Greystone Partners Limited

(Incorporated in Kingdom of Eswatini - Registration number 74/2009)

Consolidated and separate financial statements for the period ended 31 December 2020

Greystone Partners Limited

General Information

Country of incorporation and domicile	Kingdom of Eswatini
Company registration number	74/2009
Nature of business and principal activities	Investment Holding Company
Registered office	2nd Floor Nedbank Centre cnr Sishayi and Sozisa Roads Mbabane, Eswatini PO Box 5727
Business address	2nd Floor Nedbank Centre cnr Sishayi and Sozisa Roads Mbabane, Eswatini PO Box 5727
Fund Manager	African Alliance Eswatini Limited
Auditors	PriceWaterhouseCoopers (Eswatini) Chartered Accountants Rhus Office Park Kal Grant Street Mbabane, Eswatini PO Box 569
Bankers	Nedbank (Swaziland) Limited Swazi Plaza Mbabane, Eswatini PO Box 70
Functional currency	The consolidated and separate financial statements are expressed in Emalangeni the currency of the Kingdom of Eswatini

Greystone Partners Limited

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The reports and statements set out below comprise the consolidated and separate financial statements for the period ended 31 December 2020 presented to the shareholders:

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The following supplementary information does not form part of the consolidated and separate financial statements for the period ended 31 December 2020 and is unaudited:

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Greystone Partners Limited

Directors' responsibilities and approval

The directors are responsible for preparing the Directors' report and the Group's consolidated and separate financial statements in accordance with International Financial Reporting Standards and in the manner required by the Eswatini Companies Act of 2009 and Eswatini Stock Exchange Listing Rules.

Company law requires the directors to prepare the Group's consolidated and separate financial statements for each financial year, which meet the requirements of the Eswatini Companies Act of 2009. In addition, the directors have elected to prepare the Group's consolidated and separate financial statements in accordance with International Financial Reporting Standards.

The Group's consolidated and separate financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss for the period.

In preparing these financial statements, the directors are required to:

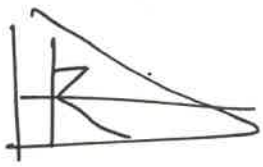
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with International Financial Reporting Standards; and
- Prepare the consolidated and separate financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Eswatini Companies Act no. 8 of 2009, International Financial Reporting Standards and the Eswatini Stock Exchange Listing Requirements. They have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The external auditors are responsible for independently reviewing and reporting on the Group's Consolidated and separate financial statements for the period ended 31 December 2020. The Consolidated and separate financial statements for the period ended 31 December 2020 have been examined by the Group's external auditors and their report is presented on pages 7 - 12.

The consolidated and separate financial statements for the period ended 31 December 2020 set out on pages 13 to 63, which have been prepared on the going concern basis, were approved by the board of directors on 18 August 2021 and were signed on its behalf by:

Director



Director

Greystone Partners Limited

Directors' report

The directors submit their report on the financial statements of Greystone Partners Limited (the "Company") and its subsidiaries and associates (together referred as the "Group") for the period ended 31 December 2020.

Incorporation

The Company was incorporated on 27 January 2009 and obtained its certificate to commence business on the same day.

Review of activities

Main business and operations

The principal objective of the Company is to carry on business as an investment holding company. The Company shall invest primarily in emergent, unlisted businesses with sustainable growth potential. Although the Company aims to invest predominantly in the Kingdom of Eswatini, where opportunities are unavailable, there may be a case for investing elsewhere within the Common Monetary Area.

It is envisaged that the average size of a specific equity investment would be in the order of E10 million and above; the Company will endeavour to secure interests of between 5% and 50% in listed and unlisted companies; and the minimum size of investments to be made by the Company will be approximately E500,000 but exceptional circumstances will be considered.

Net loss of the Group was E 43 187 206 (2019: E 25 247 731 profit), after taxation of E 1 492 833 (2019: E 1 590 056).

Net loss of the Company was E 25 899 073 (2019: E 16 991 576 profit), after taxation of E 1 814 128 (2019: E 3 053 421).

Going concern

Following the spread of the virus, on 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. The identification of the virus as a new coronavirus, and its subsequent spread, is considered as a non-adjusting subsequent event.

The Group is continuing to operate as it is considered an essential service, and the Board of Directors do not believe the impact on the Group of Covid – 19 will materially impact the financial position of the Group and the Company. The Board of Directors and management will continue to monitor the impact COVID-19 on the business. It is anticipated that the business will return to normal in the medium term.

It is noted that the Company's current liabilities exceeded its current assets by E 36 614 109 as at 31 December 2020. This is due to the fact that it is expected that E 15 – E 20 million of dividend and interest income will be earned in the 2021 financial year from the Company's underlying investments. This will bolster the Company's current assets and ensure the Company can meet part of it short term obligations. In addition, the Company has sought approval from the Eswatini Stock Exchange ("ESE") in August 2020 for a E 100 million capital raise for the Company, and the necessary approval was received from the ESE Listing Committee on 4 November 2020. The Company will be organising tranches for raising the E 100 million, with the first tranche of E 50 million starting in the second half of 2021. Prospective investors such as pension funds and other high net worth retail clients have indicatively provided interest of approximately E 50 million to date. The capital raise together with the dividend and interest income will result in the current assets far exceeding currently liabilities.

In light of the above, management has assessed the appropriateness of the use of the going concern assumption in the preparation of these financial statements. Based on the assessment performed, management is of the view that the doubt associated with the current uncertainties related to the COVID-19 virus does not result in a material uncertainty and to any such events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Events after the reporting period

Starting at the end of June 2021, Eswatini went through severe protests for democracy which led to political unrest and riots. These resulted in an outlet of one of the subsidiaries being destroyed due to arson while no other stores or restaurants were impacted. The Board of Directors assessed the situation and it was noted that an insurance claim had been lodged and management will aim to have the outlet up and running within two months. Additionally, retail sales have recovered strongly and all lost sales due to forced closure were covered in the first week of July 2021. Management of the various businesses are monitoring the situation closely but it is noted that the series of recent events would not materially impact the financial position of the Group and the Company at this time.

The directors are not aware of any other matter or circumstance arising since the end of the financial period that would have materially altered the results reported.

Change in reporting period

During the period ended 31 December 2020, the Company changed its year-end from September to December in line with its subsidiaries. The current period figures are for 15 months where as the comparative figures are for 12 months.

Authorised and issued share capital

The Company has issued 88 085 108 ordinary shares of 1 cents each for a total share premium of E 263 374 473 during the period under review. Please refer to note 5, 7 and 15.

Dividends

No dividends were declared or paid to shareholders during the period ended 31 December 2020 (2019: Nil).

Corporate governance

Sound corporate governance structures and processes are being applied at Greystone Partners Limited and are considered by the board to be pivotal to delivering sustainable growth in the interest of all stakeholders. Governance structures and processes are regularly reviewed and adapted to accommodate internal corporate developments and to reflect national and international best practice to the extent considered in the best interest of the Company.

The board meets regularly, retains control over the Company and monitors executive management. The board reserves to itself a range of key decisions to ensure that it retains proper direction and control of the company. The roles of the Chairperson and the Chief Executive Officer do not vest in the same person and the Chairperson is a non-executive director. The Chairperson provides leadership and guidance to the company's board, encourages proper deliberation of all matters requiring the board's attention, obtains optimum input from the other directors and ensures all decisions of the board are clearly worded and are likely to advance the Company's interests.

The board retains control over its operations and has established an Investment Committee and an Audit Committee. The Investment Committee is an advisory committee and not an executive committee and as such will not perform any management functions or assume any management responsibilities, but will rather primarily make investment recommendations to the board for its approval and final decision.

Directors

The Directors of the Company during the period and to the date of this report are as follows:

Name	Nationality	Position	Change
K D Dlamini	LiSwati	Independent non-executive director	
M L Dlamini	LiSwati	Non-executive director	
N K Mabuza	LiSwati	Executive director and Chief Executive Officer	
A M B de Castro	LiSwati	Executive director	
MM Dlamini	LiSwati	Non-executive chairman	Appointed on 01 October 2019
S Khumalo	LiSwati	Non-executive director	Appointed on 01 October 2019
NS Shabangu	LiSwati	Non-executive director	Appointed on 01 October 2019

Investment Committee

The Investment Committee of the Company for the period and at the date of this report is as follows:

Name	Nationality	Position	Changes
D Dlamini	LiSwati	Independent member	Re-appointed on 01 November 2019
Z B Dlamini	LiSwati	Independent member	Re-appointed on 01 November 2019
MN Msibi	LiSwati	Independent member	Appointed on 01 November 2019

Audit Committee

The Audit Committee of the Company for the year and at the date of this report is as follows:

Name	Nationality	Position
M L Dlamini	LiSwati	Non-executive chairman
CN Dlamini	LiSwati	Independent non - executive member
T A Thom	South African	Executive member
M Nyoni	LiSwati	Independent non - executive member

Secretary

The secretary of the Company is Bongiwe Dlamini, African Alliance Eswatini Limited at 2nd Floor, Nedbank Centre, Cnr Sishayi and Sozisa Roads, P.O. Box 5727, Mbabane H100, Kingdom of Eswatini.

Auditors

PriceWaterhouseCoopers (Eswatini) have indicated their willingness to continue in office as auditors of the Company in accordance with the Companies Act 2009.

Independent auditor's report

To the Shareholders of Greystone Partners Limited

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Greystone Partners Limited (the Company) and its subsidiaries (together the Group) as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of Eswatini.

What we have audited

Greystone Partners Limited's consolidated and separate financial statements set out on pages 13 to 63 comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of profit or loss and other comprehensive income for the period then ended;
- the consolidated and separate statements of changes in equity for the period then ended;
- the consolidated and separate statements of cash flows for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* issued by the International Ethics Standards Board for Accountants and other independence requirements applicable to performing audits of financial statements in Eswatini. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements applicable to performing audits of financial statements in Eswatini.

Partner in charge T Mason
Resident partner M Mhlanga
PricewaterhouseCoopers, Rhus Office Park, Kal Grant Street, Mbabane, Eswatini
P O Box 569, Mbabane H100, Eswatini Telephone +268 2404 2861/2, Facsimile +268 2404 5015, www.pwc.com

Our audit approach

Overview

Overall group materiality

- Overall group materiality: E 7 625 262, which represents 1% of consolidated total assets.

Group audit scope

- The Group consists of six components. Full scope audits were performed on the company and its four subsidiaries based on financial significance, audit risks and statutory audit requirements. We performed specified procedures on the remaining component.

Key audit matters

- Fair value measurement of unquoted investments.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	E 7 625 262.
How we determined it	1% of consolidated total assets.
Rationale for the materiality benchmark applied	We chose consolidated total assets as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users. Consolidated total assets represent a key driver of the Group's business, with its investments in shares and debt forming a significant balance of its total assets. We chose 1% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically

	apply when using consolidated total assets as a benchmark in calculating materiality.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group consists of six components: the Company, four subsidiaries which are General Africa Foods Eswatini (Pty) Limited, Alliance Foods (Pty) Ltd, Inba Holdings Limited and Swagri Holdings (Pty) Ltd, and one associate which is Lojaf (Pty) Ltd. Full scope audits were performed on the Company and its four subsidiaries based on financial significance, audit risks and statutory audit requirements. The associate was out of scope for group audit purposes and we performed specified procedures on the measurement of the associate's fair values.

In establishing the overall approach to the group audit, we determined the extent of the work that needed to be performed by us, as the group engagement team, and the component auditor from another audit firm, operating under our instruction, in order to issue our audit opinion on the consolidated financial statements of the Group. Where the work was performed by the component auditor, we determined the level of involvement necessary in the audit work at that component to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter	*How our audit addressed the key audit matter*
Fair value measurement of unquoted investments *Refer to the following accounting policies and notes to the financial statements:* • *Accounting policy 1.3 – Significant accounting judgements, estimates and assumptions (Fair value estimation);* • *Note 7 – Investments at fair value through profit or loss;* • *Note 5 - Investments in associates; and* • *Note 21 – Unrealised (losses)/gain on revaluation of investments.* The Group has determined the fair value for the unquoted investments as follows: • Eswatini Royal Insurance Corporation ("EsRIC") and Orchard Insurance Limited ("Orchard").	We inspected the entity's policy to gain an understanding of management's policies and processes, methods and assumptions used to determine fair values of unquoted investments. Utilising our valuation expertise, we performed the following procedures: • We assessed whether generally accepted valuation methodology was applied by benchmarking the valuation methodology with industry practice and requirements of IFRS 13; • We independently determined a range of discount rates and terminal growth rates included in the discounted cash flow and market approach models and compared our range of rates to those applied by management. We found management's rates to be within our independently computed range of rates;

In determining the valuation of the EsRIC and Orchard investments, the comparable trading multiples methodology has been used for the short term insurance business of EsRIC and Orchard, with the price earnings multiple used as the primary valuation model, and for the long term insurance business of EsRIC using the price to embedded value multiple as the primary valuation model.

The key estimates, assumptions and judgements applied in these valuation models include the following:

- determination of a price earnings multiple for short term insurance business;
- determination of an embedded value for long term insurance business; and
- determination of discounts and premiums such as, company specific risk and liquidity risk for both short term and long term insurance businesses.

- Ngwane Mills (Pty) Ltd; Lojaf (Pty) Ltd; Promco (Pty) Ltd; Alliance Foods (Pty) Ltd; and General Africa Foods Eswatini (Pty) Ltd.

  In determining the valuation of the above investments, the Group has utilised the income approach (discounted cash flow method).

  The key estimates, assumptions and judgements applied in this valuation model includes the following:
  - cash flow projections including growth rates applied;
  - determination of discount rates (weighted average cost of capital) and terminal growth rates; and
  - determination of discounts and premiums such as minority discounts and liquidity risk.

The fair value measurement of unquoted investments was considered to be of most significance to the current period audit due to the following:

- The degree of judgement involved in determining the fair values; and
- The magnitude of the unquoted investments in relation to the total assets of the Group.

- For each of the assumptions used to calculate the fair value of the investments, such as the company specific risk; liquidity risk; and price to earnings multiples, we independently determined a range of the assumptions from independently sourced data. We found management's assumptions to be within our determined range of assumptions;
- We compared the key inputs used by management in the valuations, which includes the average price multiple and the price to embedded value to similar companies in the industry. The inputs used were found to be within an acceptable range of the inputs used by comparable companies in the industry;
- We recalculated a range of fair values for each of the investments using our independently determined range of assumptions and compared our results to the fair values determined by management. On certain investments, management's fair values were not within the acceptable range of our independently determined fair values and management adjusted their fair value assessments. After the adjustments, we found management's fair values to be within our range of independently computed fair values; and
- We compared the low end fair value and higher end fair values of the investments, obtained from our independently determined range of values, to the fair value estimation sensitivities computed by management. The sensitivities were within the range of our independently computed fair values.

We compared prior year valuation models, for those investments that existed in the prior year, to the current period valuation models for consistency. No exceptions were noted.

We tested management's cash flow forecast by comparing the inputs in the forecast such as revenue and operating expenses to management's budgets. Management's inputs agreed to the budgets.

We compared prior year projected cash flows to current period actual cash flows to assess the reasonableness of management's budgeting process. Only immaterial differences were noted.

	We traced the fair values per investment from the valuation models as determined by management to the fair values of the investments recorded in the financial statements. No exceptions were noted.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Greystone Partners Limited Consolidated and separate financial statements for the period ended 31 December 2020", which includes the Directors' Report as required by the Companies Act of Eswatini. The other information does not include the consolidated or the 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 identified above 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, 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 Eswatini, 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 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 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, actions taken to eliminate threats or safeguards applied.

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.

PricewaterhouseCoopers

Partner: Makhosazana Mhlanga

Registered Auditor

P.O. Box 569

Mbabane

Date: 3 September 2021

Greystone Partners Limited

Consolidated and separate statements of financial position as at 31 December 2020

		Group		Company	
		31 December	30 September	31 December	30 September
Figures in Emalangeni	Note(s)	2020	2019	2020	2019
Assets					
Non-Current Assets					
Property, plant and equipment	2	55 510 028	8 689 937	-	-
Right of use assets	10	40 056 516	-	-	-
Goodwill	3	229 551 764	86 537 737	-	-
Intangible assets	4	1 525 065	-	-	-
Investments in associates	5	161 953 000	120 247 000	137 573 000	82 838 000
Amounts owing by related parties	6	-	-	45 090 578	54 523 132
Investments at fair value through profit or loss	7	141 754 399	164 487 000	428 217 689	208 079 246
Deferred tax	8	11 769 289	9 433 555	11 329 817	9 327 845
Tax receivable	9	178 902	190 753	2 909	190 753
		642 298 963	**389 585 982**	**622 213 993**	**354 958 976**
Current Assets					
Inventories	11	12 493 848	1 620 168	-	-
Amounts owing by related parties	6	127 433	-	-	-
Trade and other receivables	12	11 655 236	2 969 322	-	4 311
Cash and cash equivalents	13	95 950 762	66 265 037	21 068 100	32 360 028
		120 227 279	**70 854 527**	**21 068 100**	**32 364 339**
Total Assets		**762 526 242**	**460 440 509**	**643 282 093**	**387 323 315**
Equity and Liabilities					
Equity					
Share capital	15	445 346 144	181 090 820	445 346 144	181 090 820
Retained income		116 381 923	174 381 517	140 253 740	166 152 813
		561 728 067	355 472 337	585 599 884	347 243 633
Non-controlling interest		39 005 396	19 337 573	-	-
		600 733 463	**374 809 910**	**585 599 884**	**347 243 633**
Liabilities					
Non-Current Liabilities					
Other financial liabilities	17	29 501 909	31 552 509	-	-
Lease liabilities	18	30 520 063	-	-	-
		60 021 972	**31 552 509**	-	-

GREYSTONE PARTNERS

Greystone Partners Limited
Consolidated and separate statements of financial position as at 31 December 2020

		Group		Company	
Figures in Emalengeni	Note(s)	31 December 2020	30 September 2019	31 December 2020	30 September 2019
Current Liabilities					
Trade and other payables	16	31 347 809	10 623 994	2 704 800	2 652 285
Amounts owing to related parties	6	17 363 363	-	16 913 109	-
Other financial liabilities	17	42 978 824	42 402 397	38 064 300	37 427 397
Current tax payable	9	1 259 953	1 051 699	-	-
Lease liabilities	18	8 806 663	-	-	-
Bank overdraft	13	14 195	-	-	-
		101 770 807	**54 078 090**	**57 682 209**	**40 079 682**
Total Liabilities		**161 792 779**	**85 630 599**	**57 682 209**	**40 079 682**
Total Equity and Liabilities		**762 526 242**	**460 440 509**	**643 282 093**	**387 323 315**

The consolidated and separate financial statements for the period ended 31 December 2020, the accounting policies on pages 19 to 34 and the notes on pages 35 to 63, were approved by the Board of Directors on 18 August 2021 and were signed on its behalf by:

Director

Director

The accounting policies on pages 19 to 34 and the notes on pages 35 to 63 form an integral part of the Consolidated and separate financial statements for the period ended 31 December 2020.

Greystone Partners Limited

Consolidated and separate statements of profit or loss and other comprehensive income for the period ended 31 December 2020

		Group		Company	
Figures in Emalangeni	Note(s)	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019
Revenue	28	216 936 498	71 955 716	-	-
Cost of sales	29	(128 977 003)	(36 064 995)	-	-
Gross profit		**87 959 495**	**35 890 721**	**-**	**-**
Other operating income	30	1 774 647	-	-	-
Investment income	23	16 858 567	15 762 274	2 923 323	5 745 156
Other operating gains		5 942 773	-	-	-
Operating expenses	20	(108 919 691)	(41 825 999)	(14 753 063)	(11 851 565)
Operating profit / (loss)		**3 615 791**	**9 826 996**	**(11 829 740)**	**(6 106 409)**
Unrealised (losses)/gains on revaluation of investments	21	(35 531 704)	17 679 960	(10 467 144)	22 471 960
Finance costs	22	(9 778 460)	(3 849 281)	(5 416 317)	(2 427 396)
(Loss)/profit before taxation		(41 694 373)	23 657 675	(27 713 201)	13 938 155
Income tax	24	(1 492 833)	1 590 056	1 814 128	3 053 421
(Loss)/profit for the period/year		**(43 187 206)**	**25 247 731**	**(25 899 073)**	**16 991 576**
Other comprehensive income		-	-	-	-
Total comprehensive (loss)/income		**(43 187 206)**	**25 247 731**	**(25 899 073)**	**16 991 576**
(Loss)/profit attributable to:					
Owners of the parent		(40 976 517)	5 910 158	(25 899 073)	16 991 576
Non-controlling interest		(2 210 689)	19 337 573	-	-
		(43 187 206)	**25 247 731**	**(25 899 073)**	**16 991 576**
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(43 187 206)	25 247 731	(25 899 073)	16 991 576
Earnings per share					
Per share information					
Basic and diluted	32	(0.19)	0.18	(0.11)	0.12

The accounting policies on pages 19 to 34 and the notes on pages 35 to 63 form an integral part of the Consolidated and separate financial statements for the period ended 31 December 2020.

GREYSTONE PARTNERS

Greystone Partners Limited

Consolidated and separate statements of changes in equity for the period ended 31 December 2020

Figures in Emalangeni	Share capital	Share premium	Total share capital	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Group							
Balance at 01 October 2018	**1 418 365**	**179 672 455**	**181 090 820**	**149 133 786**	**330 224 606**	**-**	**330 224 606**
Profit for the period	-	-	-	25 247 731	25 247 731	-	25 247 731
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**25 247 731**	**25 247 731**	**-**	**25 247 731**
Equity to non-controlling interest	-	-	-	-	-	19 337 573	19 337 573
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**-**	**19 337 573**	**19 337 573**
Balance at 30 September 2019	**1 418 365**	**179 672 455**	**181 090 820**	**174 381 517**	**355 472 337**	**19 337 573**	**374 809 910**
Loss for the period	-	-	-	(40 976 517)	(40 976 517)	(2 210 689)	(43 187 206)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive Loss for the period	**-**	**-**	**-**	**(40 976 517)**	**(40 976 517)**	**(2 210 689)**	**(43 187 206)**
Issue of shares	880 851	263 374 473	264 255 324	-	264 255 324	-	264 255 324
Business combinations	-	-	-	(17 023 077)	(17 023 077)	21 878 512	4 855 435
Total contributions by and distributions to owners of company recognised directly in equity	**880 851**	**263 374 473**	**264 255 324**	**(17 023 077)**	**247 232 247**	**21 878 512**	**269 110 759**
Balance at 31 December 2020	**2 299 216**	**443 046 928**	**445 346 144**	**116 381 923**	**561 728 067**	**39 005 396**	**600 733 463**
Note(s)	15	15	15				

The accounting policies on pages 19 to 34 and the notes on pages 35 to 63 form an integral part of the Consolidated and separate financial statements for the period ended 31 December 2020.

GREYSTONE PARTNERS

Greystone Partners Limited

Consolidated and separate statements of changes in equity

Figures in Emalangeni	Share capital	Share premium	Total share capital	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Company							
Balance at 01 October 2018	**1 418 365**	**179 672 455**	**181 090 820**	**149 161 237**	**330 252 057**	**-**	**330 252 057**
Profit for the year	-	-	-	16 991 576	16 991 576	-	16 991 576
Other comprehensive income	-	-	-	-	-	-	-
Balance at 30 September 2019	**1 418 365**	**179 672 455**	**181 090 820**	**166 152 813**	**347 243 633**	**-**	**347 243 633**
Loss for the period	-	-	-	(25 899 073)	(25 899 073)	-	(25 899 073)
Other comprehensive income	-	-	-	-	-	-	-
Issue of shares	880 851	263 374 473	264 255 324	-	264 255 324	-	264 255 324
Balance at 31 December 2020	**2 299 216**	**443 046 928**	**445 346 144**	**140 253 740**	**585 599 884**	**-**	**585 599 884**
Note(s)	15	15	15				

The accounting policies on pages 19 to 34 and the notes on pages 35 to 63 form an integral part of the Consolidated and separate financial statements for the period ended 31 December 2020.

GREYSTONE PARTNERS

Greystone Partners Limited

Consolidated and separate statements of cash flows for the period ended 31 December 2020

Figures in Emalangeni	Note(s)	Group 15 months ended 31 December 2020	Group 12 months ended 30 September 2019	Company 15 months ended 31 December 2020	Company 12 months ended 30 September 2019
Cash flows from operating activities					
Cash (used in)/generated from operations	25	53 598 419	(472 858)	(9 435 837)	(11 780 980)
Interest income		4 495 222	4 695 238	1 025 178	3 843 120
Dividend income		12 363 345	11 067 036	1 898 145	4 672 828
Finance costs		(9 778 460)	(3 849 281)	(5 416 317)	(2 427 396)
Tax paid	9	(3 472 703)	(520 731)	-	-
Net cash (used in)/generated from operating activities		**57 205 823**	**10 919 404**	**(11 928 831)**	**(5 692 428)**
Cash flows from investing activities					
Purchase of property, plant and equipment	2	(25 471 433)	(8 728 242)	-	-
Sale of property, plant and equipment	2	10 351 930	-	-	-
Purchase of financial assets	7	-	(83 903 084)	-	(71 797 879)
Proceeds from promissory notes matured		-	40 410 119	-	40 410 119
Net cash used in investing activities		**(15 119 503)**	**(52 221 207)**	**-**	**(31 387 760)**
Cash flows from financing activities					
(Repayment of)/additions to other financial liabilities		(1 474 173)	73 954 906	636 903	37 427 397
Repayment of lease liabilities		(10 940 617)	-	-	-
Net cash generated from financing activities		**(12 414 790)**	**73 954 906**	**636 903**	**37 427 397**
Net change of cash and cash equivalents		**29 671 530**	**32 653 103**	**(11 291 928)**	**347 209**
Cash and cash equivalents at the beginning of the period/year		66 265 037	33 611 934	32 360 028	32 012 819
Total cash and cash equivalents at end of the period/year	13	**95 936 567**	**66 265 037**	**21 068 100**	**32 360 028**

The accounting policies on pages 19 to 34 and the notes on pages 35 to 63 form an integral part of the Consolidated and separate financial statements for the period ended 31 December 2020.

GREYSTONE PARTNERS

Greystone Partners Limited

Accounting Policies for the period ended 31 December 2020

1. Corporate information

Greystone Partners Limited was incorporated as a public company on 27 January 2009. The principal object of the Company is to carry on business as an investment holding company. The main purpose of Greystone Partners is to create a formal investment vehicle which is listed on the Eswatini Stock Exchange and which invests primarily in emergent, unlisted businesses with sustainable growth potential. Investors are able to share in Greystone Partners' ability to source, research and secure investments.

Greystone is a venture capital organisation that invests into unlisted entities. African Alliance Eswatini Limited, the investment manager of Greystone, has a strong value-add focus as it is of the opinion that a big part of private equity value creation comes from driving business improvements in portfolio companies. Value addition starts as early as the deal sourcing phase when engaging with management in order to ensure that management teams are open to partnering with the manager and actively driving and generating value.

Greystone continuously monitors the underlying investments for the appropriate time for an exit. For each investment, a trade sale or listing are the preferred exit routes.

1.1 Significant accounting policies

The consolidated and separate financial statements for the period ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") as issued by the International Accounting Standards Board ("IASB"), and the Eswatini Companies Act no. 8 of 2009. The consolidated and separate financial statements for the period ended 31 December 2020 have been prepared on a historical cost basis except for investments at fair value through profit or loss which are measured at fair value. The consolidated and separate financial statements for the period ended 31 December 2020 are presented in Emalangeni and all values are rounded to the nearest Emalangeni, except when otherwise indicated. The consolidated and separate financial statements for the period ended 31 December 2020 incorporate the principal accounting policies set out below. These accounting policies are consistent with the prior period, except for those which were adopted during the period.

1.2 New and amended standards and interpretations

Amendments mandatorily effective for the year ended 31 December 2020

During the year, the Group and the Company have been in the process of adopting the following standards and interpretations:

- Amendments to IFRS 3 - Definition of a business
- Amendments to IAS 1 and IAS 8 - Definition of material
- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Benchmark Reform

Amendments to IFRS 3 - Definition of a business

The IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They redefine the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments have no impact on the consolidated and separate financial statements.

1.2 New and amended standards and interpretations (continued)

Amendments to IAS 1 and IAS 8 - Definition of material

The new definition states that, Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. The amendments have no impact on the consolidated and separate financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards

The IASB decided to revise the Conceptual Framework because certain important issues were not covered and certain guidance was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, guidance on reporting financial performance, improved definitions of an asset and a liability, and guidance supporting these definitions, and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. The standard has no significant impact on the consolidated and separate financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Benchmark Reform

The amendments clarify that entities would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform. The amendments have no significant impact on the consolidated and separate financial statements.

Not yet mandatorily effective but early application allowed for the year ending 31 December 2020

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 31 December 2020, and have not been applied in preparing the financial statements. Those which may be relevant to the Group and the Company are set out below. The Group and the Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

- Amendments to IAS 1 - Presentation of liabilities
- Amendments to IFRS 3 - Reference to the Conceptual Framework
- Amendments to IAS 16 - Property, Plant and Equipment- Proceeds before intended use
- Amendments to IAS 37 - Onerous Contracts- Cost of fulfilling a contract
- Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 - Annual improvements
- Amendments to IFRS 4 - Extension of the Temporary Exemption from Applying IFRS 9
- IFRS 17 Insurance Contracts
- Amendment to IFRS 16 - Covid-19 related Rent Concessions

Amendments to IAS 1 - Presentation of liabilities

The amendments affect requirements in IAS 1 for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current. The amendments are not expected to significantly impact the consolidated and separate financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

1.2 New and amended standards and interpretations (continued)

Amendments to IFRS 3 - Reference to the Conceptual Framework

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments are not expected to significantly impact the consolidated and separate financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

Amendments to IAS 16 Property, Plant and Equipment — Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments are not expected to significantly impact the consolidated and separate financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

Amendments to IAS 37 Onerous Contracts — Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments are not expected to significantly impact the consolidated and separate financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 - Annual improvements

IFRS 1 First-time Adoption of International Financial Reporting Standards - This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent.

IFRS 9 Financial Instruments - This amendment clarifies that, for the purpose of performing the '10 per cent test' for derecognition of financial liabilities, in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

IFRS 16 Leases, Illustrative Example 13 - The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive.

IAS 41 Agriculture - This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement.

These amendments are not expected to have a significant impact on the consolidated and separate financial statements.

Amendments to IFRS 4 - Extension of the Temporary Exemption from Applying IFRS 9

The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023. The amendment is not expected to significantly impact the consolidated and separate financial statements.

IFRS 17 Insurance Contracts

IFRS 17 applies to all types of insurance contracts (i.e. life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The standard has no impact the consolidated and separate financial statements. The standard is effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

1.2 New and amended standards and interpretations (continued)

Amendment to IFRS 16 - Covid-19 related Rent Concessions
The IASB amended IFRS 16 Leases to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if certain conditions are met. The amendments are effective for annual reporting periods beginning on or after 1 June 2020. The amendment is not expected to significantly impact the consolidated and separate financial statements.

1.3 Significant accounting judgements, estimates and assumptions

In preparing the consolidated and separate financial statements for the period ended 31 December 2020, management is required to make judgements, estimates and assumptions that affect the amounts represented in the consolidated and separate financial statements for the period ended 31 December 2020 and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future may differ from these estimates which may be material to the consolidated and separate financial statements for the period ended 31 December 2020.

Significant judgements

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements :

Going concern

The Group's management has made the assessment of the Group and Company's ability to continue as a going concern and is satisfied that the Group and Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis. Please also refer to note 33.

Functional currency

The currency of the primary economic environment in which the entity operates is the Emalangeni. The Group's performance is evaluated in Emalangeni. Therefore, management considers the Emalangeni as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Estimates and assumptions

Allowance for slow moving, damaged and obsolete stock

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

Fair value estimation

The fair value of investments traded in active markets is based on quoted market prices at the reporting date.

The quoted market price used for financial assets held by the Group is the current bid price.

1.3 Significant accounting judgements, estimates and assumptions (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Wherever possible, models use only observable market data. Where required, these models incorporate assumptions that are not supported by prices from observable current market transactions in the same instrument and are not based on available observable market data. Such assumptions include risk premiums, liquidity discount rates, credit risk, volatilities and correlations. Changes in these assumptions could affect the reported fair values of financial instruments. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Trade receivables and payables are shown at carrying value less impairment provision as the effect of discounting is immaterial. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Impairment of non-financial assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors such as inflation. Please also refer to note 33.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liability in the period in which such determination is made.

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

Useful lives and residual values of property, plant and equipment and intangible assets

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives are determined based on group replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the group or company holds for its own use and are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group or company, and the cost of the item can be measured reliably.

1.4 Property, plant and equipment (continued)

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group or company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group or company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

Depreciation is provided to write down the property, plant and equipment, on a straight line basis, over their useful life, to their residual values, as follows:

Item	Average useful life
Plant and machinery	10 years
Furniture and fixtures	10 years
IT equipment	3 years
Leasehold improvements	shorter of useful life or lease term
Motor vehicles	5 years
Office equipment	10 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.5 Investment in associates

Associates are all entities over which the company has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for at fair value through profit or loss ("FVTPL"), after initially being recognised at cost. The company is considered to be a venture capital organisation ("VCO"), see Note 4. The company elected to measure its investment in associated at FVTPL in accordance with IFRS 9 Financial Instruments.

1.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a definite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Licenses and franchises	10 years

1.7 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. Current tax includes any adjustment to tax payable or receivable in respect to previous years.

Current tax liabilities (assets) for the current and prior periods/year are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction that at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

1.7 Tax (continued)

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

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

Deferred tax assets and liabilities are offset only if certain criteria are met.

Tax expenses

Provision is made for income tax on the net taxable profit for the year at the applicable rates of tax which have been substantially enacted at reporting date, taking into account income and expenditure which is not subject to tax.

1.8 Leases

The Group as a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included on the statement of financial position based on their nature.

The Group as a lessee

A lease is defined as 'a contract, or part of a contract, that conveys the rights to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Group assesses whether the contract meets the key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use
- the Group has the right to direct the use of the identified asset throughout the period of use.

Measurement and recognition of leases as a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of its relative standalone price. The Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right of use asset reflects that the Group will exercise a purchase option. In that case, depreciation is done over the useful life of the underlying asset. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate which is determined using the bank lending rate of the lender's country.

1.8 Leases (continued)

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. The lease liability is measured at amortised cost using the effective interest rate.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On transition for leases previously accounted for as operating leases with a lease term of less than 12 months and for leases of low value, the Group accounts for the lease expense on a straight line basis over remaining lease term. For those leases previously classified as finance leases, the right of use asset and lease liabilities are measured at the date of initial application at the same amounts as under IAS 17 immediately before the date of initial application.

1.9 Inventories

Inventories comprises of merchandise for resale and consumables.

Inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out ("FIFO") formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.10 Financial instruments

Classification and measurement

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Financial asset and financial liabilities are recognised when the Group becomes party to the contractual provisions of the financial instrument.

1.10 Financial instruments (continued)

Broadly, the classification possibilities, which are adopted by the Group, as applicable, are as follows:

Financial assets which are equity instruments:

• Mandatorily at fair value through profit or loss; or

• Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

• Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

• Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or

• Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or

• Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

The classification is determined by both the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

Derivatives which are part of a hedging relationship:

• Mandatorily at fair value through profit or loss.

Financial liabilities:

• Amortised cost; or

• Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or

• Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on all financial assets. The amount of expected credit losses is updated at each reporting date.

Loss allowance for all receivables is determined as lifetime expected credit losses (simplified approach). Loss allowance for receivables is determined in the same manner as prescribed for all financial assets at amortised cost.

The Group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

1.10 Financial instruments (continued)

Measurement and recognition of expected credit losses

The Group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Write off policy

The Group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Amounts owing by/to related parties

These include amounts owing by/to related companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Amounts owing by related parties are classified as amortised costs.

Amounts owing to related parties are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. The Group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Trade and other receivables are classified as financial asset measured at amortised cost.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. They are subsequently measured at amortised cost.

Investments at fair value through profit or loss

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

1.10 Financial instruments (continued)

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other financial liabilities

Bank overdrafts and borrowings are initially and subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Other financial liabilities are measured initially at fair value and subsequently at amortised cost, using the effective interest method.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when :

- the rights to receive cash flows from the asset have expired, and
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group had neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of 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. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. 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 Company could be required to repay.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

When the existing financial 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if :

- there is a currently enforceable legal right to offset the recognised amounts, and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.11 Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

1.11 Impairment of non-financial assets (continued)

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The Group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.12 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity.

If the Group reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Consideration paid or received shall be recognised directly in equity.

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.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.14 Provisions and contingencies

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

1.14 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. Provisions are not recognised for future operating losses. Contingent assets and contingent liabilities are not recognised.

1.15 Revenue

Revenue is recognised using the 5 step model as defined below:

- identify the contract – this would be a matter of law but collection needs to be probable, has to have commercial substance, rights to goods and services and payment obligations can be identified and that both parties are committed to their obligations.
- identify the performance obligations – where there are multiple performance obligations, an assessment is required whether these can be separately enjoyed and if so need to recognised as such.
- determine the transaction price – a risk of revenue reversal as well as a significant finance component need to be factored in.
- Allocate the transaction price – the transaction price needs to be allocated to the performance obligations. This must be done using stand alone selling prices to the extent that they are available. In the absence of these an expected cost plus margin or market assessment approach is to be used.
- Recognise revenue when the entity satisfies a performance obligation. Indicators of this are a present obligation to pay, physical possession, legal title, risk and rewards and acceptance. If these criteria are met over time then allocation can be done using an objective allocation method based on inputs or outputs.

Revenue from the sales of goods comprises retail sales to customers. All revenue is stated exclusive of value added tax. Revenue from the sales of goods is measured at fair value of consideration received or receivable, net of returns, discounts, loyalty discounts and volume rebates. Revenue is recognised when persuasive evidence exists that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales is recognised.

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

Dividends are recognised, in profit or loss, when the Group's right to receive payment has been established.

1.16 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee comprising of the chief financial officer, managing director and directors that makes strategic decisions.

1.17 Segment reporting (continued)

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments reflect the management structure of the group and are identified both geographically and by the key markets which they serve.*

*Segment analysis disclosed in note 31. Only one operating segment was identified, that is, the venture capital organisation as a whole.

1.18 Comparative information

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period.

1.19 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 Consolidation

The consolidated and separate financial statements incorporate the consolidated and separate financial statements of the company and all entities, including special purpose entities, which are controlled by the group.

Control exists when the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries are included in the consolidated and separate financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the consolidated and separate financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions which result in changes in ownership levels, where the group has control of the subsidiary both before and after the transaction are regarded as equity transactions and are recognised directly in the statement of changes in equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Business combinations

The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liabilities or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

1.20 Consolidation (continued)

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are classified as held-for-sale in accordance with IFRS 5 Non-current Assets Held-For-Sale and discontinued operations, which are recognised at fair value less costs to sell. Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

Greystone Partners Limited

Notes to the Consolidated and separate financial statements for the period ended 31 December 2020

	Group		Company	
Figures in Emalangeni	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

2. Property, plant and equipment

Group

	2020			2019		
	Cost / Valuation	**Accumulated depreciation**	**Carrying value**	Cost / Valuation	Accumulated depreciation	Carrying value
Computer software	**2 748 456**	**(1 148 705)**	**1 599 751**	-	-	-
Furniture and fixtures	**11 478 012**	**(1 228 142)**	**10 249 870**	-	-	-
IT equipment	**2 560 305**	**(734 879)**	**1 825 426**	594 630	(875)	593 755
Leasehold improvements	**5 701 859**	**(632 851)**	**5 069 008**	-	-	-
Motor vehicles	**2 386 115**	**(637 440)**	**1 748 675**	146 950	(3 698)	143 252
Office equipment	**480 090**	**(65 377)**	**414 713**	20 433	(42)	20 391
Plant and machinery	**40 646 920**	**(6 044 335)**	**34 602 585**	7 966 229	(33 690)	7 932 539
Total	**66 001 757**	**(10 491 729)**	**55 510 028**	8 728 242	(38 305)	8 689 937

Reconciliation of property, plant and equipment - Group - 31 December 2020

	Opening Balance	**Additions**	**Additions through business combinations**	**Disposals**	**Depreciation**	**Total**
Computer software	**-**	**529 223**	**2 326 815**	**(107 583)**	**(1 148 704)**	**1 599 751**
Furniture and fixtures	**-**	**6 144 596**	**10 679 663**	**(5 432 099)**	**(1 142 290)**	**10 249 870**
IT equipment	**593 755**	**1 237 472**	**564 803**	**-**	**(570 604)**	**1 825 426**
Leasehold improvements	**-**	**2 527 335**	**4 326 344**	**(1 151 820)**	**(632 851)**	**5 069 008**
Motor vehicles	**143 252**	**1 114 965**	**1 113 200**	**-**	**(622 742)**	**1 748 675**
Office equipment	**20 391**	**212 137**	**245 659**	**-**	**(63 474)**	**414 713**
Plant and machinery	**7 932 539**	**13 705 705**	**17 253 407**	**(3 449 073)**	**(839 993)**	**34 602 585**
	8 689 937	**25 471 433**	**36 509 891**	**(10 140 575)**	**(5 020 658)**	**55 510 028**

Reconciliation of property, plant and equipment - Group - 30 September 2019

	Opening Balance	Additions	Depreciation	Total
IT equipment	-	594 630	(875)	593 755
Motor vehicles	-	146 950	(3 698)	143 252
Office equipment	-	20 433	(42)	20 391
Plant and machinery	-	7 966 229	(33 690)	7 932 539
	-	8 728 242	(38 305)	8 689 937

3. Goodwill

Group

	2020			2019		
	Cost	**Accumulated impairment**	**Carrying value**	Cost	Accumulated impairment	Carrying value
Goodwill	**229 551 764**	**-**	**229 551 764**	86 537 737	-	86 537 737

	Group		Company	
Figures in Emalangeni	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

3. Goodwill (continued)

Reconciliation of goodwill - Group - 2020

	Opening balance	Additions through business combinations	Acquisition during the period	Total
Swagri Holdings (Pty) Limited	**1 967 000**	**-**	**-**	**1 967 000**
Inba Holdings Limited	**2 401 167**	**-**	**-**	**2 401 167**
Alliance Foods (Pty) Limited	**82 169 570**	**-**	**-**	**82 169 570**
General Africa Foods Eswatini (Pty) Limited	**-**	**143 014 027**	**-**	**143 014 027**
	86 537 737	**143 014 027**	**-**	**229 551 764**

Reconciliation of goodwill - Group - 2019

	Opening balance	Additions through business combinations	Acquisition during the year	Total
Swagri Holdings (Pty) Limited	-	1 967 000	-	1 967 000
Inba Holdings Limited	-	2 401 167	-	2 401 167
Alliance Foods (Pty) Limited	-	26 760 413	55 409 157	82 169 570
	-	31 128 580	55 409 157	86 537 737

Goodwill for Alliance Foods (Pty) Limited relates to the underlying value of the KFC franchise in Eswatini which is a world famous fast food brand. On an annual basis the carrying value of goodwill is reviewed to determine whether there is any indication that goodwill may have suffered an impairment loss. If any such indication exists, the recoverable amount of the goodwill is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is based on its value in use. The value in use is based on the estimated future cash flows of the applicable cash generating unit, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks associated with the business, less the fair value of all other tangible and intangible assets of the business. As a result of the impairment analysis, it was concluded that no impairments were required for the period.

4. Intangible assets

Group	2020			2019		
	Cost / Valuation	**Accumulated amortisation**	**Carrying value**	Cost / Valuation	Accumulated amortisation	Carrying value
Licenses and franchises	**246 057**	**(720 992)**	**1 525 065**	**-**	**-**	**-**

Intangible assets relate to licenses and franchises for OBC which is a household brand name in the Kingdom of Eswatini. Management's assumption regarding the useful life is assessed annually and there is no need for impairment at the reporting date.

	Group		Company	
Figures in Emalangeni	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

5. Investments in associates

Group

Name of company	Type of shares	% ownership interest 2020	% ownership interest 2019	Carrying amount 2020	Carrying amount 2019
Lojaf Proprietary Limited	Ordinary	49.65 %	29.60 %	137 573 000	82 838 000
Ngwane Mills (Pty) Limited	Ordinary	38.00 %	38.00 %	24 380 000	37 409 000
				161 953 000	**120 247 000**

Reconciliation of investments:

2020

	Opening balance	Fair value (loss)/gain	Purchases	Closing balance
Lojaf Proprietary Limited	**82 838 000**	**(4 054 227)**	**58 789 227**	**137 573 000**
Ngwane Mills (Pty) Limited	**37 409 000**	**(13 029 000)**	**-**	**24 380 000**
	120 247 000	**(17 083 227)**	**58 789 227**	**161 953 000**

2019

	Opening balance	Fair value gain/(loss)	Purchases	Closing balance
Lojaf Proprietary Limited	71 672 000	10 321 402	844 598	82 838 000
Ngwane Mills (Pty) Limited	35 442 000	1 967 000	-	37 409 000
	107 114 000	12 288 402	844 598	120 247 000

Company

Name of company	Type of shares	% ownership interest 2020	% ownership interest 2019	Carrying amount 2020	Carrying amount 2019
Lojaf Proprietary Limited	Ordinary	49.65 %	29.60 %	137 573 000	82 838 000

Reconciliation of investments:

2020

	Opening balance	Fair value (loss)/gain	Purchases	Closing balance
Lojaf Proprietary Limited	**82 838 000**	**(4 054 227)**	**58 789 227**	**137 573 000**

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

7. Investments at fair value through profit or loss (continued)

Level 1				
Swazispa Capital Holdings Limited	**21 000**	21 000	**21 000**	21 000
SBC Limited	**47 452 000**	47 452 000	**47 452 000**	47 452 000
	47 473 000	**47 473 000**	**47 473 000**	**47 473 000**
Level 3				
Orchard Insurance Limited	**3 065 000**	2 892 000	**3 065 000**	2 892 000
Eswatini Royal Insurance Corporation	**88 357 000**	89 500 000	**-**	-
Inba Holdings Limited	**-**	-	**68 328 290**	75 310 316
Swagri Holdings (Pty) Limited	**-**	-	**-**	7 858 930
Alliance Foods (Pty) Limited	**-**	-	**65 176 000**	49 923 000
General Africa Foods Eswatini (Pty) Limited	**-**	21 728 000	**241 316 000**	21 728 000
Promco (Pty) Limited	**2 859 399**	2 894 000	**2 859 399**	2 894 000
	94 281 399	**117 014 000**	**380 744 689**	**160 606 246**
	141 754 399	**164 487 000**	**428 217 689**	**208 079 246**

The investment in Eswatini Royal Insurance Corporation is classified between:

Long term insurance	**12 889 000**	14 833 000	-	-
Short term insurance	**75 468 000**	74 667 000	-	-
	88 357 000	**89 500 000**	**-**	**-**

The investment in Inba Holdings Limited is classified between:

Long term insurance	-	-	**9 967 329**	63 157 569
Short term insurance	-	-	**58 360 961**	12 152 747
	-	**-**	**68 328 290**	**75 310 316**

Group

Reconciliation of financial assets at fair value through profit or loss measured at level 3

2020

	Opening balance	Fair value gain/(loss)	Purchases	Transfers out of level 3	Closing balance
Orchard Insurance Limited	**2 892 000**	**173 000**	**-**	**-**	**3 065 000**
Eswatini Royal Insurance Corporation	**89 500 000**	**(18 586 876)**	**17 443 876**	**-**	**88 357 000**
General Africa Foods Eswatini (Pty) Limited*	**21 728 000**	**-**	**-**	**(21 728 000)**	**-**
Promco (Pty) Limited	**2 894 000**	**(34 601)**	**-**	**-**	**2 859 399**
	117 014 000	**(18 448 477)**	**17 443 876**	**(21 728 000)**	**94 281 399**

*General Africa Foods Eswatini (Pty) Limited became a subsidiary during the current period.

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

7. Investments at fair value through profit or loss (continued)

2019

	Opening balance	Fair value gain/(loss)	Purchases	Closing balance
Orchard Insurance Limited	2 058 000	834 000	-	2 892 000
Eswatini Royal Insurance Corporation	96 259 000	(6 759 000)	-	89 500 000
General Africa Foods Eswatini (Pty) Limited	-	1 728 000	20 000 000	21 728 000
Promco (Pty) Limited	-	(288 488)	3 182 488	2 894 000
	98 317 000	**(4 485 488)**	**23 182 488**	**117 014 000**

Company

Reconciliation of financial assets at fair value through profit or loss measured at level 3

2020

	Opening balance	Gains/(losses) in profit or loss	Purchases	Closing balance
Orchard Insurance Limited	**2 892 000**	**173 000**	**-**	**3 065 000**
Swagri Holdings (Pty) Limited	**7 858 930**	**(7 858 930)**	**-**	**-**
Inba Holdings Limited	**75 310 316**	**(6 982 026)**	**-**	**68 328 290**
Alliance Foods (Pty) Limited	**49 923 000**	**(5 832 263)**	**21 085 263**	**65 176 000**
General Africa Foods Eswatini (Pty) Limited	**21 728 000**	**14 121 903**	**205 466 097**	**241 316 000**
Promco (Pty) Limited	**2 894 000**	**(34 601)**	**-**	**2 859 399**
	160 606 246	**(6 412 917)**	**226 551 360**	**380 744 689**

During the period, the Company acquired 64.2% of the shares in General Africa Foods (Pty) Ltd from African Alliance Securities Trading (Pty) Limited for a consideration of E 205 466 097. This consideration was paid for by the issue of shares to African Alliance Securities Trading (Pty) Limited. Refer to note 15 for additonal information.

2019

	Opening balance	Gains/(losses) in profit or loss	Purchases	Closing balance
Orchard Insurance Limited	2 058 000	834 000	-	2 892 000
Swagri Holdings (Pty) Limited	5 891 930	1 967 000	-	7 858 930
Inba Holdings Limited	82 069 316	(6 759 000)	-	75 310 316
Alliance Foods (Pty) Limited	-	4 923 000	45 000 000	49 923 000
General Africa Foods Eswatini (Pty) Limited	-	1 728 000	20 000 000	21 728 000
Promco (Pty) Limited	-	(288 488)	3 182 488	2 894 000
	90 019 246	**2 404 512**	**68 182 488**	**160 606 246**

	Group		Company	
Figures in Emalangeni	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

7. Investments at fair value through profit or loss (continued)

Fair value estimation

2020

Group and Company

Description	Fair value E000	Valuation technique	Unobservable inputs	Weighted average input	Reasonable possible shift +/- (absolute value)	Change in valuation +/- E 000	Change in Evaluation +/- E 000
Eswatini Royal Insurance Corporation - short term	75 468	Comparable trading multiples	Price earning multiple	11.05	1	7 910	(7 954)
			Company specific risk	10%	10%	(835)	835
			Liquidity risk	15%	10%	(1 326)	1 326
Eswatini Royal Insurance Corporation - long term	12 889	Comparable trading multiples	Price to Embedded Value	1	0.5	8 931	(9 064)
			Company specific risk	10%	10%	(170)	154
			Liquidity risk	15%	10%	(270)	245
Orchard Insurance Limited	3 065	Comparable trading multiples	Price earning multiple	11.05	1	277	(278)
			Company specific risk	25%	10%	(102)	93
			Liquidity risk	15%	10%	(54)	49
Ngwane Mills (Pty) Ltd (Note 5)	24 380	Discounted Cash Flow	Weighted Average Cost of Capital	21.2	10%	(2 873)	313
			Terminal Growth	4.5%	10%	(1 034)	(1 710)
			Minority Discount	10%	10%	(1 631)	(1 184)
			Liquidity risk	10%	10%	(1 631)	(1 184)
Lojaf (Proprietary) Limited (Note 5)	137 573	Discounted Cash Flow	Weighted Average Cost of Capital	18.3	10%	2 349	33 159
			Terminal Growth	4.5%	10%	19 096	14 397
			Minority Discount	5%	10%	5 682	9 144
			Liquidity risk	10%	10%	14 749	18 210
Alliance Foods (Pty) Limited	65 176	Discounted Cash Flow	Weighted Average Cost of Capital	20.3	10%	1 287	19 871
			Terminal Growth	4.5%	10%	10 529	9 281
			Minority Discount	0%	10%	9 858	9 858
			Liquidity risk	10%	10%	9 025	10 616

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

7. Investments at fair value through profit or loss (continued)

Description	Fair value E000	Valuation technique	Unobservable inputs	Weighted average input	Reasonable possible shift +/- (absolute value)	Change in valuation +/- E 000	Change in valuation +/- E 000
General Africa Foods Eswatini (Pty) Limited	241 316	Discounted Cash Flow	Weighted Average Cost of Capital	26	10%	(2 802)	54 392
			Terminal Growth	5%	10%	24 624	22 000
			Minority Discount	0%	10%	23 223	23 223
			Liquidity risk	10%	10%	20 441	25 753
Promco (Pty) Limited	2 719	Discounted Cash Flow	Weighted Average Cost of Capital	18.3	10%	4 949	11 768
			Terminal Growth	4.5%	10%	8 656	7 616
			Minority Discount	10%	10%	5 687	6 453
			Liquidity risk	10%	10%	7 693	8 460
2019							
Group and Company							
Eswatini Royal Insurance Corporation - short term	74 667	Comparable trading multiples	Price earning multiple	10.78	1	7 089	(7 089)
			Company specific risk	10%	10%	(849)	849
			Liquidity risk	15%	10%	(1349)	1349
Eswatini Royal Insurance Corporation - long term	14 833	Comparable trading multiples	Price to Embedded	1	0.5	7 758	(7 758)
			Company specific risk	10%	10%	(166)	150
			Liquidity risk	15%	10%	(263)	239
Orchard Insurance Limited	2 892	Comparable trading multiples	Price earning multiple	10.78	1	255	(255)
			Company specific risk	25%	10%	(92)	83
			Liquidity risk	15%	10%	(49)	44
Ngwane Mills (Pty) Ltd (Note 5)	37 409	Discounted Cash Flow	Weighted Average Cost of Capital	17.9%	10%	128	5 999
			Terminal Growth	4.5%	10%	905	98
			Minority Discount	10%	10%	4	3 282
			Liquidity risk	10%	10%	4	902
Lojaf (Proprietary) Limited (Note 5)	82 838	Discounted Cash Flow	Weighted Average Cost of Capital	16%	10%	(8 224)	10 983
			Terminal Growth	4.5%	10%	2 343	(939)
			Minority Discount	10%	10%	(470)	(1 503)
			Liquidity risk	10%	10%	(470)	(1 503)

Figures in Emalangeni						Group 15 months ended 31 December 2020	Group 12 months ended 30 September 2019	Company 15 months ended 31 December 2020	Company 12 months ended 30 September 2019
7. Investments at fair value through profit or loss (continued)									
Alliance Foods (Pty) Limited	49 923	Discounted Cash Flow	Weighted Average Cost of Capital	17.1%	10%	(4 487)	13 074		
			Terminal Growth	4.5%	10%	4 496	2 718		
			Minority Discount	0%	10%	3 535	3 535		
			Liquidity risk	10%	10%	2 941	4 075		
General Africa Foods Eswatini (Pty) Limited	21 728	Discounted Cash Flow	Weighted Average Cost of Capital	24%	10%	(3 866)	5 535		
			Terminal Growth	5%	10%	3 758	3 252		
			Minority Discount	15%	10%	3 174	3 773		
			Liquidity risk	15%	10%	3 174	3 773		
Promco (Pty) Limited	2 894	Discounted Cash Flow	Weighted Average Cost of Capital	16%	10%	(3 056)	4 082		
			Terminal Growth	4.5%	10%	871	(349)		
			Minority Discount	10%	10%	(175)	559		
			Liquidity risk	10%	10%	(175)	559		

The change in valuation calculated in the above tables show the increase or decrease that the respective input variables would have on the respective valuations.

Investments valuation methodology

- Eswatini Royal Insurance Corporation ("EsRIC") Investment

The Group has an investment in the Eswatin Royal Insurance Corporation. EsRIC provides both short term insurance and life cover to individuals, corporate customers and government organisations. EsRIC is the only insurer in Eswatini with a short and long term licence. In undertaking the valuation of EsRIC, the market multiple methodology has been used with the short term insurance business using the price earnings multiple as the primary methodology and the long term insurance business using the price to embedded value multiple as the primary methodology.

- Orchard Insurance Limited

The Group has an investment in Orchard Insurance Limited ("Orchard"), a company that offers predominately credit life and funeral insurance. In undertaking the valuation of Orchard, the market multiple methodology has been used with the price earnings multiple being the primary methodology.

- Ngwane Mills Proprietary Limited ("Ngwane Mills") Investment (refer to note 5)

The Group has an investment with Ngwane Mills a company which manufactures and distributes animal feed products.

The Group has utilised the Income Approach (discounted cash flow method or DCF) to estimate the fair value as of the Valuation Date. The Income Approach indicates the value of a business based on the value of the cash flows that the business can be expected to generate in the future.

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

7. Investments at fair value through profit or loss (continued)

- Lojaf (Proprietary) Limited ("Lojaf") Investment (refer to Note 5)

The Group has an investment in Lojaf a company which is a retail supermarket. Lojaf is a special purpose vehicle that was established to acquire four Pick n Pay franchise stores. The transaction was effective on 1 December 2016. The franchise agreement with Pick n Pay was renewed as part of the transaction and therefore Lojaf will continue to trade under the Pick n Pay brand as franchisee.

The Group has utilised the Income Approach (discounted cash flow method or DCF) to estimate the fair value as of the Valuation Date. The Income Approach indicates the value of a business based on the value of the cash flows that the business can be expected to generate in the future.

- Alliance Foods (Pty) Limited

The Group has an investment in Alliance Foods (Pty) Limited which has 10 Kentucky Fried Chicken ("KFC") stores in Eswatini. Alliance Foods is the sole KFC franchisee in Eswatini.

The Group has used the discounted cash flow methodology to estimate the fair value as at the valuation date. This methodology has been adopted as it reflects the cash flows expected to be received. In addition, this methodology is widely considered as the most accurate valuation methodology and the discount rate applied takes account of the cost of the funds invested.

- General Africa Foods Eswatini Proprietary Limited

General Africa Foods Eswatini Proprietary Limited is an investment holding company having its primary investment is in franchises of the OBC Chicken and Meat ("OBC") butchery and retail concept. OBC has two distribution centres and operates a fleet of trucks, which service the stores daily.

The Group has used the discounted cash flow methodology to estimate the fair value as at the valuation date. This methodology has been adopted as it reflects the cash flows expected to be received. In addition, this methodology is widely considered as the most accurate valuation methodology and the discount rate applied takes account of the cost of the funds invested.

Afri Pack Proprietary Limited, a fully owned subsidiary of General Africa Foods Eswatini Proprietary Limited, has secured the West Pack Lifestyle Master Franchise Rights in Eswatini. West Pack is a plastic ware shop or a packaging supplier who supplies a variety of products for your day-to-day requirements, ranging from: indoor to outdoor perishables, storage solutions, toys, party accessories, pet care, and garden essentials. Over the years the product range and offering has increased exponentially – so much so that the brand is now positioned as a lifestyle retail store that has become a destination shopping experience. West Pack Lifestyle was opened in November 2020 and therefore started trading in the tail end of the first COVID-19 wave. To date, the store has been trading far above initial expectations and is hugely successful in Eswatini.

- Promco (Pty) Limited

Promco (Pty) Limited is an investment holding company which holds 11% in Lojaf (Proprietary) Limited.

The Group has utilised the Income Approach (discounted cash flow method or DCF) to estimate the fair value as of the Valuation Date. The Income Approach indicates the value of a business based on the value of the cash flows that the business can be expected to generate in the future.

	Group		Company	
Figures in Emalangeni	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

27. Risk management (continued)

Market risk

The Group has investments in various collective investment undertakings the value of which are subject to fluctuations in net asset value prices.

The table below summarises the impact of increases of the net asset value price on the Group's post-tax profit for the period. The analysis is based on the assumption that the net asset value price increased by 5% with all other variables held constant.

Group

	Impact on post tax profit in Emalangeni	
	2020	**2019**
Investments at fair value through profit or loss	**7 087 720**	8 224 350
Investments in associates	**8 097 650**	6 012 350

Company

	Impact on post tax profit in Emalangeni	
	2020	**2019**
Investments at fair value through profit or loss	**21 410 884**	10 403 962
Investments in associates	**6 878 650**	4 141 900

Post-tax profit for the period would increase as a result of gains on investments classified as at fair value through profit or loss.

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

28. Revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time:

Sale of goods	216 936 498	71 955 716	-	-

29. Cost of sales

Sale of goods	**128 977 003**	36 064 995	-	-

30. Other operating income

Other income	**254 110**	-	-	-
Consultancy and advisory income	**1 520 537**	-	-	-
	1 774 647	-	-	-

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

31. Segment reporting

The following factors were considered in identifying reportable segments:

Operating segments reflect the management structure of the Group and are identified both geographically and by the key markets they serve.

The group's chief operations decision maker, being the executive committee comprising of the chief financial officer, managing director and directors, examines the company's performance from a geographic perspective and has identified a single segment from which it derives its total revenue-:

Investment in unlisted and emerging entities: Activities include investments in unlisted and emerging entities.

Summary segment report:

Revenue				
Dividend income	**12 363 345**	11 067 036	**1 898 145**	1 902 036
Interest income	**4 495 222**	4 695 238	**1 025 178**	3 843 120
Total revenue	**16 858 567**	15 762 274	**2 923 323**	5 745 156
Revenue by geographical segment:				
Kingdom of Eswatini	**16 858 567**	15 762 274	**2 923 323**	5 745 156
Total revenue	**16 858 567**	15 762 274	**2 923 323**	5 745 156
Administrative expenses				
Administrative expenses between geographical segments				
Kingdom of Eswatini	**108 919 691**	41 825 999	**14 753 063**	11 851 565
Total administrative expenses	**108 919 691**	41 825 999	**14 753 063**	11 851 565
Total assets				
Total assets by geographical segment:				
Kingdom of Eswatini	**773 705 195**	460 440 509	**643 282 093**	387 323 315
Total assets	**773 705 195**	460 440 509	**643 282 093**	387 323 315
Total liabilities				
Total liabilities by geographical segment:				
Kingdom of Eswatini	**161 792 779**	85 630 599	**57 682 209**	40 079 682
Total liabilities	**161 792 779**	85 630 599	**57 682 209**	40 079 682

	Group		Company	
Figures in Emalangeni	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

32. Earnings per share

Group

Basic and diluted earnings per share are based on total comprehensive profit of E (43 187 206) (2019: E 25 247 731) and the weighted average number of shares of 229 921 561.

Company

Basic and diluted earnings per share are based on total comprehensive profit of E (25 899 073) (2019: E 16 991 576) and the weighted average number of shares of 229 921 561.

33. Going concern and Covid-19

Following the spread of the virus, on 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. The identification of the virus as a new coronavirus, and its subsequent spread, is considered as a non-adjusting subsequent event.

The Group is continuing to operate as it is considered an essential service, and the Board of Directors do not believe the impact on the Group of Covid – 19 will materially impact the financial position of the Group and the Company. No impact has been detected on the value of shares of the Group and the Company and the Board of Directors and management will continue to monitor the impact COVID-19 on the business. It is anticipated that the business will return to normal in the medium term.

It is noted that the Company's current liabilities exceeded its current assets by E 36 614 109 as at 31 December 2020. This is due to the fact that it is expected that E 15 – E 20 million of dividend and interest income will be earned in the 2021 financial year from the Company's underlying investments. This will bolster the Company's current assets and ensure the Company can meet part of it short term obligations. In addition, the Company has sought approval from the Eswatini Stock Exchange ("ESE") in August 2020 for a E 100 million capital raise for the Company, and the necessary approval was received from the ESE Listing Committee on 4 November 2020. The Company will be organising tranches for raising the E 100 million, with the first tranche of E 50 million starting in the second half of 2021. Prospective investors such as pension funds and other high net worth retail clients have indicatively provided interest of approximately E 50 million to date. The capital raise together with the dividend and interest income will result in the current assets far exceeding currently liabilities.

In light of the above, management has assessed the appropriateness of the use of the going concern assumption in the preparation of these financial statements. Based on the assessment performed, management is of the view that the doubt associated with the current uncertainties related to the COVID-19 virus does not result in a material uncertainty and to any such events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

34. Events after the reporting period

Starting at the end of June 2021, Eswatini went through severe protests for democracy which led to political unrest and riots. These resulted in an outlet of one of the subsidiaries being destroyed due to arson while no other stores or restaurants were impacted. The Board of Directors assessed the situation and it was noted that an insurance claim had been lodged and management will aim to have the outlet up and running within two months. Additionally, retail sales have recovered strongly and all lost sales due to forced closure were covered in the first week of July 2021. Management of the various businesses are monitoring the situation closely but it is noted that the series of recent events would not materially impact the financial position of the Group and the Company at this time.

Figures in Emalangeni	Group		Company	
	15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019

35. Change in reporting period

During the period ended 31 December 2020, the Company changed its year-end from September to December in line with its holding company. The current period figures are for 15 months where as the comparative figures are for 12 months.

36. Financial information for associates

The tables below provide summarised financial information for associates of the Group and the Company:

	Lojaf Proprietary Limited		Ngwane Mills (Pty) Limited	
Summarised statement of financial position				
Non-Current assets	**274 800 224**	175 002 788	**49 590 052**	33 607 149
Current assets	**87 678 236**	58 189 738	**82 010 793**	74 305 305
Non-Current liabilities	**(99 730 605)**	(20 448 404)	**(2 909 471)**	(2 125 410)
Current liabilities	**(101 978 102)**	(56 924 311)	**(63 365 942)**	(34 420 579)
Net assets	**160 769 753**	155 819 811	**65 325 432**	71 366 465
Summarised statement of comprehensive income				
Revenue	**253 913 556**	110 749 266	**764 714 037**	22 557 533
Expenses	**(235 713 030)**	(97 450 404)	**(758 634 476)**	(20 049 720)
Taxation	**-**	(3 711 345)	**(2 959 798)**	(814 013)
Profit for the period/year	**18 200 526**	9 587 517	**3 119 763**	1 693 800
Other comprehensive income	-	-	-	-
Total comprehensive income	**18 200 526**	9 587 517	**3 119 763**	1 693 800

GREYSTONE PARTNERS

Greystone Partners Limited

Consolidated and separate detailed Income Statements for the period ended 31 December 2020

Figures in Emalangeni	Note	Group		Company	
		15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019
Revenue					
Sale of goods		216 936 498	71 955 716	-	-
Cost of sales					
Opening stock		(1 620 168)	-	-	-
Purchases		(139 850 683)	(37 685 163)	-	-
Closing stock		12 493 848	1 620 168	-	-
	29	**(128 977 003)**	**(36 064 995)**	**-**	**-**
Gross profit		**87 959 495**	**35 890 721**	**-**	**-**
Other operating income					
Other income		254 110	-	-	-
Consultancy and advisory income		1 520 537	-	-	-
	30	**1 774 647**	**-**	**-**	**-**
Gains on disposal of assets		211 355	-	-	-
Foreign exchange gains		5 731 418	-	-	-
Investment income	23	16 858 567	15 762 274	2 923 323	5 745 156
		22 801 340	**15 762 274**	**2 923 323**	**5 745 156**
Expenses (See breakdown below)		**(108 919 691)**	**(41 825 999)**	**(14 753 063)**	**(11 851 565)**
Operating profit/(loss)	20	**3 615 791**	**9 826 996**	**(11 829 740)**	**(6 106 409)**
Unrealised (loss)/gain on revaluation of investments	21	(35 531 704)	17 679 960	(10 467 144)	22 471 960
Finance costs	22	(9 778 460)	(3 849 281)	(5 416 317)	(2 427 396)
(Loss)/profit before taxation		**(41 694 373)**	**23 657 675**	**(27 713 201)**	**13 938 155**
Taxation	24	(1 492 833)	1 590 056	1 814 128	3 053 421
(Loss)/profit for the period/year		**(43 187 206)**	**25 247 731**	**(25 899 073)**	**16 991 576**
Breakdown of expenses is as follows:					
Expenses					
Administration and management fees		(802 723)	-	-	-
Advertising		(11 555 084)	(4 845 369)	-	-
Amortisation	4,10	(11 832 057)	-	-	-
Auditors remuneration - audit	20	(981 141)	(963 725)	(909 641)	(953 725)
Auditors remuneration - other	20	(386 079)	(543 005)	(106 430)	(528 280)
Bank charges		(1 458 063)	(264 943)	(9 305)	(7 466)
Consultancy fees		(2 781 480)	(473 420)	-	-
Management fees	26	(11 325 233)	(8 733 784)	(11 323 196)	(8 733 784)
Computer expenses		(1 752 134)	(144 945)	-	-
Accounting fees		(19 392)	-	-	-
Consulting and professional fees		(6 577 938)	(1 742 889)	(82 150)	-
Commission paid		(135 000)	-	(135 000)	-
Investment committee fees		(1 831 984)	(141 097)	(1 710 829)	(141 097)
Debt collection		(737 375)	-	-	-

The supplementary information presented does not form part of the Consolidated and separate financial statements for the period ended 31 December 2020 and is unaudited

GREYSTONE PARTNERS

Greystone Partners Limited

Consolidated and separate detailed Income Statements

Figures in Emalangeni	Note(s)	Group		Company	
		15 months ended 31 December 2020	12 months ended 30 September 2019	15 months ended 31 December 2020	12 months ended 30 September 2019
Depreciation	2	(5 020 658)	(38 305)	-	-
Donations		(157 108)	-	-	-
Directors remuneration		(49 078)	(35 990)	(49 078)	(35 990)
Employee costs		(22 705 778)	(7 296 111)	-	-
Advisory fees		(215 169)	-	-	-
Other expenses		(276 482)	(1 462 697)	(205 434)	(1 451 223)
Fines and penalties		(2 720)	-	-	-
Insurance		(835 413)	(455 926)	-	-
Lease rentals on operating lease		5 868 771	(2 851 022)	-	-
Motor vehicle expenses		(431 018)	(85 373)	-	-
Utilities		(8 915 476)	(3 303 010)	-	-
Printing and stationery		(664 815)	(126 854)	-	-
Repairs and maintenance		(2 749 519)	(1 627 346)	-	-
Royalties and license fees		(14 301 628)	(4 784 421)	-	-
Security		(1 107 104)	(416 274)	-	-
Staff welfare		(1 509 795)	(490 543)	-	-
Subscriptions		(348 999)	(1 402)	(200 000)	-
Telephone and fax		(336 340)	(250 779)	-	-
Training		(150 475)	(66 213)	(22 000)	-
Travel and accommodation		(2 835 204)	(680 556)	-	-
		(108 919 691)	**(41 825 999)**	**(14 753 063)**	**(11 851 565)**

The supplementary information presented does not form part of the Consolidated and separate financial statements for the period ended 31 December 2020 and is unaudited

Annexure A : Prime interest rates and currencies

Greystone Partners Limited

	2020	2019
Prime Interest rates (as quoted by a reputable local bank)		
Botswana	**5.25 %**	4.75 %
Ghana	**14.50 %**	16.00 %
Isle of Man	**0.10 %**	0.75 %
Kenya	**11.92 %**	12.47 %
Lesotho	**8.56 %**	11.25 %
Malawi	**12.30 %**	13.90 %
Mauritius	**6.85 %**	8.35 %
South African	**7.00 %**	10.00 %
Eswatini	**7.25 %**	10.00 %
Uganda	**19.30 %**	19.82 %
Emalangeni equals:		
Botswana Pula (BWP)	**0.738**	0.759
Mauritian Rupee (MUR)	**2.707**	2.598
South African Rand (ZAR)	**1.000**	1.000
United States Dollars (USD)	**0.068**	0.072