directors of McCormick Property Development (Pty) Ltd (MPD), which is a 58.96% shareholder of Exemplar.

Set out below are the names of directors of the Company and major subsidiaries that, directly or indirectly, are beneficially interested in Exemplar shares in issue as at 28 February 2019. No directors have resigned from the Company since the date of incorporation of the Company.

	Beneficially held				
Directors	**Directly**	**Indirectly**	**Associate**	**Total**	**%**
Duncan Church	1	3 509 512	-	3 509 513	1.15%
Jason McCormick	-	3 206 576	-	3 206 576	1.05%

The JMFT has further interests in the below shareholders of Exemplar and is able to exercise or control more than 35% of the voting rights of these entities and are therefore considered associates of the JMFT.

	Beneficially held by the associate				JMFT interest in the associate
Associates of the JMFT	**Directly**	**Indirectly**	**Total**	**%**	
Blouberg Mall (Pty) Ltd	14 557 154	-	14 557 154	4.76%	80.00%
Diepkloof Plaza (Pty) Ltd	16 440 379	-	16 440 379	5.37%	40.00%
Olievenhout Plaza (Pty) Ltd	12 810 228	-	12 810 228	4.19%	100.00%
Modjadji Plaza (Pty) Ltd	7 924 040	-	7 924 040	2.59%	100.00%

Subsequent to year end, the holding has changed for the associate dealings of John McCormick and Jason McCormick by 7 155 249 and 4 100 125 shares held by JMFT for Kwagga and Modi Mall redevelopments, respectively.

DIRECTORS' INTERESTS IN TRANSACTIONS

Save as disclosed in the above and disclosed in note 30 - Directors' Emoluments, none of the directors of the Company, has or had any material beneficial interest, direct and indirect, in transactions that were effected by the Group during the current financial year or immediately preceding the financial year or during any earlier financial year and which remain in any respect outstanding.

5. EVENTS AFTER THE REPORTING PERIOD

During March 2019 the Company issued 13 867 240 shares in respect of the Modi Mall and Kwagga Mall redevelopment acquisitions.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report, other than as disclosed in these financial statements.

6. AUDITORS

BDO South Africa Incorporated was appointed as auditor for the Group for 2019.

At the AGM, the shareholders will be requested to reappoint BDO South Africa Incorporated as the independent external auditor of the Group and to confirm Mr Garron Chaitowitz as the designated engagement audit partner for the 2020 financial period.

7. SECRETARY

The company secretary is Miss A. Booysen.

The Group financial statements set out on pages 81 to 125, which have been prepared on the going concern basis, were approved by the board of directors on 23 May 2019, and were signed on their behalf by:

JASON MCCORMICK
Chief Executive Officer

DUNCAN ALAN CHURCH
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the consolidated and separate financial statements of Exemplar REITail Limited (the group and company) set out on pages 81 to 125, which comprise the consolidated and separate statements of financial position as at 28 February 2019, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group as at 28 February 2019, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following key audit matters relate to the consolidated financial statements. We have determined that there are no key audit matters in respect of the separate financial statements.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of investment property Group and Company Significant judgement is required by the directors in determining the fair value of investment property. The Portfolio is valued annually by an Independent valuator – Quadrant Properties (Pty) Ltd. The valuations were based on discounted cash flow models. Note 3 Investment property sets out the most significant inputs into valuations, all of which are unobservable. The valuation of investment property is considered a key audit matter due to the significance of the balance, the significant judgements associated with determining fair value and the sensitivity of the valuations to changes in assumptions.	We performed the following procedures amongst others: • evaluated the capabilities, competency and objectivity of the independent valuator. This included verifying professional qualifications and registrations and making an assessment of the independence and appropriateness of the valuator used; • obtained an understanding of the work performed by the independent valuator; • with the assistance of our valuation specialist, compared, for reasonability the significant assumptions and judgements used by the valuator against historical inputs and market data where available and investigated unexpected movements; • for all properties the calculations were scrutinised for accuracy, the inputs for reasonableness and the valuations recomputed; and • in addition, we reviewed the adequacy of the disclosure in the financial statements for compliance with International Financial Reporting Standards, including disclosure on significant inputs and sensitivity analysis.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 group's and the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Exemplar REITail Limited for 1 year.

BDO South Africa Inc

BDO South Africa Incorporated
Registered Auditors

G M Chaitowitz
Director
Registered Auditor

23 May 2019

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

STATEMENTS OF FINANCIAL POSITION AS AT 28 FEBRUARY 2019

	Notes	GROUP	COMPANY
Assets			
Non-Current Assets			
Investment property	3	5 270 795 374	3 195 183 635
Investments in subsidiaries	4	-	879 359 991
Operating lease asset	3	168 350 700	125 061 483
Property, plant and equipment	5	796 241	375 728
		5 439 942 315	**4 199 980 837**
Current Assets			
Loans to subsidiaries	6	-	958 462 286
Loans receivable	7	44 400 471	44 400 471
Trade and other receivables	8	47 711 283	26 003 777
Cash and cash equivalents	9	62 852 515	47 898 763
		154 964 269	**1 076 765 297**
Total Assets		**5 594 906 584**	**5 276 746 134**
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Stated capital	10	3 185 487 085	3 185 487 085
Retained income		277 515 153	195 352 576
		3 463 002 238	3 380 839 661
Non-controlling interest	11	146 119 957	-
		3 609 122 195	**3 380 839 661**
Liabilities			
Non-Current Liabilities			
Financial liabilities	12	1 695 459 448	1 695 459 448
Derivative financial instruments	13	3 643 042	3 643 042
Finance lease liabilities	14	30 173 700	13 249 855
Deferred tax	15	94 802 992	63 307 090
		1 824 079 182	**1 775 659 435**
Current Liabilities			
Trade and other payables	16	159 136 659	80 514 764
Finance lease liabilities	14	2 568 548	1 991 437
Loans from subsidiaries	17	-	37 740 837
		161 705 207	**120 247 038**
Total Liabilities		**1 985 784 389**	**1 895 906 473**
Total Equity and Liabilities		**5 594 906 584**	**5 276 746 134**

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 9 MONTHS ENDED 28 FEBRUARY 2019

	Notes	GROUP	COMPANY
Rental income and recoveries	18	517 431 414	315 278 430
Property operating costs	19	(175 410 225)	(106 968 823)
Gross profit		**342 021 189**	**208 309 607**
Other income	20	9 281 896	15 185 298
Administrative expenses and corporate costs		(20 744 135)	(20 711 861)
Operating profit	21	**330 558 950**	**202 783 044**
Investment income	22	5 768 248	65 941 662
Finance costs	23	(124 189 381)	(113 750 101)
Fair value adjustments on investment property		161 696 795	101 422 493
Fair value adjustments on derivative financial instruments		(3 643 042)	(3 643 042)
Profit before taxation		**370 191 570**	**252 754 056**
Taxation	24	1 100 683	1 020 052
Profit for the period		**371 292 253**	**253 774 108**
Other comprehensive income		-	-
Total comprehensive income for the period		**371 292 253**	253 774 108
Profit attributable to:			-
Owners of the parent		335 936 685	
Non-controlling interest	11	35 355 568	
		371 292 253	
Total comprehensive income attributable to:			
Owners of the parent		335 936 685	
Non-controlling interest		35 355 568	
		371 292 253	
Earnings per share:			
Basic and diluted earnings per share (cents)	28	144,03	

STATEMENTS OF CHANGES IN EQUITY AS AT 28 FEBRUARY 2019

Group (in Rands)

	Stated capital	Retained income	Total attributable to equity holders of the Company	Non-controlling interest	Total equity
Shares issued at incorporation	1 889 000	-	1 889 000	-	1 889 000
Shares issued to share scheme	42 551 000	-	42 551 000	-	42 551 000
Issue of shares on listing in respect of acquisitions	3 024 338 221	-	3 024 338 221	-	3 024 338 221
Share issue expenses	(21 963 538)	-	(21 963 538)	-	(21 963 538)
Shares to be issued for acquisitions	138 672 402	-	138 672 402	-	138 672 402
Non-controlling interest on acquisition of subsidiaries	-	-	-	112 436 217	112 436 217
Profit for the period	-	335 936 685	335 936 685	35 355 568	371 292 253
Dividends paid	-	(58 421 532)	(58 421 532)	(1 671 828)	(60 093 360)
Balance at 28 February 2019	**3 185 487 085**	**277 515 153**	**3 463 002 238**	**146 119 957**	**3 609 122 195**
Note	10			11	

Company (in Rands)

	Stated capital	Retained income	Total equity
Shares issued at incorporation	1 889 000	-	1 889 000
Shares issued to share scheme	42 551 000	-	42 551 000
Issue of shares on listing in respect of acquisitions	3 024 338 221	-	3 024 338 221
Share issue expenses	(21 963 538)	-	(21 963 538)
Shares to be issued for acquisitions	138 672 402	-	138 672 402
Profit for the period	-	253 774 108	253 774 108
Dividends paid	-	(58 421 532)	(58 421 532)
Balance at 28 February 2019	**3 185 487 085**	**195 352 576**	**3 380 839 661**
Note	10		

STATEMENTS OF CASH FLOWS AS AT 28 FEBRUARY 2019

	Notes	GROUP	COMPANY
Cash flows from operating activities			
Cash generated from operations	25	304 172 247	150 949 167
Interest income		5 768 248	62 953 909
Finance costs		(124 189 381)	(113 750 101)
Dividend income		-	2 987 753
Dividends paid		(60 093 360)	(58 421 532)
Net cash from operating activities		**125 657 754**	**44 719 196**
Cash flows from investing activities			
Purchase of investment property		(52 608 216)	(49 017 530)
Purchase of property, plant and equipment	5	(346 741)	(381 708)
Increase in investments		-	(6 357 158)
Loans receivable repaid		36 174 523	36 100 529
Loans advanced to subsidiaries		-	(920 721 450)
Net cash from investing activities		**(16 780 434)**	**(940 377 317)**
Cash flows from financing activities			
Proceeds from issue of shares - at incorporation		1 889 000	1 889 000
Proceeds from issue of shares - acquisitions	**36**	124 963 883	102 352 780
Share issue expenses		(21 963 816)	(21 963 816)
(Decrease) / increase in financial liabilities	26	(150 913 972)	861 278 920
Net cash from financing activities		**(46 024 905)**	**943 556 884**
Total cash movement for the period		62 852 515	47 898 763
Total cash at end of the period	9	**62 852 515**	**47 898 763**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CORPORATE INFORMATION

Exemplar REITail Limited ("Exemplar" or the "Company") is a corporate REIT incorporated and registered in South Africa.

1. SIGNIFICANT ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION

The Group and company financial statements are prepared on the historical cost basis except for investment properties and certain financial instruments which are measured at fair value. The financial statements are prepared on the going concern basis. They are presented in rand, which is the Group and Company's functional currency and all values are rounded to the nearest rand, except where otherwise indicated.

The Group financial statements have been prepared in accordance with, and in compliance with, International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act 71 of 2008 of South Africa, as amended, ("the Companies Act") and the Listings Requirements of the JSE Limited.

1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of group financial statements in conformity with IFRS requires management to make judgements, estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and 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 its 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.

Key estimates and assumptions

Estimates and assumptions, an integral part of financial reporting, have an impact on the amounts reported for the Group's assets, liabilities, income and expenses. Judgement in these areas is based on historical experience and reasonable expectations relating to future events.

Actual results may differ from these estimates.

Information on the key estimations and uncertainties that have the most significant effect on amounts recognised are set out in the following notes to the financial statements:

- accounting policies - notes 1.3, 1.4, 1.5 and 1.10;
- investment property valuation - note 3;
- impairment of receivables - note 8; and
- acquisition of assets and liabilities on formation of group - note 35.

1.3 CONSOLIDATION

Basis of consolidation
Subsidiaries

The Group financial statements include the financial statements of the Company and subsidiaries that it controls. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group re-assesses whether or not it controls an investee if the facts and circumstances indicate that there are changes to one or more of the elements of control.

The results of subsidiaries are included from the date control was acquired up to the date control ceased. Cost comprises the fair value of any assets transferred, liabilities or obligations assumed and equity instruments issued and excludes transaction costs.

Investments in subsidiaries of the Group are reflected at cost less accumulated impairment losses.

Inter-company transactions, balances and unrealised gains or losses on transactions between group companies are eliminated in the preparation of the consolidated annual financial statements. The accounting policies of the subsidiaries are consistent with those of the Group.

Investments in subsidiaries in the separate financial statements.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses where necessary.

1.4 JOINT ARRANGEMENTS

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Company recognises the following in relation to its interests in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

1.5 INVESTMENT PROPERTY

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 property is measured at fair value. Fair values are determined annually by external independent registered valuers on the open market value basis. The valuers use either the discounted cash flow method or the capitalisation of net income method or a combination of both methods to determine fair value.

Gains or losses arising from changes in the fair values of investment property are included in profit or loss for the year 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 in the period during which it occurs.

When the Group begins to redevelop an existing investment property, consideration is given to whether or not the property needs to be reclassified as investment property under development or should remain as investment property, which is measured based on the fair value model.

Tenant installation and lease commission costs are capitalised and amortised over the period of the lease. The carrying value of lease commissions and tenant installations are included with investment properties.

Leased property

Leases in terms of which the Group assumes substantially all the risks and rewards incidental to ownership are classified as finance leases.

The property acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of future minimum lease payments at inception of the lease.

Property held under finance leases and leased out under operating leases is classified as investment property and stated at fair value.

Leases in terms of which the Group does not assume substantially all risks and rewards of ownership are classified as operating leases.

1.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line method, to write off the costs to their residual values over their estimated useful lives. The depreciation rates applicable are as follows:

Item	Average useful life
Computer equipment	3 years
Furniture, fittings and fixtures	10 years
Motor vehicles	5 years

The useful lives and residual values of property, plant and equipment are assessed annually.

1.7 FINANCIAL INSTRUMENTS

The Group's financial instruments consist mainly of derivative instruments, trade and other receivables, trade and other payables, cash and borrowings. Financial instruments are initially measured at fair value plus, in the case of financial instruments not measured at fair value through profit and loss, transaction costs.

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

Subsequent to initial recognition these instruments are measured as set out below:

Cash and equivalents
Carried at amortised cost.

Derivative financial instruments
Carried at fair value, with gain or loss on measurement to fair value recognised immediately in profit or loss. Directly attributable transaction costs are recognised in profit or loss when incurred.

Trade and other receivables
Stated at amortised cost using the effective interest method less accumulated impairment losses.

Trade and other payables
Stated at amortised cost using the effective interest method.

Related party loans receivable
Stated at amortised cost using the effective interest method less accumulated impairment losses.

Related party loans payable
Stated at amortised cost using the effective interest method.

Financial liabilities
Non-derivative financial liabilities not at fair value through profit and loss are recognised at amortised cost using the effective interest method.

For all financial instruments carried at amortised cost, where the financial effect of the time value of money is not considered to be material, discounting is not applied as the fair values of these instruments approximate their carrying values.

Derecognition

Financial assets

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 of 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 flow 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.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing liability 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 amounts is recognised in profit or loss.

Offset

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the Group has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially and subsequently stated at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. Directly attributable transaction 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 reporting date, taking into account relevant interest rates and exchange rates and the creditworthiness of the counterparties.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statements of cash flows.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

1.8 IMPAIRMENT

Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognised in profit or loss.

Impairment losses recognised are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or a cash-generating unit is the greater of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For any asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognised.

Financial assets

In terms of IFRS 9 an entity is required to recognise an expected credit loss on a financial asset, other than trade receivables and lease receivables, based on unbiased, forward looking information. Exposures would be divided into the following three stages:

- Stage 1: 12-month expected credit loss will be recognised on exposures where the credit risk has not significantly increased since origination.
- Stage 2: Lifetime expected credit losses will be recognised for exposures with a significant increase in credit risk since origination.
- Stage 3: Lifetime expected credit losses will be recognised on exposures that meet definition of default.

An entity has a policy choice to apply either the simplified approach or the general approach for all lease receivables that result from transactions that are within the scope of IAS 17. The policy choice may be applied separately to finance and operating lease receivables. The simplified approach does not require an entity to track the changes in credit risk, but instead, requires the entity to recognise a loss allowance based on lifetime ECLs at each reporting date, right from origination. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the probability weighted 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.

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. All impairment losses are recognised in profit or loss.

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

Trade receivables and lease receivables

Trade receivables are impaired using the simplified approach in terms of IFRS 9. Lifetime expected credit losses are recognised using a provision matrix. A provision matrix for each business unit is generated by:

- calculating historical loss ratios for each trade receivable aging bucket; and
- adjusting these historical loss ratios by multiplying the ratio by a forward-looking factor.

The resultant provision matrix provides an adjusted loss ratio for each aging bucket contained in the debtors' age analysis for each business unit. These ratios are applied to the balances in each aging bucket and then accumulated to calculate the impairment allowance for each business unit. Amounts still in a debtors' book relating to invoices dated prior to the historical loss testing period are added to the impairment loss allowance. The Group primarily operates as a market leader in the ownership and management of retail real estate in South Africa and considers that no further segmentation, in addition to the segmentation by business unit, would be beneficial for purposes of calculating the impairment allowance. Impairment losses are recognised through profit or loss. Trade receivables are written off when internal and initial legal collection processes have been exhausted and a judgement is made that the amount is likely not recoverable.

1.9 PROVISIONS

Provisions are recognised when the Group has present legal or constructive obligations arising from past events, from which outflows of economic benefits are probable, and where the amount of the obligations can be reliably estimated.

Where the effect of discounting is material, provisions are discounted. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.10 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability. This liability is not discounted.

1.11 REVENUE

Property portfolio revenue comprises operating cost recoveries, as well as marketing and parking income, excluding VAT. Income from marketing, promotions and casual parking is recognised when the amounts can be reliably measured. Turnover rentals (variable rentals based on the turnover achieved by a tenant) are included in revenue when the amounts can be reliably measured. Revenues associated with operating expense recoveries are recognised in the period in which the expenses are incurred.

Interest is recognised, in profit and loss, using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

1.12 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. Associated costs, such as maintenance and insurance, are expenses as incurred.

1.13 EMPLOYEE BENEFITS

Short term employee benefits

The cost of short term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.14 INCOME TAX

Deferred tax assets are raised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Assessment of future taxable profit is performed at every reporting date in the form of future cash flows using a suitable growth rate.

As the Group has obtained REIT status effective 12 June 2018, the Group is not liable for capital gains tax on the disposal of directly held properties and local REIT securities. In addition, no deferred tax has been provided on movements in the fair value of investment property as no capital gains tax is payable on disposal of properties due to the REIT legislation. Deferred tax has been provided for capital allowances claimed in respect of investment property acquired in terms of the business acquisitions which allowances will be recouped on the disposal of such assets.

1.15 FINANCE COSTS

Finance costs comprise interest payable on borrowings calculated using the effective interest method.

1.16 FINANCE INCOME

Finance income comprises interest received and is recognised as it accrues, taking into account the effective yield on the asset.

1.17 SEGMENTAL REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

There are no secondary segments. The Group's primary segment is based on geographical segments and are determined based on the location of the properties, presented by province.

Segments results include revenue and expenses directly attributable to a segment and the relevant portion of group revenue and expenses that can be allocated on a reasonable basis to a segment. Segmental assets comprise those assets that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

1.18 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 a 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.

1.18 EARNINGS PER SHARE

The Group presents basic earnings per share and headline earnings per share for its shares. Basic earnings per share is calculated by dividing the profit attributable to equity holders by the weighted average number of shares in issue during the year.

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

There are no dilutionary instruments in issue.

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The Group has chosen to early adopt the following standard:

IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which have impacted the Group are as follows:

Group as lessee:

- Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.
- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.
- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.
- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.
- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.
- Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.
- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.
- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.
- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee remeasures the lease liability by making a corresponding adjustment to the right-of-use asset.
- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.

Group as lessor:

- Accounting for leases by lessors remains similar to the provisions of IAS 17 in that leases are classified as either finance leases or operating leases. Lease classification is reassessed only if there has been a modification.
- A modification is required to be accounted for as a separate lease if it both increases the scope of the lease by adding the right to use one or more underlying assets; and the increase in consideration is commensurate to the standalone price of the increase in scope.
- If a finance lease is modified, and the modification would not qualify as a separate lease, but the lease would have been an operating lease if the modification was in effect from inception, then the modification is accounted for as a separate lease. In addition, the carrying amount of the underlying asset shall be measured as the net investment in the lease immediately before the effective date of the

modification. IFRS 9 is applied to all other modifications not required to be treated as a separate lease.

- Modifications to operating leases are required to be accounted for as new leases from the effective date of the modification. Changes have also been made to the disclosure requirements of leases in the lessor's financial statements.

The effective date of the standard is for years beginning on or after 01 January 2019. The Group has early adopted the standard for the first time in the 2019 group financial statements.

The adoption of this standard has not had a material impact on the results of the Group, but has resulted in more disclosure than would have previously been provided in the Group financial statements, refer to notes 1, 14 and 34.

2.2 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 01 March 2019 or later periods:

Prepayment Features with Negative Compensation - Amendment to IFRS 9

The amendment to Appendix B of IFRS 9 specifies that for the purpose of applying paragraphs B4.1.11(b) and B4.1.12(b), irrespective of the event or circumstance that causes the early termination of the contract, a party may pay or receive reasonable compensation for that early termination.

The effective date of the amendment is for years beginning on or after 01 January 2019.

Amendments to IFRS 11 Joint Arrangements: Annual Improvements to IFRS 2015 - 2017 cycle

The amendment clarifies that if a party participates in, but does not have joint control of, a joint operation and subsequently obtains joint control of the joint operation (which constitutes a business as defined in IFRS 3) that, in such cases, previously held interests in the joint operation are not remeasured.

The effective date of the amendment is for years beginning on or after 01 January 2019.

Amendments to IAS 12 Income Taxes: Annual Improvements to IFRS 2015 - 2017 cycle

The amendment specifies that the income tax consequences on dividends are recognised in profit or loss, other comprehensive income or equity according to where the entity originally recognised the events or transactions which generated the distributable reserves.

The effective date of the amendment is for years beginning on or after 01 January 2019.

IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. Specifically, if it is probable that the tax authorities will accept the uncertain tax treatment, then all tax related items are measured according to the planned tax treatment. If it is not probable that the tax authorities will accept the uncertain tax treatment, then the tax related items are measured on the basis of probabilities to reflect the uncertainty. Changes in facts and circumstances are required to be treated as changes in estimates and applied prospectively.

The effective date of the interpretation is for years beginning on or after 01 January 2019.
The Group has adopted the interpretation for the first time in the 2020 financial statements.

It is unlikely that the amendments to the aforementioned standards and interpretations will have a significant impact on the Group's or Company's financial statements.

		28 February 2019 (R) GROUP	COMPANY

3. INVESTMENT PROPERTY

		GROUP	COMPANY
Net carrying value			
Cost		5 109 098 579	3 093 761 142
Fair value adjustment		161 696 795	101 422 493
		5 270 795 374	**3 195 183 635**
Reconciliation of investment property			
Investment properties at the beginning of the period		-	-
Additions		206 205 927	55 908 433
Additions through business acquisitions	36	4 902 892 652	3 037 852 709
Fair value adjustments		161 696 795	101 422 493
Balance at the end of the period		**5 270 795 374**	**3 195 183 635**
Reconciliation to independent valuation			
Investment property as per valuation		5 406 403 826	3 305 003 826
Operating lease assets		(168 350 700)	(125 061 483)
Finance lease liabilities		32 742 248	15 241 292
		5 270 795 374	**3 195 183 635**

Pledged as security

The investment property has been mortgaged in favour of the lenders disclosed in note 12. Furthermore, the Company and its subsidiaries have irrevocably and unconditionally jointly and severally cross-guaranteed each group company's obligations to its lenders.

Details of valuation

The investment properties were valued using the discounted cash flow method. The valuations were performed by Quadrant Properties (Pty) Ltd, external independent qualified property valuers, with recent experience in location and category of the investment property being valued. At the financial year end, market related rental income categorised by building location, type and grade, have been used as inputs to the discounted cash flow model. The discount rates used in determining the fair value of the investment properties range between 13.50% and 15.25%.

The fair value of the investment property has not been adjusted significantly for the purposes of financial reporting, other than for the finance lease liabilities and operating lease assets that are recognised separately in the statement of financial position.

Inter-relationship between key unobservable inputs and fair value measurements:

- expected market rental growth was higher / (lower);
- expected expense growth was lower / (higher);
- vacant periods were shorter / (longer);
- occupancy rate was higher / (lower);
- discount rate was lower / (higher); and
- capitalisation rate was lower / (higher).

The fair value gains and losses are included in the other non-operating gains (losses) in the statement of profit or loss and other comprehensive income, and investment property reconciliation. The fair value of investment property is categorised as a level 3 recurring fair value measurement. For the level 3 reconciliation, refer to the reconciliation of investment property contained within this note.

The effective date of the valuations was 28 February 2019.

	28 February 2019 (R) COMPANY

4. INVESTMENTS IN SUBSIDIARIES

The following table lists the entities which are controlled directly or indirectly by the Company, and the carrying amounts of the investments in the Company's financial statements:

Name of company	**% holding**	**Carrying amount (R)**
Alex Mall (Pty) Ltd	100.00	174 956 260
Maake Plaza (Pty) Ltd	100.00	93 111 200
Mandeni Plaza (Pty) Ltd	50.00	25 881 595
Modi Mall (Pty) Ltd	100.00	69 500 000
Phola Mall (Pty) Ltd	53.00	77 416 382
Theku Plaza (Pty) Ltd	82.50	84 396 835
Tsakane Mall (Pty) Ltd	100.00	354 097 719
		879 359 991

Mandeni Plaza (Pty) Ltd is considered to be a subsidiary of the Company, as control is evidenced by virtue of the Company's power to appoint or remove the majority of the members of the board of directors. The entity has been consolidated accordingly.

All subsidiaries are incorporated and have their principal place of business in South Africa.

	28 February 2019 (R) GROUP	COMPANY

5. PROPERTY, PLANT AND EQUIPMENT

	GROUP	COMPANY
Furniture and fixtures	616 982	335 591
Cost	649 255	335 591
Accumulated depreciation	(32 273)	-
Office equipment	154 100	14 978
Cost	160 080	20 958
Accumulated depreciation	(5 980)	(5 980)
Computer equipment	25 159	25 159
Cost	25 159	25 159
Accumulated depreciation	-	-
	796 241	**375 728**

	GROUP	COMPANY
Reconciliation of property, plant and equipment		
Property, plant and equipment at the beginning of the period	-	-
Additions	**346 741**	**381 708**
Furniture and fixtures	161 502	335 591
Office equipment	160 080	20 958
Computer equipment	25 159	25 159
Additions through business acquisitions		
Furniture and fixtures	487 753	-
Depreciation	**(38 253)**	**(5 980)**
Furniture and fixtures	(32 273)	-
Office equipment	(5 980)	(5 980)
Computer equipment	-	-
	796 241	**375 728**

	28 February 2019 (R) GROUP	COMPANY

6. LOANS TO SUBSIDIARIES

ALEX MALL (PTY) LTD The loan is unsecured, bears interest at 9.5% and is repayable on demand.		311 606 053
MANDENI PLAZA (PTY) LTD The loan is unsecured, bears interest at 9.13% and is repayable on demand.		104 521 742
MODIMALL (PTY) LTD The loan is unsecured, bears interest at 9.5% and is repayable on demand.		177 804 318
PHOLA MALL (PTY) LTD The loan is unsecured, bears interest at 9.13% and is repayable on demand.		283 039 196
THEKU PLAZA (PTY) LTD The loan is unsecured, bears interest at 9.13% and is repayable on demand.		81 490 977
		958 462 286

The credit risk of these loans is considered low considering, inter alia, that the subsidiaries property value and rental yield are expected to remain at or above current levels. Management considers the loans recoverable through the distributions from the relevant subsidiaries. Lifetime expected credit losses were evaluated. A probability weighted risk of default over the lifetime of the loans was applied to exposure at default, which indicated an immaterial expected credit loss and consequently the loans were not impaired.

7. LOANS RECEIVABLE

	GROUP	COMPANY
Employee share scheme	44 400 471	44 400 471

In an endeavour to align the interests of the employees with those of the shareholders, the company provides eligible employees with the opportunity to acquire shares. The share debt in respect of the employee share scheme bears interest from time to time at a rate determined by the directors until repaid in full. Dividends (or other distributions) on the plan shares are to be applied against such interest and the balance thereof credited to the outstanding debt.

	GROUP	COMPANY
Number of shares in issue at the beginning of the year	-	-
Number of shares cancelled or issued during the year	4 255 100	4 255 100
Number of shares in issue at the end of the year	**4 255 100**	**4 255 100**
Number of shares authorised to be issued under the scheme	10 000 000	10 000 000
Number of shares issued under the scheme	(4 255 100)	(4 255 100)
Number of shares available for issue under the scheme at the end of the year	**5 744 900**	**5 744 900**

Should the employee vacate office prior to settlement and the value of the shares falls below the outstanding loan balance, the employee will be obliged to settle the difference.

The credit risk of these loans is considered low considering, inter alia, that the participants have sufficient liquid assets to cover the outstanding amount in full at 28 February 2019. The loans met the practical expedient requirements for low risk financial assets and consequently 12-month expected credit losses were evaluated. A probability weighted risk of default during the next 12 months was applied to exposure at default, which indicated an immaterial expected credit loss and consequently the loan was not impaired.

	28 February 2019 (R)	
	GROUP	COMPANY

8. TRADE AND OTHER RECEIVABLES

Trade receivables	26 895 358	10 384 058
Expected credit loss of trade receivables	(8 867 302)	(6 555 354)
	18 028 056	3 828 704
Deposits	17 078 081	9 100 582
Prepaid premium on interest rate caps and collars	10 658 331	10 658 331
Sundry debtors	-	821 149
Other prepayments	1 946 815	1 595 011
	47 711 283	**26 003 777**

All amounts are short term. The net carrying amount of trade and other receivables is considered a reasonable approximation of fair value.

	GROUP					
	Current	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**More than 120 days past due**	**Total**
Expected loss rate	11.67%	75.00%	90.00%	100.00%	100.00%	32.97%
Gross carrying amount	19 991 136	1 353 280	307 262	322 663	4 921 019	26 895 360
Loss provision	(2 332 125)	(1 014 960)	(276 536)	(322 663)	(4 921 019)	(8 867 302)

	COMPANY					
	Current	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**More than 120 days past due**	**Total**
Expected loss rate	32.57%	75.00%	90.00%	100.00%	100.00%	63,13%
Gross carrying amount	5 265 567	998 775	286 378	317 002	3 516 337	10 384 059
Loss provision	(1 715 193)	(749 081)	(257 740)	(317 002)	(3 516 337)	(6 555 354)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging. The expected loss rates are based on the Group's historical credit losses experienced over the period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors. The Group does not have any non-current trade and other receivables.

	28 February 2019 (R) GROUP	COMPANY

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:		
Cash on hand	95 264	76 478
Bank balances	27 486 063	23 149 162
Tenant deposits	35 271 188	24 673 123
	62 852 515	**47 898 763**
Cash and cash equivalents held by the entity that are not available for use by the Group and the Company	**50 811 256**	**40 213 191**

Restricted cash and cash equivalents held by the entity comprise of tenant deposits and R 15 540 068 held in a back-to-back Nedbank account linked to a guarantee issued to the City of Tshwane.

10. STATED CAPITAL

Authorised		
5 000 000 000 ordinary shares with no par value		
Issued		
305 871 896 ordinary shares with no par value	3 046 814 683	3 046 814 683
Shares to be issued		
13 867 240 ordinary shares to be issued for acquisitions	138 672 402	138 672 402
	3 185 487 085	**3 185 487 085**

Further details relating to the shares issued and shares to be issued are disclosed in note 2 of the Directors' Report.

11. NON-CONTROLLING INTEREST

The non-controlling interest of R 146 119 957 represents 50% of the net asset value of Mandeni, 47% of the net asset value of Phola and 17.5% of the net asset value of Theku at 28 February 2019. The following is summarised financial information for Mandeni, Phola and Theku, prepared in accordance with IFRS, adjusted for fair value adjustments on acquisition and differences in group accounting policies. The information is before intra-company eliminations with other companies in the Group.

	Mandeni Plaza (Pty) Ltd	Phola Mall (Pty) Ltd	Theku Plaza (Pty) Ltd	Total
Extracts from statement of profit and loss and other comprehensive income:				
Revenue excluding straight-line lease income adjustments	17 896 203	42 519 292	20 712 875	81 128 370
Profit after taxation	19 580 294	80 107 383	21 594 746	121 282 423
Attributable to equity holders of Exemplar	13 053 529	54 494 818	18 378 507	85 926 854
Attributable to non-controlling interest	6 526 765	25 612 565	3 216 239	35 355 569
Dividends paid to non-controlling interest during the year	(452 471)	(895 860)	(323 497)	(1 671 828)
Extracts from the statement of financial position:				
Non-Current assets	184 294 258	485 691 474	209 000 000	878 985 732
Current assets	1 268 954	8 259 089	1 801 300	11 329 343
Non-Current liabilities	(12 286 532)	(4 480 703)	(7 668 752)	(24 435 987)
Current liabilities	(109 300 953)	(290 812 510)	(84 486 037)	(484 599 500)
Net assets	63 975 727	198 657 350	118 646 511	381 279 588
Net assets attributable to non-controlling interest	31 987 864	93 368 955	20 763 139	146 119 957
Extracts from the statement of cash flows:				
Cash flows from operating activities	4 529 681	(462 253)	9 472 506	13 539 934
Cash flows from investing activities	-	(3 664 608)	(20 587)	(3 685 195)
Cash flows from financing activities	(5 437 861)	2 178 519	(11 615 430)	(14 874 772)
Net cash flow	(908 180)	(1 948 342)	(2 163 511)	(5 020 033)

12. FINANCIAL LIABILITIES

Held at amortised cost		
ABSA BANK LIMITED	250 000 000	250 000 000
The loan bears interest at a rate of 3 month JIBAR plus 1.90%, with interest-only quarterly instalments. The facility termination date is the 8 July 2023.		
NEDBANK LIMITED	600 000 000	600 000 000
The loan bears interest at a rate of 3 month JIBAR plus 2.20%, with interest-only quarterly instalments. The facility termination date is the 8 July 2023.		
RAND MERCHANT BANK LIMITED	300 000 000	300 000 000
The loan bears interest at a rate of 3 month JIBAR plus 1.59%, with interest-only quarterly instalments. The facility termination date is the 8 July 2021.		
RAND MERCHANT BANK LIMITED	180 000 000	180 000 000
The loan bears interest at a rate of 3 month JIBAR plus 1.88%, with interest-only quarterly instalments. The facility termination date is the 8 July 2022.		
STANDARD BANK SOUTH AFRICA LIMITED	5 000	5 000
The loan is a revolving facility of R200 million and bears interest at the prime lending rate less 1.56%, with interest-only quarterly instalments. The facility termination date is the 8 July 2021.		
STANDARD BANK SOUTH AFRICA LIMITED	120 000 000	120 000 000
The loan bears interest at a rate of 3 month JIBAR plus 1.68%, with interest-only quarterly instalments. The facility termination date is the 8 July 2021.		
STANDARD BANK SOUTH AFRICA LIMITED	250 000 000	250 000 000
The loan bears interest at a rate of 3 month JIBAR plus 1.82%, with interest-only quarterly instalments. The facility termination date is the 8 July 2022.		
	1 700 005 000	1 700 005 000
Prepaid participation fees on facilities	(4 545 552)	(4 545 552)
	1 695 459 448	1 695 459 448

SURETIES

In terms of a Common Terms Agreement, the above facilities are secured by investment properties held by the Company and by its subsidiaries, with a carrying value of R5 242 811 990.

They are further secured by joint and several sureties given by the Company and its subsidiaries in the form of continuing irrevocable and unconditional joint and several guarantees and will extend to the ultimate balance of sums payable. The extent of the guarantees given by Phola Park Shopping Centre (Pty) Ltd, Theku Plaza (Pty) Ltd and Mandeni Plaza (Pty) Ltd are limited to R292 668 311, R88 757 852 and R105 704 160 respectively, plus any interest and costs.

AVAILABLE FACILITIES AND RESIDUAL VALUES

The Company ensures that sufficient unutilised borrowing facilities are available for future commitments and operating requirements.

Total facilities available to the Company at the reporting date amounted to R2 280 000 000, of which R1 700 005 000 had been utilised. The Company's policy is to refinance the residual portion of interest-bearing borrowings as they become due for renewal.

Further details relating to interest-bearing borrowings are disclosed in notes 13 and 35.

		28 February 2019 (R)
	GROUP	COMPANY

13. DERIVATIVE FINANCIAL INSTRUMENTS

Hedging derivatives		
Interest rate cap and collar derivatives	3 643 042	3 643 042

The Company has entered into the following sequence of cap and collar transactions to hedge its interest rate exposure:

Transaction	Fixed rate payer	Floating rate payer	Cap/Floor rate (3 month JIBAR)	Notional
Interest rate cap	Exemplar	Counterparty	7,25%	R 1 100 000 000
Interest rate cap	Counterparty	Exemplar	8,75%	R 1 100 000 000
Interest rate collar	Exemplar	Counterparty	7,00%	R 1 100 000 000
Interest rate cap	Exemplar	Counterparty	7,25%	R 600 000 000
Interest rate cap	Counterparty	Exemplar	8,00%	R 600 000 000
Interest rate collar	Exemplar	Counterparty	7,00%	R 600 000 000

The Company utilises these derivative financial instruments to hedge all, or a portion, of the interest rate risk associated with its borrowings. The principal objective of such arrangements is to minimise the risks and / or costs associated with the Company's operating and financial structure. These arrangements terminate on 4 October 2021. The Company does not apply hedge accounting in terms of IFRS 9.

The derivative financial instruments were valued by ABSA Bank Limited using the Black-Scholes option valuation methodology. The Company does not intend to utilise derivatives for speculative or other purposes other than interest rate risk management.

Refer to note 34, Risk management for further details.

	28 February 2019 (R) GROUP	COMPANY

14. FINANCE LEASE LIABILITIES

	GROUP	COMPANY
Minimum lease payments due		
- within one year	2 927 512	2 285 446
- in second to fifth year inclusive	12 535 261	9 257 449
- later than five years	500 041 783	261 676 460
	515 504 556	273 219 355
less: future finance charges	(482 762 308)	(257 978 063)
Present value of minimum lease payments	**32 742 248**	**15 241 292**
Present value of minimum lease payments due		
- within one year	2 568 548	1 991 437
- in second to fifth year inclusive	8 132 957	5 881 563
- later than five years	22 040 743	7 368 292
	32 742 248	**15 241 292**
Non-Current liabilities	30 173 700	13 249 855
Current liabilities	2 568 548	1 991 437
	32 742 248	15 241 292

Acornhoek Megacity was developed on land subject to a 30-year notarial lease commencing 1 September 2017, with a 20 year option to renew. The agreement has been treated as a finance lease and has been discounted at a rate of 14.25% per annum.

Diepkloof Square was developed on land subject to a 30-year notarial lease commencing 1 December 2006, with an option to renew for a further three equal periods, totalling 9 years and 11 months. The agreement has been treated as a finance lease and has been discounted at a rate of 14.50% per annum.

Exemplar head office was developed on land subject to a 5-year lease commencing 1 June 2018. The agreement has been treated as a finance lease and has been discounted at a rate of 15.00% per annum.

Maake Plaza was developed on land subject to a 22-year notarial lease commencing 1 September 2006. The agreement has been treated as a finance lease and has been discounted at a rate of 15.00% per annum.

Mandeni Mall was developed on land subject to a 40-year notarial lease commencing 1 April 2012. The agreement has been treated as a finance lease and has been discounted at a rate of 14.50% per annum.

Phola Mall was developed on land subject to a 50-year notarial lease commencing 1 March 2015. The agreement has been treated as a finance lease and has been discounted at a rate of 13.75% per annum.

	28 February 2019 (R) GROUP	COMPANY

15. DEFERRED TAX

Deferred tax liability	94 802 992	63 307 090
Reconciliation of deferred tax (asset) / liability		
Taxable temporary differences on capital allowances acquired	95 903 675	64 327 142
Deductible temporary differences on fair value adjustment on derivative financial instruments	(1 100 683)	(1 020 052)
	94 802 992	**63 307 090**

16. TRADE AND OTHER PAYABLES

Trade payables	44 652 884	31 199 804
Deposits received	31 507 306	20 929 241
Accrued leave pay and bonus	1 010 568	1 010 568
Provisions	830 900	830 900
Accruals	1 208 113	1 184 698
Rates and utilities accrual	59 854 475	11 721 865
Other payables	142 973	1 464 425
Amounts received in advance	13 485 605	8 464 579
Value Added Tax	6 443 835	3 708 684
	159 136 659	**80 514 764**

All amounts are short term. The net carrying amount of trade and other payables is considered a reasonable approximation of fair value.

17. LOANS FROM SUBSIDIARIES

Maake Plaza (Pty) Ltd	-	36 369 957
The loan is unsecured, does not bear interest and has no fixed terms of repayment.		
Tsakane Mall (Pty) Ltd	-	1 370 880
The loan is unsecured, does not bear interest and has no fixed terms of repayment.		
	-	**37 740 837**

	28 February 2019 (R) GROUP	COMPANY

18. RENTAL INCOME AND RECOVERIES

	GROUP	COMPANY
Rental income	352 177 012	214 922 834
Recoveries	152 062 565	95 601 572
Operating lease equalisation	13 191 837	4 754 024
	517 431 414	**315 278 430**

19. PROPERTY OPERATING EXPENSES

	GROUP	COMPANY
Accounting and audit fees	1 506 045	861 395
Bad debts	1 807 781	1 137 030
Bank charges	53 024	37 120
Cleaning expenses	11 814 901	7 068 890
Employee costs	4 583 308	2 662 962
Insurance	1 747 878	1 029 094
General expenses	165 688	113 959
Legal expenses	590 005	541 243
Marketing	3 356 550	1 930 416
Rates and utilities	130 342 848	63 347 760
Rent paid	86 245	(33 614)
Repairs and maintenance	3 377 417	18 978 609
Security expenses	15 086 076	8 756 680
Stationery	112 667	81 988
Telephone and fax	179 294	100 771
Tenant installation amortisation	464 804	247 680
Travel - Local	135 694	106 840
	175 410 225	**106 968 823**

20. OTHER INCOME

	GROUP	COMPANY
Administration and management fees received	8 083 552	12 839 484
Other income	1 198 344	2 345 814
	9 281 896	**15 185 298**

	28 February 2019 (R) GROUP	COMPANY

21. OPERATING PROFIT

Operating profit for the period is stated after charging the following, amongst others:

	GROUP	COMPANY
Employee costs		
Salaries, wages, bonuses and other benefits	17 087 479	17 087 479
Depreciation and amortisation		
Depreciation of property, plant and equipment	38 253	5 980

22. INVESTMENT INCOME

	GROUP	COMPANY
Dividend income		
Group companies:		
Subsidiaries - Local	-	2 987 753
Interest income		
Investments in financial assets:		
Bank and other cash	2 599 317	1 872 303
Employee share scheme	2 662 195	2 662 195
Other financial assets	506 736	349 337
	5 768 248	4 883 835
Loans to group companies:		
Subsidiaries	-	58 070 074
Total interest income	**5 768 248**	**62 953 909**
Total investment income	**5 768 248**	**65 941 662**

	28 February 2019 (R) GROUP	COMPANY

23. FINANCE COSTS

Non-Current borrowings	118 722 103	109 360 270
Amortisation of participation fees on facilities	1 944 173	1 944 173
Other interest paid	3 523 105	2 445 658
Total finance costs	**124 189 381**	**113 750 101**

24. TAXATION

Major components of the tax income

Deferred		
Reversing temporary difference on fair value adjustment on derivative financial instruments	1 100 683	1 020 052

Reconciliation of the tax expense		
Reconciliation between applicable tax rate and average effective tax rate.		
Applicable tax rate	(28.00)%	(28.00)%
Permanent difference on tax deductible REIT dividend (s25BB qualifying deduction)	28.00%	28.00%
Movement on fair value adjustment on derivative financial instruments	0.30%	0.40%
	0.30%	**0.40%**

	Note	28 February 2019 (R) GROUP	COMPANY

25. CASH GENERATED FROM OPERATIONS

		GROUP	COMPANY
Profit before taxation		370 191 570	252 754 056
Adjustments for:			
Depreciation and amortisation		38 253	5 980
Dividend income		-	(2 987 753)
Interest income		(5 768 248)	(62 953 909)
Finance costs		124 189 381	113 750 101
Fair value gains on investment property		(161 696 795)	(101 422 493)
Movement in finance lease liabilities		13 271 387	12 464 972
Movement in lease equalisation		(13 191 837)	(4 754 024)
Fair value losses on derivative financial instruments		3 643 042	3 643 042
Changes in working capital:			
Trade and other receivables		(25 492 125)	(12 949 457)
Trade and other payables		(1 012 381)	(46 601 348)
		304 172 247	**150 949 167**

26. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

		GROUP	COMPANY
Balance at beginning of year		-	-
On acquisition of liabilities on formation of group		1 850 918 972	838 726 080
(Decrease) / increase in financial liabilities		(150 913 972)	861 278 920
Proceeds from financial liabilities		161 267 445	1 173 460 337
Repayment of financial liabilities		(312 181 417)	(312 181 417)
Balance at end of year	12	**1 700 005 000**	**1 700 005 000**

27. DIVIDENDS PAID

		GROUP	COMPANY
Shareholders of Exemplar		(58 421 532)	(58 421 532)
Non-controlling interest		(1 671 828)	-
		(60 093 360)	**(58 421 532)**

Dividends paid are from operating profits.

	28 February 2019 (R)

28. EARNINGS AND HEADLINE EARNINGS

Reconciliation of basic earnings to headline earnings

Profit for the year attributable to equity holders of Exemplar	335 936 684
Fair value adjustment to investment properties	(161 696 795)
Non-controlling interest in fair value adjustment to investment properties	27 338 160
Headline earnings	**201 578 049**
Number of shares in issue	305 871 896
Weighted average number of shares in issue	233 247 311
Basic and diluted earnings per share (cents)	144.03
Headline and diluted headline earnings per share (cents)	86.42

	28 February 2019 (R)

29. COMMITMENTS

Authorised capital expenditure

The Group has committed to acquire two new developments, being Katale Square and Mabopane Square, from their respective vendors, subject to them being developed to the agreed specification and within certain agreed time frames. The acquisitions will be financed by available bank facilities and shares in the Company.

Investment property	**Cash component (R)**	**Number of shares to be issued**
Katale Square	95 820 000	1 418 000
Mabopane Square	132 392 700	3 189 422

30. DIRECTORS' EMOLUMENTS

Executive	**Emoluments**	**Total**
Church, DA		
Salary	2 250 000	2 250 000
McCormick, J (Jason)		
Salary	2 250 000	2 250 000
McCormick, J (John)		
Salary	2 250 000	2 250 000
	6 750 000	**6 750 000**

Non-executive	**Directors' fees**	**Total**
Azzopardi, GVC	337 500	337 500
Berkeley, FM	450 000	450 000
Katzenellenbogen, PJ	337 500	337 500
Maponya, EP	337 500	337 500
	1 462 500	**1 462 500**

	28 February 2019 (R) GROUP	COMPANY

31. RELATED PARTIES

Relationships

Subsidiaries	Refer to note 4
Shareholder with significant influence	John McCormick Family Trust

	GROUP	COMPANY
RELATED PARTY BALANCES		
Loan accounts - Owing (to) by related parties		
Alex Mall (Pty) Ltd	-	311 606 053
Maake Plaza (Pty) Ltd	-	(36 369 957)
Mandeni Plaza (Pty) Ltd	-	104 521 741
Modi Mall (Pty) Ltd	-	177 804 318
Phola Mall (Pty) Ltd	-	283 039 226
Theku Plaza (Pty) Ltd	-	81 490 977
Tsakane Mall (Pty) Ltd	-	(1 370 880)
RELATED PARTY TRANSACTIONS		
Interest received from related parties		
Alex Mall (Pty) Ltd	-	19 296 131
Mandeni Plaza (Pty) Ltd	-	6 480 111
Modi Mall (Pty) Ltd	-	11 163 717
Phola Mall (Pty) Ltd	-	16 464 105
Theku Plaza (Pty) Ltd	-	4 666 010
Leasing fees received from related parties		
Alex Mall (Pty) Ltd	-	561 310
Maake Plaza (Pty) Ltd	-	74 746
Mandeni Plaza (Pty) Ltd	-	116 587
Modi Mall (Pty) Ltd	-	42 656
Phola Mall (Pty) Ltd	-	100 249
Theku Plaza (Pty) Ltd	-	225 385
Tsakane Mall (Pty) Ltd	-	27 336
Management fees received from related parties		
Alex Mall (Pty) Ltd	-	1 069 801
Maake Plaza (Pty) Ltd	-	571 756
Mandeni Plaza (Pty) Ltd	-	438 924
Modi Mall (Pty) Ltd	-	643 686
Phola Mall (Pty) Ltd	-	1 074 863
Theku Plaza (Pty) Ltd	-	519 310
Tsakane Mall (Pty) Ltd	-	1 675 640
Dividends received from related parties		
Mandeni Plaza (Pty) Ltd	-	452 471
Phola Mall (Pty) Ltd	-	1 010 225
Theku Plaza (Pty) Ltd	-	1 525 057
RENT AND OPERATING COSTS PAID TO RELATED PARTIES		
John McCormick Family Trust	1 118 894	1 118 894

	28 February 2019 (R) GROUP	COMPANY

32. COMPARATIVE FIGURES

No comparative figures have been presented as these are the first financial statements of the Group.

33. MINIMUM LEASE PAYMENTS RECEIVABLE

Minimum lease payments comprise contractual rental income from investment properties and operating recoveries due in terms of signed lease agreements.

	GROUP	COMPANY
Receivable within one year	643 093 865	414 985 871
Receivable two to five years	1 518 388 231	889 607 308
Receivable beyond five years	434 235 982	267 552 328
	2 595 718 078	**1 572 145 507**

The Group leases a number retail properties under operating leases. Leases typically run for an average period of three to ten years, with an applicable escalation rate ranging between 5 to 8%.

34. RISK MANAGEMENT

Categories of financial instruments

	Note	GROUP		
		Fair value through profit or loss - Held for trading	**Amortised cost**	**Total**
Categories of financial assets				
Loans receivable	7	-	44 400 471	44 400 471
Trade and other receivables	8	-	18 028 056	18 028 056
Cash and cash equivalents	9	-	62 852 515	62 852 515
		-	**125 281 042**	**125 281 042**
Categories of financial liabilities				
Trade and other payables	16	-	105 858 445	105 858 445
Financial liabilities	12	-	1 700 005 000	1 700 005 000
Derivatives financial instruments	13	3 643 042	-	3 643 042
		3 643 042	1 805 863 445	1 809 506 487

Categories of financial instruments		COMPANY		
Categories of financial assets				
Loans receivable	7	-	44 400 471	44 400 471
Trade and other receivables	8	-	4 649 853	4 649 853
Cash and cash equivalents	9	-	47 989 763	47 989 763
		-	97 040 087	97 040 087
Categories of financial liabilities				
Trade and other payables	16	-	45 570 792	45 570 792
Financial liabilities	12	-	1 700 005 000	1 700 005 000
Derivatives financial instruments	13	3 643 042	-	3 643 042
		3 643 042	1 745 575 792	1 749 218 834

Pre-tax gains and losses on financial instruments		GROUP		
Gains and losses on financial assets				
Interest income	22	-	5 768 248	5 768 248
Gains and losses on financial liabilities				
Finance costs	23	-	(124 189 381)	(124 189 381)
Loss on fair value of derivative financial instruments		(3 643 042)	-	(3 643 042)
		(3 643 042)	(124 189 381)	(127 832 423)

			COMPANY	
Gains and losses on financial assets				
Interest income	22	-	65 941 662	65 941 662
Gains and losses on financial liabilities				
Finance costs	23	-	(113 750 101)	(113 750 101)
Loss on fair value of derivative financial instruments		(3 643 042)	-	(3 643 042)
		(3 643 042)	(113 750 101)	(117 393 143)

CAPITAL RISK MANAGEMENT

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, as well as maintain an optimal capital structure to reduce cost of capital.

The Group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 9, cash and cash equivalents disclosed in notes 7, and equity as disclosed in the statement of financial position.

			28 February 2019 (R)
	Notes	GROUP	COMPANY
Loans from subsidiaries	17	-	37 740 837
Financial liabilities	12	1 700 005 000	1 700 005 000
Finance lease liabilities	14	32 742 248	15 241 292
Trade and other payables	16	105 858 445	45 570 792
Total borrowings		1 838 605 693	1 798 557 921
Cash and cash equivalents	9	(62 852 515)	(47 898 763)
Net borrowings		**1 775 753 178**	**1 750 659 158**

Financial risk management

The Group is exposed to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- interest rate risk.

The Group's management policies are designed to ensure that there is an acceptable level of risk within the Group as a whole.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on loans receivable, trade and other receivables, contract receivables, lease receivables, cash and cash equivalents, loan commitments and financial guarantees.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The Group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables and lease receivables;
- debt investments carried at amortised cost; and
- debt investments carried at FVOCI.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The lease receivable assets relate to straight-lining of leases and have substantially the same risk characteristics as the trade receivables for the same types of leases. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the lease receivables.

The expected loss rates are based on the payment profiles of sales over a period of 9 month before 28 February 2019 or 1 June 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 28 February 2019 and 1 June 2018 (on adoption of IFRS9) was determined as follows for both trade receivables and lease receivables.

Financial assets exposed to credit risk at year end were as follows:

		GROUP		
	Notes	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Loans receivable	7	44 400 471	-	44 400 471
Operating lease asset		168 350 700	-	168 350 700
Trade and other receivables	8	26 895 358	(8 867 302)	18 028 056
Cash and cash equivalents	9	62 852 515	-	62 852 515
		302 499 044	(8 867 302)	293 631 742

		COMPANY		
Loans receivable	7	44 400 471	-	44 400 471
Operating lease asset		125 061 483	-	125 061 483
Trade and other receivables	8	11 205 207	(6 555 354)	4 649 853
Cash and cash equivalents	9	47 898 763	-	47 898 763
		228 565 924	(6 555 354)	222 010 570

Liquidity risk

The Group is exposed to liquidity risk as a result of the funds available to cover future commitments, as reflected in the table below, which is the risk that the Group will encounter difficulties in meeting its obligations as they become due.

The Group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long- and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and the Company manages liquidity risk through an ongoing review of commitments and credit facilities. Cash flow forecasts and budgets are prepared and adequate utilised borrowing facilities, disclosed in notes 9 and 12, are monitored.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

2019

		GROUP			
	Notes	**Less than 1 year**	**2 to 5 years**	**Over 5 years**	**Total**
Non-Current liabilities					
Financial liabilities	12	-	1 700 005 000	-	1 700 005 000
Derivative financial instruments	13	3 643 042	-	-	3 643 042
Finance lease liabilities	14	2 927 512	12 535 261	500 043 079	515 505 852
Current liabilities					
Trade and other payables	16	105 858 445	-	-	105 858 445
		112 428 999	**1 712 540 261**	**500 043 079**	**2 325 012 339**

		COMPANY			
Non-Current liabilities					
Financial liabilities	12	-	1 700 005 000	-	1 700 005 000
Derivative financial instruments	13	3 643 042	-	-	3 643 042
Finance lease liabilities	14	2 285 446	9 257 449	261 676 459	273 219 354
Current liabilities					
Trade and other payables	16	45 570 792	-	-	45 570 792
Loans from subsidiaries	17	37 740 837	-	-	37 740 837
		89 240 117	1 709 262 449	261 676 459	2 060 179 025

Fair value hierarchy for financial instruments and investment property

The fair value hierarchy reflects the significance of the inputs used in making fair value measurements. IFRS 13 requires that an entity disclose for each class of financial instrument and investment property measured at fair value, the level of fair value hierarchy into which the fair value measurements are categorised in their entirety.

The fair value hierarchy has the following levels:
Level 1 – fair value is determined from quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – fair value is determined through the use of valuation techniques based on observable inputs, either directly or indirectly.
Level 3 – fair value is determined through the use of valuation techniques using significant inputs (refer to note 3 for assumptions applied to valuation of investment property).

		GROUP			
	Notes	**Fair value (R)**	**Level 1 (R)**	**Level 2 (R)**	**Level 3 (R)**
Assets					
Investment properties	3	5 406 403 826	-	-	5 406 403 826
Liabilities					
Derivative financial instruments	13	3 643 042	-	3 643 042	-

		COMPANY			
Assets					
Investment properties	3	3 305 003 826	-	-	3 305 003 826
Liabilities					
Derivative financial instruments	13	3 643 042	-	3 643 042	-

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Group's interest rate risk arises primarily from long-term borrowings, which bear interest at various interest rates linked to 3 month JIBAR. The Company's weighted average cost of borrowing is 3 month JIBAR plus 1.86%, excluding the amortisation of hedging costs and participation fees. The Company strategy is well-managed and monitored, and it has entered into a sequence of collar and cap transactions to hedge its interest rate exposure, with the arrangements terminating on 4 October 2021 as disclosed in note 10. Furthermore, monitoring of international and local economic climate and aligning development and hedging strategy with views of future rate movements mitigates the risk.

Due to the hedging strategy implemented, a 1% increase in the effective interest rate applicable to interest-bearing borrowings, will not result in an increase in finance charges as the Group's exposure is effectively limited by the various caps and collars arrangements entered into.

28 February 2019
(R)

35. ACQUISITION OF ASSETS AND LIABILITIES ON FORMATION OF GROUP

Effective 1 June 2018 Exemplar REITail acquired shares and shareholders' claims in the following entities in terms of section 42 of the Income Tax Act, No 58 of 1962.

Management assessed the shares and shareholders' claims acquired and has concluded that in its view that all acquisitions are subsidiary acquisitioned are dealt with under IAS 27 – Separate Financial Statements, IFRS 10 – Consolidated Financial Statements and IFRS 12 – Disclosure of Interests in Other Entities, and are therefore accounted for in terms of those standards. These entities did not constitute a business as defined in terms of IFRS 3 – Business Combinations, as there were no adequate processes identified within these entities to warrant classification as businesses.

Entities	**Interest acquired**
	%
Acornhoek Plaza Share Block (Pty) Ltd	43,98
Alex Mall (Pty) Ltd	100,00
Maake Plaza (Pty) Ltd	100,00
Mandeni Plaza (Pty) Ltd	50,00
Modi Mall (Pty) Ltd	100,00
Phola Mall (Pty) Ltd	53,00
Theku Plaza (Pty) Ltd	82,50
Tsakane Mall (Pty) Ltd	100,00

Effective 1 June 2018 Exemplar REITail acquired the following property letting businesses in terms of section 42 of the Income Tax Act, No 58 of 1962.

Management assessed the properties acquired and has concluded that in its view that all acquisitions are property acquisitions in terms of IAS 40 – Investment Property and are therefore accounted for in terms of that standard. These properties did not constitute a business as defined in terms of IFRS 3 – Business Combinations, as there were no adequate processes identified within these properties to warrant classification as businesses.

Properties	Interest acquired
	%
Atteridge Stadium Centre	100,00
Blouberg Mall	100,00
Chris Hani Crossing	100,00
Diepkloof Plaza	100,00
Edendale Mall	100,00
Emoyeni Regional Mall	100,00
Jane Furse Plaza	29,83
Kwagga Mall	43,51
Lusiki Plaza	100,00
Modjadji Plaza	70,00
Olievenhout Plaza	100,00
Thorntree Shopping Centre	100,00

Assets and liabilities arising from the acquisitions are as follows:

Assets	(R)
Investment property	4 902 892 652
Operating lease asset	155 158 863
Property, plant and equipment	487 855
Loans receivable	38 023 994
Cash and cash equivalents	124 963 886
Trade and other receivables	22 219 258
Liabilities	
Financial liabilities	(1 850 918 972)
Deferred tax	(95 903 675)
Trade and other payables	(182 112 861)
Fair value of net assets acquired	3 114 811 000
Non-controlling interest	(112 436 217)
Fair value of Exemplar REITail's share of net assets acquired	3 002 374 783
Cash and cash equivalents acquired	124 963 886

The entities and businesses were acquired through the issue of 297 431 896 shares in Exemplar REITail Limited.

36. JOINT OPERATIONS

When a group entity transacts with its joint operation, profits and losses resulting from the transactions with the joint operation are recognised in the Group's consolidated annual financial statements only to the extent of interests in the joint operation entity that are not related to the Group.

When a group entity undertakes its activities under joint operations, the Group, as a joint operator, recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS applicable to the particular assets, liabilities, revenues and expenses.

In the separate annual financial statements of the Company, interests in joint operations are accounted for in the same manner.

Joint operations comprise the following properties:

	%
Acornhoek Megacity	43,98
Chris Hani Crossing	50,00
Jane Furse Plaza	29,83
Kwagga Mall	43,51
Maake Plaza	30,00
Modjadji Plaza	70,00
Tsakane Mall	50,00

Exemplar's share of profit and loss and net assets:

Statement of profit or loss and other comprehensive income

Property portfolio	137 490 277
Rental income and recoveries	137 078 971
Straight-line lease income adjustments	411 306
Property operating expenses	(37 327 974)
Profit from operations	100 162 303
Fair value adjustment to investment properties	54 195 848
Profit before taxation	154 358 151

Statement of financial position	
Opening fair value of property assets	-
Purchase consideration	1 517 425 718
Additions	115 618 917
Fair value adjustment	54 195 848
Finance lease liability	(247 964)
Operating lease asset	411 306
Closing fair value of property assets	1 687 403 825
Property, plant and equipment	14 978
Current assets	24 920 279
Total assets	1 712 339 082
Equity	1 786 890 768
Deferred taxation	(46 050 944)
Finance lease liabilities	(3 749 530)
Current liabilities	(24 751 212)
Total equity and liabilities	1 712 339 082

All joint operations have their principal place of business in South Africa and their nature of activities are the ownership and management of retail real estate in South Africa.

37 CONTINGENCIES

A claim has been made against Acornhoek Plaza Share Block (Pty) Ltd by a competing developer. Acornhoek Plaza Share Block (Pty) Ltd's attorneys are defending the matter. The matter is still in progress, although pleadings have now closed and a special plea of prescription has been taken. The attorneys are of the view that the prospects of successfully defending the matter, especially on the basis that the claim has prescribed, are reasonably good.

38. SEGMENT ANALYSIS

The Group identifies and presents operating segments based on the information that is provided internally to the Group's management and internal reporting structure which will be determined by the Group's executive committee. The Group's management reviews the performance of its investment properties held by the Group on an individual basis and due to the entire portfolio being retail, has taken a decision to aggregate operating segments and disclose such reportable segments on a geographical basis, initially:

- Gauteng;
- Mpumalanga;
- KwaZulu-Natal;
- Limpopo; and
- Eastern Cape.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements.

	GLA m²	Investment property fair value (R)	Revenue (R)	Straight line lease income adjustments (R)	Property operating expenses (R)	Change in fair values (R)	Net income (R)
Gauteng	124 103	2 399 000 000	214 510 030	6 016 306	(70 917 849)	81 359 498	230 967 725
Mpumalanga	81 136	1 298 825 326	114 367 035	6 829 571	(37 365 938)	32 400 313	116 230 980
KwaZulu Natal	59 135	753 000 000	81 146 752	(140 621)	(31 881 800)	15 734 714	64 859 045
Limpopo	53 417	778 578 500	77 172 121	275 078	(28 073 662)	31 734 842	81 108 379
Eastern Cape	13 597	177 000 000	17 043 638	211 503	(7 170 976)	467 428	10 551 593
	331 388	5 406 403 826	504 239 576	13 191 837	(175 410 225)	161 696 795	
Net property income							503 717 722
Other income							9 281 896
Administrative expenses and corporate costs							(20 744 135)
Interest income							5 768 248
Finance costs							(124 189 381)
Fair value adjustment to derivative financial instruments							(3 643 042)
Taxation							1 100 683
Total comprehensive income							**371 291 991**
Distributable earnings adjustments:							
Attributable to non-controlling interests							(35 355 568)
Fair value adjustment to investment properties							(161 696 795)
Non-controlling interest in fair value adjustment to investment properties							27 338 160
Straight-line lease income adjustments							(13 191 837)
Non-controlling interest in straight-line lease income adjustments							1 510 651
Fair value adjustment to derivative financial instruments							3 643 042
Deferred tax movement							(1 100 683)
Antecedent adjustment							2 649 954
Distributable income							**195 088 915**
Distributable income per share (cents)							61.84
Distributable income for the year							195 088 915
Interim dividend paid							(58 421 532)
Dividend per share (cents)							19,10
Number of shares							305 871 896
Final dividend							136 667 383
Dividend per share (cents)							42,74
Number of shares							319 739 136
Dividend per share for the 9 months (cents)							**61.84**

EXEMPLAR

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