

The definitions and interpretations commencing on page 6 of this prospectus apply *mutatis mutandis* to this cover.



Greystone Partners Limited
(Incorporated in the Kingdom of Eswatini)
Registration number 74 of 2009
Share code on the ESE: GRYS
("Greystone Partners" or "the Company")

PROSPECTUS

This prospectus is prepared and issued in terms of the Companies Act, No 8 of 2009 ("the Companies Act") and Listing Requirements of the Eswatini Stock Exchange ("the ESE") relating to the offer for subscription by Greystone Partners of 33 333 333 ordinary shares having a nominal value of one cent each in the Company's share capital at an issue price of 300 cents per share. This listing will increase the issued share capital of Greystone Partners to 263,254,903 ordinary shares, resulting in 263,254,903 of its entire authorised share capital of 500,000,000 being listed on the ESE. The offer is subject to the minimum subscription of 10 000 000 ordinary shares at an issue price of 300 cents.

The ESE has granted approval for the listing of the issued ordinary shares having a nominal value of one cent each in the share capital of Greystone Partners at an issue price of 300 cents per share, on the ESE under the abbreviated code "GRYS" SIN code SZE000331023, with effect from the commencement of trade on the Closing Date, subject to the Company having satisfied the Listings Requirements and final conditions precedent.

An abridged version of this prospectus will be published and a copy of this prospectus shall be registered with the Registrar of Companies in terms of S139 of the Companies Act.

Corporate Advisor and Bookrunner



African Alliance Eswatini Limited
(Registration number 415 of 1997)

Sponsoring Broker



African Alliance Eswatini Securities Limited
(Registration number 549 of 1998)

Legal Advisor



**Howe
Masuku
Nsibande
Attorneys**

**Independent Reporting Accountants, Transfer
Secretary and Auditors**
PricewaterhouseCoopers (Eswatini)
(Registration number 418 of 1998)



Date of issue: 9 October 2020

Copies of this Prospectus are available in English only and may, from the date of issue of this Prospectus, be obtained from the registered office of the Company and from African Alliance Eswatini Limited, during normal business hours at the addresses set out in the “*Corporate Information and Advisors*” section of this Prospectus. A copy of this Prospectus will also be available on the Company’s website www.greystonepartners.net.

- The Directors, whose names appear on the cover of the Prospectus, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Prospectus contain all information required by law and the Listings Requirements.
- African Alliance Eswatini Limited and African Alliance Eswatini Securities Limited are acting as Corporate Advisor and Sponsoring Broker, respectively, for the Transaction. The Corporate Advisor and Sponsoring Broker have relied on information provided by the Company. As at date of signing of this Prospectus, the Corporate Advisors and Sponsoring Broker have, to the best of their abilities, confirmed that information contained in the Prospectus is true and accurate.
- The Corporate Advisor accepts responsibility or liability for any inaccuracy of the information contained and will be jointly liable to pay compensation to all persons who have acquired any shares on the faith of the Prospectus for the loss or damage they may have sustained by reason of any untrue statement therein, or in any report or memorandum appearing on the face thereof or issued therewith, or by reference incorporated therein.
- The Corporate Advisor and Sponsoring Broker do also confirm that to the best of their knowledge, this Prospectus constitutes a full and fair disclosure of all material facts as required by the ESE Rules about the Company.

CORPORATE INFORMATION AND ADVISORS

Registered Office

Greystone Partners Limited
2nd Floor, Nedbank Centre
Cnr Sishayi and Sozisa Roads
P.O. Box 5727
Mbabane
H100
Kingdom of Eswatini

Corporate Advisor

African Alliance Eswatini Limited
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P.O. Box 5727
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Sponsoring Broker

African Alliance Eswatini Securities Limited
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Transfer Secretaries

PricewaterhouseCoopers
RHUS Office Park
Karl Grant Street
P.O. Box 569
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Kingdom of Eswatini

Reporting Accountants and Auditors

PricewaterhouseCoopers
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Kingdom of Eswatini

Commercial Banker

Nedbank (Swaziland) Limited
Swazi Plaza
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Kingdom of Eswatini

Company Secretary

Bongiwe Dlamini
African Alliance Eswatini Limited
2nd Floor, Nedbank Centre
Cnr Sishayi and Sozisa Roads
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H100
Kingdom of Eswatini

Place and date of incorporation

Incorporated in the Kingdom of Eswatini 29 January 2009

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FORWARD-LOOKING STATEMENT DISCLAIMER

The definitions and interpretations commencing on page 6 of this Prospectus apply *mutatis mutandis* to this forward-looking statement disclaimer. This Prospectus contains statements about Greystone that are or may be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “will”, “outlook”, “project”, “estimated”, “potential” or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Greystone cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industries in which Greystone invests and operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Prospectus.

All these forward-looking statements are based on estimates and assumptions made by Greystone, as communicated in publicly available documents by Greystone, all of which estimates and assumptions, although Greystone believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Greystone or not currently considered material by Greystone.

Shareholders should keep in mind that any forward-looking statement made in this Prospectus or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Greystone not to develop as expected may emerge from time to time and it is not possible to predict all such factors. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Greystone has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Prospectus after the date of this Prospectus, except as may be required by law.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 6 of this Prospectus apply *mutatis mutandis* to this section:

	2020
General Meeting held at 09h00 on	Friday, 28 August 2020
Competition Commission approval	Mid October
Shareholder and investor roadshows	5 October – 23 October 2020
Investor irrevocable undertakings and commitment to support capital raise to be submitted by	Friday, 20 November 2020
Capital raise and call on investor capital ³	Tuesday, 24 November 2020
Issue and listing of new shares on the ESE	Wednesday, 25 November 2020

Notes:

1. All of the above dates and times are subject to change. Any changes made will be notified to Shareholders and investors by release of announcement.
2. All times given in this Prospectus are local times in the Kingdom of Eswatini.
3. Approximate date for the Capital Raise, subject to the requisite approvals obtained from the ESE and road shows with potential investors concluded. Updated timelines in relation to the Capital Raise will be communicated to shareholders in due course.

DEFINITIONS AND INTERPRETATIONS

In this Prospectus and annexures hereto, unless the context indicates otherwise, a word or an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following words and expressions bear the meanings assigned to them below:

“African Alliance” or “the Manager”	means African Alliance Eswatini Limited, a company incorporated in the Kingdom of Eswatini with Registration Number 415 of 1997;
“African Alliance Advisory”	means African Alliance Advisory (Pty) Limited, a limited liability private company duly incorporated in accordance with the company laws of South Africa with registration number 2002/030821/07;
“African Alliance Advisory Sale Agreement”	means the agreement to be entered into between African Alliance Advisory and Greystone on 13 July 2020 in respect of the acquisition by the Company of 20.1% of African Alliance Advisory’s shareholding in Lojaf, for an aggregate consideration of approximately E 58.8 million and includes any addenda thereto;
“African Alliance Securities Trading”	means African Alliance Securities Trading (Pty) Limited, registration number 2007/025755/071, a limited liability private company duly registered and incorporated in accordance with the laws of South Africa;
“African Alliance Securities Trading Sale Agreement”	means the agreement to be entered into between African Alliance Securities Trading and Greystone on 13 July 2020 in respect of the acquisition by the Company of African Alliance Securities Trading’s 64.2% shareholding in General Africa Foods, for an aggregate consideration of approximately E 205 million and includes any addenda thereto;
“African Alliance Shareholding”	means the 20.1% shareholding by African Alliance Advisory in Lojaf, and the shareholding of 64.2% by African Alliance Securities Trading in General Africa Foods, which Greystone will acquire;
“Alliance Foods”	means Alliance Foods (Pty) Ltd, registration number 876 of 2018, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Management Agreement”	means the agreement entered into between Greystone and the Manager on 25 October 2010 and amended on 13 August 2015, which salient features of the agreement are set out in Annexure 7 and available for inspection as set out in paragraph 18;
“Board” or “the Directors” or “Board of Greystone”	means the board of directors of Greystone Partners as set out paragraph 8 of this Prospectus;
“business day”	means any day other than a Saturday, Sunday or official public holiday in the Kingdom of Eswatini;
“Capital Raise”	means the raising of E 100 million through the issuance of new equity in Greystone at an issue price of E 3.00 per share, each share having a nominal value of E 0.01 (one cent);
“CEO”	means the Chief Executive Officer;
“Certificated Shareholders”	means the Greystone shareholders who hold Certificated Shares;
“Certificated Shares”	means the Greystone Shares, title to which is represented by share certificates or other physical documents of title;
“Closing Date”	means 1 November 2020 should the Conditions Precedent as set out in paragraph 1.8.3 of this Prospectus be fulfilled or waived by not later than 31 October 2020;
“CMA”	means the Common Monetary Area, comprising the Kingdom of Eswatini, the Republic of South Africa, the Kingdom of Lesotho and the Republic of Namibia;
“Companies Act” or “the Act”	means the Companies Act of the Kingdom of Eswatini, Act no 8 of 2009;

“Company Secretary”	means Ms Bongiwe Dlamini, an employee of African Alliance Eswatini Limited, a company incorporated in the Kingdom of Eswatini with Registration Number 415 of 1997, full details of which are set out in the “Corporate information and Advisors” section;
“Competition Act”	means the Eswatini Competition Act, No. 8 of 2007;
“Deemed Date”	means seven days subsequent to the e-mailing of this Prospectus;
“documents of title”	means the share certificates, certified transfer instruments, balance receipts and any other documents of title to Greystone Shares acceptable to the Board;
“E”, “Emalangeneni” or “SZL”	means the lawful currency of the Kingdom of Eswatini (singular Lilangeni), one Lilangeni comprising 100 cents. Emalangeneni are presently linked to the South African Rand on a one-for-one basis;
“Effective Date”	means the first day of the month following the month in which the conditions precedent as set out in paragraph 1.8.3 are fulfilled or waived or such other date as the parties may agree in writing, which date is anticipated to be Monday, 2 November 2020;
“ESE”	means the Eswatini Stock Exchange, being the exchange operated by the ESE Limited (Registration number R7/21342), licensed as an exchange under the Financial Institutions (Consolidated) Order, 1975 under Section 18 (1) (b) and a company registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“ESRIC”	means Eswatini Royal Insurance Corporation, registration number 32 of 1973, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Exchange Control Regulations”	means the Exchange Control Regulations of Eswatini issued under the Exchange Control Order, 1974 and the Exchange Control Regulations issued under Legal Notice No.2 of 1975;
“Existing Portfolio”	means Greystone’s investment portfolio excluding the African Alliance Shareholding as set out in paragraph 7.7;
“General Africa Foods” or “GAFF”	means General Africa Foods (Pty) Ltd, registration number 150 of 2018, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“General Meeting”	means the general meeting of Shareholders which was held on Friday, 28 August 2020;
“Greystone Partners” or “Greystone” or “the Company”	means Greystone Partners Limited, registration number 74 of 2009, a public company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“government”	means the government of the Kingdom of Eswatini;
“IFRS”	means the International Financial Reporting Standards;
“Independent Valuer” or “KPMG”	means the independent valuer of the Company, being KPMG Services Proprietary Limited, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Independent Reporting Accountants and Auditors” or “Independent Reporting Accountants” or “PwC”	means PwC Inc., registration number 418 of 1998, a personal liability company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini, full details of which are set out in the “Corporate Information and Advisors” section;
“Interim Period”	means the period of time between the Signature Date and the Effective Date;
“IRR”	means the internal rate of return, a common method of comparing returns. The internal rate of return is in effect the “annualized effective compounded return rate”, or the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero. Internal rate of return is used to evaluate the attractiveness of a project or investment;
“Last Practical Date”	means the last practical date before the finalisation of this Prospectus, being Tuesday, 6 October 2020;

“Listings Requirements”	means the Listings Requirements, as issued by the ESE from time to time;
“Lojaf”	means Lojaf (Pty) Ltd, registration number 873 of 2016, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“MOA”	means the memorandum and articles of the Company, which is available for inspection as set out in paragraph 18;
“NAV”	means net asset value;
“Ngwane Mills”	means Ngwane Mills (Pty) Ltd, registration number R7/6465, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Orchard”	means Orchard Insurance Limited, registration number 73 of 2009, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Promco”	means Promco (Pty) Ltd, registration number 2413 of 2016, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Proposed Transactions”	means collectively the acquisition by Greystone of the African Alliance Shareholding in return for equity in Greystone through the Share Swap for an aggregate Purchase Consideration of E 264.3 million as agreed in the African Alliance Sale Agreements and, the Capital Raise of E 100 million through the issuance of new shares in Greystone;
“Prospectus”	means this Prospectus dated 7 October 2020, including the annexures hereto;
“Purchase Consideration”	means the purchase consideration specified under the African Alliance Sale Agreements for the African Alliance Shareholding amounting to approximately E 264.3 million, excluding acquisition and transaction costs, which Purchase Consideration will be settled using both equity as described in further detail in paragraph 1.5 of the Prospectus;
“Resolutions”	means the ordinary and special resolutions which were approved by the Shareholders at the AGM;
“SACU”	means the Southern African Customs Union;
“Sale Agreements”	means the African Alliance Advisory Sale and Purchase Agreement and the African Alliance Securities Trading Sale and Purchase Agreement;
“SBC”	means SBC Limited, registration number 473 of 2011, a listed company on the ESE, duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;
“Schedule 2”	means Schedule 2 of the Companies Act;
“Sellers”	means African Alliance Advisory and African Alliance Securities Trading;
“Shares” or “Ordinary Shares” or “Greystone Shares”	means ordinary shares of one cent nominal value each in the share capital of the Company;
“Share Swap”	means the acquisition by Greystone of the African Alliance Shareholding, the Purchase Consideration to be paid for by issuing shares in Greystone to African Alliance Advisory;
“Shareholders” or “Greystone shareholders”	means holders of Greystone Shares, as recorded in the securities register of the Company;
“Signature Date”	means the date of signature of the Sale Agreements by the party last signing;
“Supplementary Statement”	Pre-Listing means the statement required to be issued by the Company in terms of the Listings Requirements, detailing updated listing particulars for the Company, which is issued together with this Prospectus;
“Swazispa”	means Swazispa Holdings Limited, registration number 1147 of 2003, a listed company on the ESE, duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini;

“GRYS Annual Report”

means the 2019 Greystone Integrated Annual Report, available for inspection as set out in paragraphs 17 and paragraph 18;

“Transfer Secretaries” or “PwC”

means PwC, registration number 418 of 1998, a private company duly registered and incorporated in accordance with the laws of the Kingdom of Eswatini, full details of which are set out in the “Corporate Information and Advisors” section and the transfer secretaries to Greystone;



Greystone Partners Limited
(Incorporated in the Kingdom of Eswatini)
Registration number 74 of 2009
Share code on the ESE: GRYS
("Greystone" or "the Company")

Directors

Executive

NK Mabuza
AMB de Castro

Non-executive

MM Dlamini (Chairman)[#]
ML Dlamini[#]
S Khumalo[#]
SN Shabangu[#]
KD Dlamini[#]

[#]*Independent*

PROSPECTUS

1 INTRODUCTION AND PURPOSE OF THIS PROSPECTUS

1.1 Introduction

Shareholders are referred to the various presentations communicated and Circular circulated to Shareholders. Greystone wishes to inform Shareholders and prospective investors regarding the Sale Agreements Greystone entered into with the Sellers for the acquisition of an effective 20.1% of Lojaf from African Alliance Advisory and 64.2% of GAFE from African Alliance Securities Trading respectively, related parties to Greystone, for an aggregate consideration of approximately E 264.3 million, where the Purchase Consideration will be settled through a Share Swap.

The Share Swap constitute a related party transaction in terms of the Listings Requirements. All relevant resolutions to implement the Proposed Transactions were approved by Shareholders at the AGM, which was held on Friday, 28 August 2020.

1.2 Purpose

The purpose of this Prospectus is to:

- provide Shareholders and prospective investors with information relating to the Share Swap and Capital Raise in accordance with the Listings Requirements and provide them with the opportunity to consider and, if deemed appropriate, pass with or without modification, the Resolutions required to implement the Capital Raise in terms of the Listings Requirements.

1.3 Approval requirements

In relation to the Share Swap, the Company required the approval by more than 50% of the total votes validly exercised by Shareholders (excluding related parties and their associates) in writing, as the Proposed Transactions are classified in aggregate as a related party transaction in terms of the Listings Requirements.

In relation to the Share Swap, the Company required approval of Shareholders by way of a special resolution in terms of the Listing Requirements, requiring the approval of at least 75% of the total votes exercisable by Shareholders in writing, given that Greystone will be required to issue up to 88.1 million additional Shares at a price of E 3.00 per share, which will exceed 25% of the Shares currently in issue.

All relevant resolutions to implement the Proposed Transactions were approved by Shareholders at the AGM, which was held on Friday, 28 August 2020

1.4 Background to the Proposed Transactions

Greystone was incorporated as a public company on 27 January 2009. It is a listed investment company that focuses primarily on unlisted investment opportunities, i.e. the private equity asset class. The Company's aim and objective is to achieve superior long term capital appreciation through majority or minority equity stakes across a portfolio of investments. Greystone, through its network of business associates, has the ability to leverage off its strong relationships within the business community to identify and execute on the most attractive of investment opportunities. Although the Company's main focus is unlisted investments, the Company's investment mandate allows it to invest in a variety of instruments from pure debt, structured products, quasi equity funding, unlisted equity and listed equity investments. This flexibility provides Greystone with the ability to structure investments that limit downside risk whilst enabling the opportunity to achieve superior returns.

Greystone's investment strategy is focused on building a diversified pool of investments that are by, *inter alia*, leveraging African Alliance's active management model to maximize investor returns. The investment process is rigid and defined, however the assessment of a particular opportunity presented may vary between fundamental bottom-up and macro top-down processes, but are all underpinned by a rigid and defined approach.

Through the Directors, the Manager and the members of Greystone's investment committee, the Company has extensive and complimentary backgrounds in public and private investing, principal investing, corporate finance, financial modelling, structured finance and financial engineering with over 50 years combined investment and business management experience in Africa. These skills have enabled Greystone to develop a successful long term track record as detailed below in paragraph 7.3.

The key characteristics of Greystone that should be appealing to investors are:

- the Company provide public market investors with a liquid vehicle to indirectly access a diversified pool of unlisted small to mid-sized companies through equity or equity-like instruments;
- provides a single entry point and investment vehicle for Eswatini's to obtain privileged access to the real economy;
- Greystone offers its shareholders an opportunity to make a direct and proactive contribution to Eswatini's economic growth and development, and to participate in the process of creating wealth;
- the Company has a proven track record over the past decade of providing shareholder returns in excess of the Eswatini Stock Exchange overall returns; and
- is a vehicle that allows for the efficient use of capital through on-balance sheet and portfolio gearing where necessary.

The Existing Portfolio is currently well diversified, with investments ranging from insurance and agricultural manufacturing to fast moving consumer goods (FMCG) and financial services companies. Strategically, Greystone targets businesses which fits the criteria of being clearly understood, strong and aligned management, companies which generates high returns on equity and consistent growth in after-tax profits, compelling business models and high growth potential.

The Board believes that in order for Greystone to achieve their strategic objectives, the following initiatives need to be pursued:

- acquiring the African Alliance Shareholding in underlying investments in which both the Company and African Alliance are invested, for equity in Greystone; and
- raising of E 100 million of fresh equity capital from existing and new investors in order to strengthen the balance sheet from a cash reserve perspective.

The implementation of the Proposed Transactions will result in immediate scale, significantly increase the size of Greystone's Existing Portfolio and a 62% growth in its market capitalisation, providing it with a solid platform to grow the Company further and increase its shareholder base and liquidity. The Company's rationale for the Proposed Transactions is further set out below:

Rationale for the Proposed Transactions:

- attract more institutional investors and improve share price liquidity and price discovery;
- increase ability to raise capital, equity and debt;
- to become a significant private equity investor with significant balance sheet strength;
- extracting more value by aggressively driving portfolio companies;
- obtain the ability to execute bigger and better deals; and
- to have fresh capital to position the Company for new transactions and follow on investments in the Existing Portfolio
- Enhance investor and public awareness of the Company

1.5 Funding of the Share Swap

Greystone intends to settle c. E 264.3 million of the Purchase Consideration for the African Alliance Shareholding by issuing approximately 88.1 million of new equity to the Sellers by way of a Share Swap at a price of E 3.00 per Share (ex-dividend). Post the Share Swap, this will result in:

- Greystone's market capitalisation increasing to E 689.8 million;
- An increase in Greystone's Net Asset Value to E 716 million from E 352 million;
- Greystone increasing its shareholding in Lojaf and GAFE to 49.7% and 70.2% respectively; and
- African Alliance Advisory becoming a 38.3% shareholder in Greystone.

Greystone intends to raise fresh equity through a Capital Raise with a target of E 100 million, which will allow Greystone to pay down debt as well as have sufficient capital for new transactions and follow on investments.

1.6 The African Alliance Shareholding

The African Alliance Shareholding comprises of:

- a 20.1% shareholding by African Alliance Advisory in Lojaf; and
- a 64.2% shareholding by African Alliance Securities Trading in General Africa Foods.

The African Alliance Shareholding was valued at E 264.3 million as at 30 September 2019 by KPMG.

1.6.1 African Alliance Shareholding

Lojaf

- Lojaf is a holding company, formed in 2016 to acquire retail outlets in Eswatini. Greystone invested E 41.0 million to acquire a minority stake 39.0% in Lojaf in 2016.
- Lojaf, acquired 4 Pick n Pay ("PnP") franchise stores in Eswatini, which from the Foster Supermarket Group. During 2017, 26.0% of Lojaf raised capital for expansion and growth and issued shares which were subscribed for by various pension funds and individual investors, which resulted in a reduction in Greystone's shareholding to 28.89%.
- In 2019, Greystone acquired an additional 0.71% in Lojaf, which increased its shareholding to 29.6% as at 31 August 2019.
- Lojaf now has 9 stores and is expected to have 10 by the end of 2020. This expansion was through the acquisition of 3 stores and opening of a new store. Lojaf now owns all PnPs in Eswatini and as a result is the master franchisee for PnP in Eswatini. As such, no other entity can open a PnP franchise in the country.

General Africa Foods

- General Africa Foods is an investment holding company, which focuses on the food industry, and specifically the lower living standards measure ("LSM") retail sector in Southern Africa.
- General Africa Foods' primary investment is in franchises of the OBC Chicken and Meat ("OBC") butchery and retail concept group.
- OBC is a retail store that primarily sells meat products through its butchery. The store also sells other Fast-Moving Consumer Goods ("FMCG") products, strategically positioning its stores near mass markets and communities.
- OBC has two distribution centres and operates a fleet of trucks, which service the stores daily.

1.7 Valuation

The African Alliance Shareholding was valued by KPMG (South Africa), who are independent external registered professional valuers in terms of International Private Equity and Venture Capital ("IPEVC") valuation guidelines. The African Alliance Shareholding was valued at E 264.3 million as at 30 September 2019 by KPMG.

1.8 Terms of the Proposed Transactions

1.8.1 The Purchase Consideration

The Purchase Consideration will be settled as detailed in paragraph 1.5 above, payable on the Closing Date.

1.8.2 Warranties and indemnities

African Alliance Advisory and African Alliance Securities Trading have warranted that:

- they are the beneficial owners of the African Alliance Shareholding;
- no person has any right (including any option or right of first refusal) to acquire any interest in or to the African Alliance Shareholding (as the case may be) other than Greystone in terms of the Sale Agreements;
- on the Transfer Date, full, free and unencumbered ownership of the African Alliance Shareholding will transfer to Greystone.

1.8.3 Conditions Precedent

The Proposed Transactions are subject to fulfilment of the following conditions precedent as set out in the Sale and Purchase Agreements:

- Greystone complying with the applicable Listings Requirements and, to the extent required, the FSRA granting the requisite approvals of and in relation to the Proposed Transactions, unconditionally by Friday, 30 October 2020;

1.8.4 Effective Date of the Proposed Transactions

- The Effective Date will be the first day of the month following the month in which the conditions precedent as set out in paragraph 1.8.3 are fulfilled or waived or such other date as may be agreed in writing, which date is anticipated to be 2 November 2020.

1.8.5 Other terms and conditions

Other terms and conditions contained in the Sale Agreements are normal for a transaction of this nature.

2 RELATED PARTY TRANSACTIONS

- 2.1** The Proposed Transactions are classified as related party transactions for Greystone given that:
- AM de Castro is an executive director of the Company, and is also the director of African Alliance Limited (Isle of Man), which owns 100% of African Alliance Advisory and 44% of African Alliance Securities Trading; and
 - Greystone is managed by African Alliance Eswatini, a wholly owned subsidiary of African Alliance Limited.
- 2.2** Accordingly, African Alliance is a Related Party as defined in the Listings Requirements and therefore they (and their respective "associates" as defined in the Listings Requirements) are precluded from voting on the Proposed Transactions Resolutions as set out in **Annexure 12**.
- 2.3** It is important to note that the Ligcebesha Fund and Eswatini Portfolio Fund, c. 15% and 10% shareholders within Greystone respectively, are funds which are managed, but not owned, by African Alliance and therefore, do not classify as related parties to Greystone or associates of the Manager.
- 2.4** As set out in paragraph 10.4(e) of the Listings Requirements, the Board requested KPMG to perform an independent valuation in respect of the African Alliance Shareholding as well as value Greystone itself for a potential transaction, for the purpose of providing an independent view of the Share Swap and to provide Greystone with a swap ratio range. The Board deemed the independent valuation to be fair and reasonable.
- As detailed in paragraph 1.7, KPMG valued the African Alliance Shareholding in accordance with Schedule 5 of the Listing Requirements as at 30 September 2019.

3 FINANCIAL INFORMATION

- 3.1** The historical financial information for Greystone, consisting of the past three financial years, up to and including the latest published financial year end, is presented in **Annexure 8**. The Reporting Accountants' report on the historical financial information of the consolidated Greystone group, is presented in **Annexure 11**.
- 3.2** *Pro forma* financial information of Greystone after the Proposed Transactions

The *pro forma* net asset value, net tangible asset value per Share after the Proposed Transactions ("*pro forma* financial effects"), as set out in the table below, are the responsibility of the Directors. The *pro forma* financial effects have been prepared in accordance with Greystone's accounting policies which comply with IFRS. The *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature, may not fairly present Greystone's financial position post the implementation of the Proposed Transactions.

The *pro forma* financial effects set out below should be read in conjunction with the *pro forma* statement of financial position of Greystone as set out in **Annexure 9**.

The Reporting Accountants' reports on the *pro forma* financial effects are set out in **Annexure 11**, to this Prospectus.

The table below sets out the *pro forma* financial effects of the Proposed Transactions based on the published year-end financial results of Greystone for the twelve-month period ending 30 September 2019 and, on the assumption, that the Proposed Transactions were implemented on 30 September 2019 for statement of financial position purposes.

Pro forma statement of financial position of Greystone after the Proposed Transactions

	Results for the period ended as at 30 September 2019	<i>Pro forma</i> results after the Proposed Transactions	Change
Net asset value per Ordinary Share	2.51	2.89	15%
Net tangible asset value per Ordinary Share	2.51	2.89	15%
Number of Shares in issue (000)	141,836	263,255	121,418

Notes and assumptions:

1. The "Results for the period ended as at 30 September 2019" column was extracted from the published statement of financial position of the Company as at 30 September 2019.
2. The "Pro forma results after the Proposed Transactions" column represents the net asset value per Share and net tangible asset value per Share after the Proposed Transactions. It includes the effect of the Share Swap for a total Purchase Consideration of E 264.3 million and, the subsequent Capital Raise.
3. Refer to **Annexure 9** for detailed notes and assumptions related to the *pro forma* statement of financial position.

Pro forma statement of profit or loss and other comprehensive income of Greystone after the Proposed Transactions

The *pro forma* basic and diluted basic earnings per Share and headline earnings and diluted headline earnings per Share for the twelve months ended 30 September 2019 ("*pro forma* EPS and HEPS"), as set out in the table below, are the responsibility of the Directors. The *pro forma* EPS and HEPS have been prepared in accordance with Greystone's accounting policies which comply with IFRS. The *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature, may not fairly present Greystone's results of operations post the implementation of the Proposed Transactions.

The *pro forma* EPS and HEPS set out below should be read in conjunction with the *pro forma* statement of profit or loss and other comprehensive income of Greystone for the twelve months ended 30 September 2019 as set out in **Annexure 10**.

The Reporting Accountants' reports on the *pro forma* financial information is set out in **Annexure 11** to this Prospectus.

The table below sets out the *pro forma* EPS and HEPS based on the published annual financial results of Greystone for the twelve-month period ending 30 September 2019 and, on the assumption, that the Proposed Transactions were implemented on 1 October 2018 for statement of profit or loss and other comprehensive income purposes.

	Before	After	Change
Earnings and diluted earnings per Share (in cents)	0.18	0.09	-52%
Headline and diluted headline earnings per Share (in cents)	0.30	0.15	-49%
Weighted average number of Shares in issue (000)	141,836	263,255	121,418

Notes and assumptions:

1. The "Before" Column sets out the published statement of profit or loss and other comprehensive income of Greystone for the twelve months ended 30 September 2019 extracted, without adjustment, from the published annual financial statements of Greystone for the twelve months ended and as at 30 September 2019.
2. The "After" Column illustrates the *pro forma* statement of profit or loss and other comprehensive income of Greystone after the Proposed Transactions.
3. Refer to **Annexure 10** for detailed notes and assumptions related to the *pro forma* statement of profit or loss and other comprehensive income.

4 CAPITAL STRUCTURE

The authorised and issued share capital of the Company as at the Last Practical Date was as follows:

	Number of Shares	E'000
Authorised share capital		
Ordinary Shares of 1 cent each	250,000,000	2,500,000
Issued share capital		
Stated capital – ordinary Shares of 1 cent each	141,836,461	1,418,365
Share premium		179,672,455
Total	141,836,461	181,090,820

The authorised and issued share capital of the Company, after the implementation of the Proposed Transactions based on the assumption that Capital Raise is fully subscribed, is expected to be as follows:

	Number of Shares	E'000
Authorised share capital		
Ordinary Shares of 1 cent each	500,000,000	5,000,000
Issued share capital		
Stated capital – ordinary Shares of 1 cent each	263,254,903	2,632,549
Share premium		542,713,595
Total	263,254,903	545,346,145

The authorised but unissued ordinary shares in existence after the offer will be under the control of the directors until the next annual general meeting.

All of the authorised and issued ordinary shares (including those to be issued in terms of this Prospectus) will be allocated and issued subject to the provisions of Greystone's Articles of Association and rank *pari passu* in every respect.

4.1 Alterations to the Company's share capital

Any variation of rights attaching to ordinary shares will require the consent of shareholders in general meeting in accordance with the Articles of Association of Greystone, the listing requirements of the ESE and the Companies Act, 2009.

4.2 Voting rights

In accordance with the Articles of Association of Greystone, at any general meeting, every shareholder present in person or represented by proxy shall have one vote on a show of hands, and on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder.

4.3 Options or preferential rights in respect of ordinary shares

There are no contracts or arrangements, either actual or proposed, whereby any option or preferential right of any kind has or will be given to any person to subscribe for any ordinary shares in Greystone.

In the allocation of the issued shares of Greystone under this Prospectus and subsequent to the shareholders waiving their pre-emptive right, the Manager shall reserve the right to first allocate these shares to existing equity holders in a proportion to their existing holding and or as expressed by these shareholders and allowable by the applicable legislation. Only to the extent that these shares are not taken up by such persons under this Issue, they will then be issued to others or otherwise in the proportion mentioned above.

4.4 Particulars of the Proposed Transactions

Share Swap

The Share Swap will see a total amount of 88,085,108 shares issued by Greystone to African Alliance, at an issue price of E 3.00 per share, each share having a nominal value of E 0.01 (one cent).

Capital Raise

Class of shares:	Ordinary shares
Nominal value per share:	E 0.01 (one cent)
Number of shares for the Capital Raise:	33,333,333
Issue price per share:	E 3.00 (300 cents)
Amount to be raised before expenses	E 100,000,000

Ordinary shares subscribed for in terms of the Capital Raise will be issued upon receipt of the subscription amounts. The issuing and listing of share capital is subject to the minimum aggregate subscription of 15,000,000 ordinary shares in the Company.

The ordinary shares to be issued in terms of the Proposed Transactions will be issued on the same terms and conditions as the ordinary shares already in issue.

4.5 Trading history

The Share prices and volume histories of Shares on the ESE:

- in the 12 months prior to the Last Practicable Date;
- in the 30 days preceding the Last Practical Date, are set out in **Annexure 3**.

5 MAJOR SHAREHOLDERS

Shareholders with a beneficial interest of 1% or more in the Shares of Greystone at the Last Practicable Date are as follows:

Shareholder	Direct (Number of Shares)	Indirect (Number of Shares)	Percentage held (%)
University of Eswatini Pension Fund	29,476,190	-	20.78%
Central Bank of Eswatini Retirement Fund	28,083,334	-	19.80%
African Alliance Ligcebesha Fund	21,164,348	-	14.92%
AA Eswatini Portfolio Fund	14,473,810	-	10.20%
Eswatini Electricity Company Pension Fund	12,369,048	-	8.72%
EPTC Pension Fund	8,316,666	-	5.86%
Eswatini Railway Company	5,000,000	-	3.53%
Public Services Pensions Fund	5,000,000	-	3.53%
Eswatini Water Services Corporation	5,000,000	-	3.53%
Standard Bank Pension Fund	3,571,429	-	2.52%
Nedbank Pension Fund	2,369,048	-	1.67%
Eswatini Railway Pension Fund	1,941,789	-	1.37%
African Alliance Eswatini Managed Fund	1,727,500	-	1.22%

Other	3,343,299	-	2.36%
Total	141,836,461	-	100.00%

As at the Last Practical Date, UEPF was the largest shareholder of the Company with a 20.78% shareholding. Following implementation of the Proposed Transactions (and depending on the allocation of Shares pursuant to the Capital Raise), African Alliance Advisory will be the largest shareholder of Greystone.

6 IRREVOCABLE COMMITMENT TO VOTE IN FAVOUR OF PROPOSED TRANSACTIONS

The Company has obtained irrevocable undertakings from 77.84% of the Company's Shareholders (entitled to vote) to vote in favour of the Proposed Transactions. Furthermore, all relevant resolutions to implement the Proposed Transactions were approved by Shareholders at the AGM, which was held on Friday, 28 August 2020.

7 BACKGROUND AND OVERVIEW OF GREYSTONE

7.1 Background

The history and background of Greystone are set out in paragraph 1.4.

7.2 Greystone's offering and strategy

The principal objective of the Company is to carry on business as an investment company. The Company invests primarily in emergent, unlisted businesses with sustainable growth potential. 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 CMA.

Greystone, via the Manager, has been taking a more proactive role in the managing and driving of value in its underlying investments. Greystone's investment strategy is focused on building a diversified pool of investments that are by, inter alia, leveraging the Manager's active management model to maximize investor returns. In order to achieve this, Greystone's aim is thus to acquire strategic interests in companies to ensure strategic input on the direction of the respective company, good corporate governance and control over cash flows. These factors are the major driving factor when it comes to the decision of a minority versus majority ownership in an investment opportunity.

Greystone offers its shareholders an opportunity to make a direct and proactive contribution to Eswatini's economic growth and development, and to participate in the process of creating wealth. Greystone focuses on wealth creation, service provision and economic enablement. Shareholder value is expected to be enhanced as a result of both organic growth and through acquisitions.

7.3 Investment history and track record

The business of an investment company differs substantially from that of an operating company. In the latter case, products and/or services are being sold at a certain gross profit margin, thereby creating revenue and cash inflows for the entity concerned. Strong cash flows and shareholder value are accordingly created by increasing revenue, as well as by limiting expenditure and optimising operational efficiencies, thus increasing the net profit from which dividends can be paid to shareholders.

In the case of an investment company no products and/or services are being sold. This, together with the specific accounting treatment that is required for different classes of investments in terms of IFRS, has the effect that the net profit of an investment holding company is not always a fair reflection of its underlying cash flows and financial soundness. Similarly, the variance in net profit between reporting periods will not always be a good indication of the trend in dividends to be paid to shareholders. The value and performance of the underlying investments, rather than the activities at holding company level will thus, to a large extent, determine the value created by investment holding companies for their shareholders. It is therefore in this context that the financial performance and review of Greystone's track record needs to be considered.

Since its listing in 2010, Greystone has a track record of superior returns with the ability to source and execute the most attractive investment opportunities as well as extract value through proven entrepreneurial ability and value addition techniques.

The summarised breakdown and quantum of the Company's Existing Portfolio is provided in the table below. Details of each investment are set out in **Annexure 5**. As noted below, Greystone's Existing Portfolio was valued at E 425,206 as at 30 September 2019, which represents an increase of c. 117% on the costs of these investments, signifying significant shareholder value creation. Below sets out Greystone's Existing Portfolio and returns on unrealized investments:

Investment	Sector	Cost ('000)	Realised / Unrealised	IRR	Times Money Multiple	Holding Period	Valuation as at 30 Sep 2019 ('000)	Increase / (Decrease) in Value against Cost ('000)
Listed Equity Investments on the ESE								

SBC Limited	Financial Services	22,029	Unrealised	18.45%	4.05x	7.87	47,452	25,423
Swazispa	Travel & Leisure	30	Unrealised	-4.15%	0.70x	8.43	21	(9)
Sub-Total		22,059					47,473	25,414
Unlisted Equity Investments								
ESRIC	Insurance	24,972	Unrealised	42.65%	5.91x	7.09	89,500	64,528
Ngwane Mills	Agri manufacturing	39,051	Unrealised	5.23%	0.96x	3.81	37,409	(1,642)
Orchard	Insurance	200	Unrealised	39.94%	15.38x	8.26	2,892	2,692
Lojaf	Retail	41,845	Unrealised	29.55%	2.06x	2.83	82,838	40,993
General Africa Foods	Retail butchery	20,000	Unrealised	11.24%	1.09x	0.78	21,728	1,728
Alliance Foods	Quick Service Restaurants	45,000	Unrealised	14.27%	1.11x	0.78	49,923	4,923
Promco	Retail	3,182	Unrealised	-31.69%	0.91x	0.25	2,894	(288)
Sub-Total		174,250					287,184	112,934
Total		196,309					334,657	138,348

The Manager's ability to deploy capital is evidenced by the fact that the amount deployed to date exceeds the amount raised from shareholders. As illustrated in the table below, Greystone has raised E 181.1 million since inception from shareholders. The quantum of capital invested (approximately E 250 million) exceeds this amount by approximately E 70 million, which highlights the Manager's ability to effectively utilise the capital raised from shareholders.

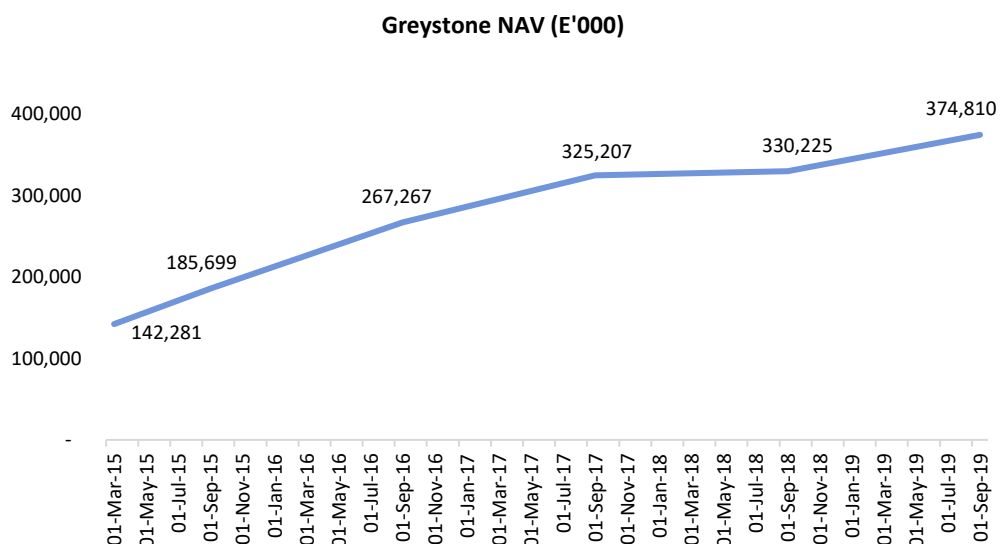
Year	Capital Raised (net of fees)
2010	68,090,104
2012	15,275,792
2015	36,050,788
2016	61,674,135
Total	181,090,819

7.4 Greystone Net Asset Value

The growth in the Company's NAV is the key performance measure for the board of directors of the Company. The growth in the NAV, when compared to the more recent reporting periods, is as follows:

MEASUREMENT PERIOD	NET ASSET VALUE	PERIOD	% INCREASE/DECREASE
31-Mar-15	142,281,341		
30-Sep-15	185,699,295	6 Months	30.52%
30-Sep-16	267,266,591	12 Months	13.64%
30-Sep-17	325,207,426	12 Months	21.68%
30-Sep-18	330,224,606	12 Months	1.54%
31-Dec-19	374,809,910	12 Months	13.50%

In overall terms, the Company's NAV has increased from E 142 million since 2015 to E 374.8 million as of 30 September 2019. This is after returning E 18 million to Shareholders by way of dividends since FY2015. Off the capital base of E 97.7 million raised since 2015, Greystone Partners has created E 153.6 million in value for Shareholders.



An independent valuation by KPMG of Greystone's unlisted investments as of 30 September 2019 was performed. At the time, these were ESRIC, Ngwane Mills, Orchard, Lojaf, General Africa Foods, Alliance Foods and Promco. Refer to **Annexure 5** for detailed disclosure of fair values for each of the unlisted investments listed above. For listed investments, quoted market prices have been used to value these investments.

7.5 Prospects

Greystone provides investors with exposure to a diverse, well-managed and well-maintained portfolio of investments, with the security of well-located, quality underlying capital assets which are expected to appreciate in value over time.

Greystone is focused on "value add" initiatives to improve performance on the Existing Portfolio, with the aim of:

- attracting new capital from institutional shareholders, in order to diversify further;
- improving liquidity in the share price, attracting new institutional capital; and
- ensuring effective cost management of all underlying investments.

The selection of stabilised and quality assets is expected to support meaningful capital growth and regular income in the form of dividends and interest from the underlying investments. Efficient management and the acquisition of new investments are also expected to help enhance performance of the Company's portfolio over time.

Greystone's portfolio is externally managed by African Alliance Eswatini, a wholly-owned subsidiary of African Alliance Limited, and leverages off African Alliance's extensive experience and networks in the financial and capital markets.

Greystone's objective is to grow the Existing Portfolio with good quality businesses consisting of a quality "moat" in earnings, consistent growth in earnings, managed by quality and experienced management. Supported by a robust product pipeline, the aim is to grow the shareholder base to create more liquidity. Greystone's aim is to increase these key metrics, through a series of new capital injections.

Greystone seeks to maximize shareholder returns via:

- The acquisition or investment in new opportunities;
- The follow on investment in the existing portfolio to fund growth and expansion for these portfolio companies; and
- The disposal of investments when it is deemed to appropriate in order to maximize returns for shareholders. Greystone's investment horizon is 7 – 10 years.

7.5.1 Eswatini Economic Overview

Eswatini is a landlocked country in Southern Africa bordering South Africa and Mozambique, with a population of 1.2 million. Poverty levels have stagnated at high levels in the last five years. Eswatini has close economic linkages to South Africa, which it depends on for about 85% of its imports and about 60% of exports. Eswatini is a member of the Common Monetary Area (CMA), with Lesotho, Namibia, and South Africa. Under the CMA, the Eswatini lilangeni (the domestic currency) is pegged at par to the South African rand, which is also legal tender in the country.

Recent developments

Real gross domestic product (GDP) growth in 2018 is estimated at 2.4% from 2% in 2017, partly driven by a stronger-than-projected recovery in the primary and service sectors. However, due to escalating fiscal challenges (reflected through accumulation of domestic arrears) that are expected to continue slowing recovery in construction and public administration sectors, real GDP for 2019 is projected to decline to 1.3%.

Economic growth slowed significantly to 1.3 percent in 2019 from 2.4 percent in 2018 on the back of a deteriorated fiscal situation and low agricultural output. Government financing constraints led to the accumulation of domestic expenditure arrears that severely impaired economic activity. Nonpayment by government to different suppliers of goods and services impaired companies' ability to service their bank loans, leading to a rise of nonperforming loans and reduced banks' lending ability to the private sector. Construction-related activities were also delayed or deferred due to fiscal challenges. Furthermore, the growth of services sector, especially public administration and, wholesale and retail trade were constrained by fiscal challenges. The wage freeze continued in 2019, partly contributing to reduced domestic demand. The poor performance of the agriculture sector emanated from lower sugarcane production, which also negatively affected the sugar manufacturing industry. The fiscal deficit remained elevated in 2019 at 5.4 percent of GDP, but declined from 6.7 percent in 2018, supported by improved Southern African Customs Revenues (SACU) and deferment of capital projects. The deficit was financed by accumulation of domestic arrears, a drawdown on reserves and domestic borrowing. Domestic arrears rose to 6.7 percent of GDP as at end-2019, up from 5.9 percent of GDP reported in January 2018.

The current account surplus increased to about 4 percent of GDP in 2019 from 2 percent in 2018, driven by a trade surplus and improved SACU revenue. However, the gross official reserves cover declined from 2.6 months in 2018 to 2.0 months in 2019, the lowest level since 2010/11 crisis, reflecting a drawdown to finance the fiscal deficit. Despite an elevated fiscal deficit, inflation reached record low levels in 2019, partly due to government's freeze of electricity and water tariffs. Average annual inflation declined to 2.6 percent in 2019 from 4.8 in 2018 – the lowest in the CMA and below its 3 percent lower target band. Low inflation prompted the central bank to maintain an accommodative monetary policy stance.

Outlook

Real GDP is projected to contract by 1.1 percent in 2020, mainly due the negative economic impacts associated with COVID-19 on key sectors. Exports and imports are expected to contract as countries including South Africa (Eswatini's largest trading partner) have partially closed their borders to contain the outbreak. The Government's plan to clear all domestic arrears in 2020 which was envisaged to support both industrial production and domestic demand might be delayed as government responds to emerging needs arising from COVID-19. Furthermore, the clearance plan is premised on a negotiated commercial loan, which might worsen the debt levels putting the country at a high risk of debt distress in the short-to medium term. Agriculture production is however, projected to increase, helping to boost both agro-processing and other manufacturing activities, but with weak export demand the growth impacts will be minimal. The government intends to award a cost of living adjustment (about 1 percent of total expenditure) for the first time in 3 years. This would boost aggregate demand but worsen the fiscal situation.

The 33 percent nominal increase in SACU revenues, which was anticipated in 2020, will unlikely materialize as SACU trade and growth prospects dissipate due to COVID-19. The current account surplus is projected to decline due to reduced demand for exports by the major trading partners, in particular South Africa reflecting weak economic activity arising from the impact of COVID-19. The economic recession is expected to increase poverty levels. However, this will be moderated by better agricultural output, which supports the majority of the poor.

The Eswatini Government has recognised the need to enhance and sustain economic growth. In the 2019/2020 Budget Speech, the finance ministry indicated the following priorities

- A strong and resilient economy, with a particular focus on macroeconomic stability, private sector competitiveness, expanding trade and industry, agricultural modernisation and enhancing natural resource management;
- Enhancing human capital, with increased focus around access and quality of healthcare and education, and enhancing the welfare of the vulnerable;
- Enhancing service delivery, through improving institutional governance, transparency and accountability; and
- Strategic infrastructure rehabilitation and expansion, focusing on roads, railway, aviation, water and sanitation, tourism and rural development.

	2017	2018	2019e	2020f	2021f	2022f
Real GDP Growth	2.0	2.4	1.3	-1.1	0.7	1.1
Private Consumption	5.6	2.7	2.6	-1.3	2.0	2.3
Government Consumption	2.9	-4.7	-3.5	-0.1	1.2	-0.5
Cross Fixed Capital Investment	-1.0	34.3	-2.1	-3.0	-7.6	8.7
Exports, Goods and Services	4.6	10.9	8.0	-1.5	5.9	3.7
Imports, Goods and Services	7.9	-8.7	6.0	-2.1	5.0	7.1
Real GDP growth	1.8	2.3	1.3	-1.1	0.7	1.1
Agriculture	-4.3	8.0	-4.4	5.9	2.5	5.5
Industry	1.8	-0.2	1.0	-0.1	1.0	1.3
Services	2.9	3.1	2.5	-2.9	0.2	0.2
Inflation (CPI)	6.2	4.8	2.6	3.8	4.5	5.8
Current Account Balance (% of GDP)	6.9	1.9	4.3	2.4	5.9	7.2
Net Foreign Direct Investment (% of GDP)	-2.8	0.5	0.5	0.6	0.5	0.5

Fiscal Balance (% of GDP)	-8.7	-6.7	-5.4	-7.7	-5.7	-5.7
Debt (% of GDP)	27.8	27.6	35.0	44.9	48.4	54.4
Primary Balance (% of GDP)	-7.5	-5.3	-2.4	-4.6	-3.2	-3.0

Source: *worldbank.org*

Greystone offers its shareholders an opportunity to make a direct, meaningful and proactive contribution to Eswatini's economic growth and development, and to participate in the process of creating wealth. The Proposed Transactions will enable Greystone to bolster its investment portfolio focused on wealth creation, service provision and economic enablement.

7.5.2 Eswatini Investment Themes

In considering potential investments in Eswatini, it is critical to understand the economic landscape, in particular the challenges and growth drivers of the country. Eswatini is facing significant challenges, in particular the uncertain global and regional economic outlook that could lower SACU revenues.

Eswatini has made significant strides in recent years including the revision of the Eswatini Investor Roadmap and re-launch in 2012. Eswatini's ranking for the World Bank Ease of Doing Business improved from 134 in 2012 to 110 in 2015. Interventions by the Eswatini government in achieving this include shortening of the company registration process, introduction of VAT, and quicker services at our borders.

Despite its challenges, Eswatini boasts some key features which lend it suitable to private sector investment. These include:

- **Geographical location**

Eswatini is ideally positioned from a geographic perspective with rail access to three major ports, being the Port of Durban, Port of Richards Bay as well as the Port of Maputo. This allows for the ease of importing raw materials and basic inputs for production as well as exporting of finished goods.

- **Investor incentives**

Incentives on investing in Eswatini can be deemed to be comprehensive, in that they address almost every aspect of the investment process. Most importantly, issues of taxation are given due consideration. The corporate tax rate is 27.5% for all companies. There is also a provision for loss cover. In that regard, the unlimited loss-carry forward allows a company to carry forward its loss (given that it incurs a loss in the year of assessment), and set it off against future assessable income.

Various tax incentives in Eswatini exist with regard to additional productive capacity are given by way of special deductions allowed for new industrial buildings and of new plant and machinery brought into use in a process of manufacture, and any other similar process, or the hotel industry. The special deductions also apply in respect of second-hand machinery which has not been previously used in Eswatini and also, to leased plant and machinery. On capital investments, the following are allowed by the Eswatini Revenue Authority:

Incentive Description	Incentive
Initial allowance on new plant and machinery brought into use.	50% of cost
Initial allowance on used machinery housed in a building that qualifies for initial allowance, used in Eswatini for the first time and not replacing other machinery.	50% of depreciated value
Initial allowance on new industrial buildings placed in service that house machinery qualifying for the initial allowance.	50% of cost
Annual Wear & Tear on cost of industrial buildings.	4% deduction per annum
Annual Wear & Tear on improvements to industrial buildings	4% deduction per annum

A summary of further investment incentives in Eswatini are as follows:

- **Human resources training rebate**

Through approval by the Commissioner of Taxes, a rebate of 150% of the cost is written against tax for training schemes.

- **Development Approval Order**

The Government of Eswatini has identified specific areas to bolster investment (either local or foreign direct investment), and for such areas there exist a special corporate tax incentive. In investments such as; manufacturing, mining, agribusiness, tourism and international financial services; the Minister of Finance has the prerogative to nominate a certain investing company as crucial for the development of Eswatini, and thus with Cabinet approval afford it a minimum tax rate of 10% for a period of ten (10) years on withholding taxes.

- **Duty Free Access on Capital Goods**

Capital goods imported into the country for productive investments are exempt from import duties.

- **Duty Free Access on Raw Materials**

Raw materials imported into the country to manufacture products to be exported outside the SACU area are exempt from import duties.

- **Export Credit Guarantee Scheme**
Investors who manufacture/process for the export markets can obtain funds from local banks to process their orders. The Government of Eswatini, through the Central Bank of Eswatini, guarantees loans raised for this purpose.
- **Five Year Work and Residence Permits**
Permits are available for expatriate Directors, Senior Management and key technical personnel of new enterprises.
- **Repatriation of Profits**
The liberalized foreign exchange mechanisms also allow full repatriation of profits and dividends of enterprises operating in the country. Repatriation is also allowed for salaries of expatriate and capital repayments.
- **Legal Protection of Investments**
Investment in Eswatini is protected from undue expropriation under the Eswatini Investment Promotion Act of 1998. In addition, Eswatini is a Member of the Multilateral Investment Guarantee Agency (MIGA) of the World Bank which provides for added legal protection of investments.
- **Labour relations**
Eswatini has a very stable labour relations market. This, together with the fact that labour costs are relatively low on a global scale, makes it an ideal destination for labour intensive manufacturing.
- **Preferential agreements**
Eswatini is a party to various international trade agreements and double tax treaties that offer great potential for the country.

7.5.3 Greystone Investment Philosophy

The Company's aim and objective is to achieve superior long term capital appreciation through majority or minority equity stakes across a portfolio of investments. Greystone's investment strategy is focused on building a diversified pool of investments that are by, *inter alia*, leveraging African Alliance's active management model to maximize investor returns.

Greystone's aims to invest in companies and industries benefiting from overall market and strategic growth dynamics. These companies need to demonstrate a clear competitive advantage as well as have the potential to reach a size that enables these companies to sustain business through economic cycles. Investee companies need to possess strong management teams with the experience, ability and drive to grow the business. Often, with the assistance of the Manager, management is brought into companies to implement the strategic growth drivers and investment thesis of that business.

Greystone applies the following additional principles when assessing a transaction:

- **Maintenance of capital:** Greystone's main principal is to ensure that no investment made, results in loss of capital. Greystone is thus very conservative in determining the fair value of its potential investments.
- **Margin of Safety:** Greystone is aware that the future is something that can never be predicted. Therefore, in all investments a significant margin of safety for the entry valuation is included to compensate for the unpredictability of the future.
- **Identify a clear exit:** No investment will be completed unless potential exit options are thoroughly reviewed. Exit strategies pursued will include amongst others leveraged recapitalisations, structured put options to third parties, sales to corporate buyers and public offerings.

Exit and the timing thereof are important issues governing the success or failure of any private equity investment. A clearly defined exit plan will be compiled before making investments. The exit plan shall include:

- Possible exit routes and the most likely route;
- Prominent trade participants in the industry which could purchase the Existing Portfolio;
- Forecast exit multiples and resulting IRR on investments; and
- Procedures that need to be followed in order to prepare the Existing Portfolio for the proposed exit routes.

The Manager consistently monitors its portfolio investments and is always considering when is the most opportune time to exit as well as the best exit route. Throughout the duration of the investment, the Existing Portfolio will be groomed to suit an exit tailored to maximise its IRR. The Manager has a passion for developing local markets and therefore its preferred exit will be via a listing if this does not impact on the potential returns that can be achieved.

Greystone, via the Manager, has increasingly followed an active investment strategy. This includes working closely with company management teams to formulate strategy and pursue growth opportunities to drive superior investment returns. In many cases, the Manager is integral in developing and refining strategic objectives, providing a third-party perspective on company performance, designing incentive structures and ensuring required financial and other information is provided and analysed in a timely fashion. Through the Manager's networks and relationships, where required, new talent and skills will be brought in to assist and bolster the existing management team in order to achieve the strategic objectives.

Although Greystone is sector agnostic, Greystone sees the following sectors as providing investment themes that will be focused on identifying potential investments.

- Logistics

- Quick Service Restaurants
- Technology
- Manufacturing
- Energy
- Retail and fast moving consumer goods Infrastructure
- Agriculture

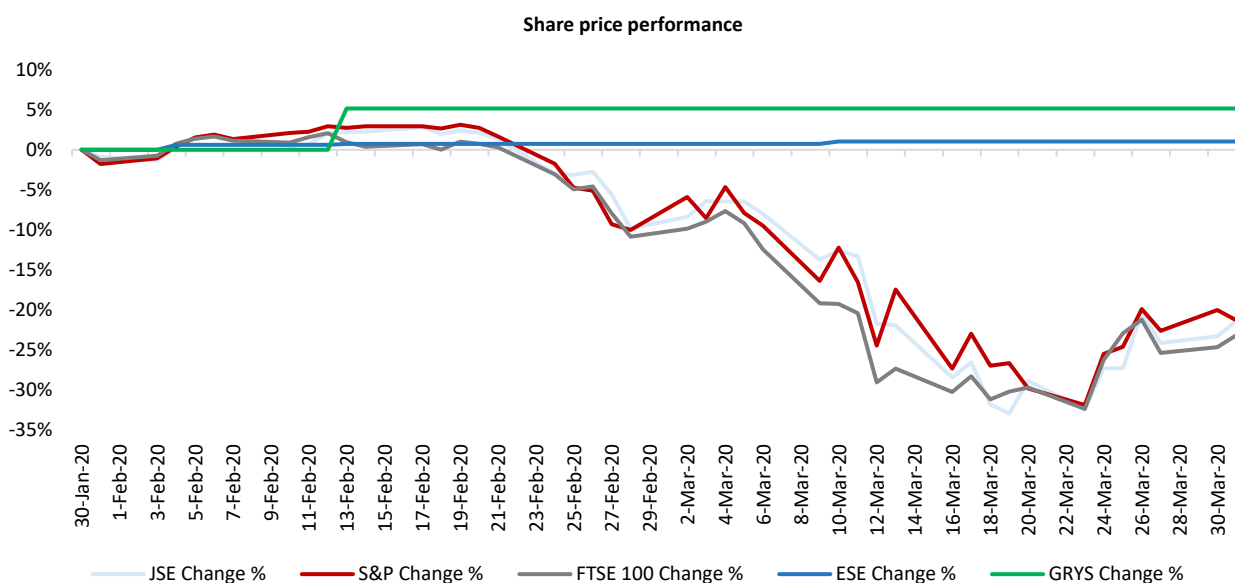
- Eswatini's agro-ecological conditions allow for greater diversification of agricultural production if the requisite infrastructure is provided. With almost 54% of Eswatini's GDP dependent on agriculture, there is great potential for the sector's growth through the development of related infrastructure and the adoption of new technologies to improve productivity. While sugar cane production remains a major activity for the medium term, agriculture also presents opportunities for renewable energy generation from biomass.

- Financial Services

Greystone 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.

7.6 Greystone as an asset class

Greystone further offers investors a unique defensive investment. During February and March 2020, the Covid-19 ("Corona") pandemic has thrown the global markets into turmoil, resulting in severe sell-offs on all major equity and bond markets worldwide. During this time, the JSE All Share Index, S&P 500 and the FTSE 100 all declined by more than 20%. The ESE stood firm and increased by 1.03%, with Greystone outperforming all of these benchmarks by increasing by 5.15% in the same respective period. The graph below depicts this relative outperformance by Greystone:



Eswatini Stock Exchange					
	Greystone	JSE ALSI	S&P 500	FTSE 100	
Total 2 month return	5.15%	-21.38%	-21.29%	-23.16%	

Source: Thomson Reuters

As noted above, with the exception of the ESE, Greystone outperformed all the other benchmark indices by at least 26% during the last 2 months, offering investors the opportunity to invest into a company that is defensive against global sell-offs and bear markets, but also an asset which offers further potential upside in capital appreciation during traditional bull markets.

7.7 Investment portfolio

The details of the Existing Portfolio as at 30 September 2019 are detailed in paragraph 7.3 and set out in **Annexure 5** below.

7.8 Relationship information

7.8.1 Investment management

The asset management of the Existing Portfolio is undertaken by African Alliance Eswatini (the Manager), an African Alliance group company. The African Alliance group is a niche investment bank operating in, *inter alia*, Botswana, Kenya, Lesotho, Malawi, Mauritius, South Africa and Eswatini, conducting the business of investment banking, encompassing unit trust and asset management, stockbroking, corporate advisory services, private equity and financial services across Africa. The Group is held from the Isle of Man, United Kingdom.

The African Alliance group, together with its affiliates, has a highly accomplished team of investment professionals skilled in sourcing, analysing, executing, value enhancing and realising investments. Financial structuring and general negotiation skills, as well as ongoing, active participation in overseeing and enhancing the value of each Existing Portfolio, are all-important elements of the process.

Details regarding the management agreement between Greystone and the Manager can be found in **Annexure 7** to this document

The Management Agreement is available for inspection as set out in paragraph 18.

Details of the Manager

The business address of the Manager is 2nd Floor, Nedbank Centre, Cnr Sishayi and Sozisa Roads, P.O. Box 5727, Mbabane, H100, Kingdom of Eswatini.

As set out in **Annexure 1**, the Manager is owned 100% by African Alliance.

7.8.1.1 Directors of the Manager

Name and Age	Nelsiwe Khuphukile Mabuza (Nelsiwe) (44)
Business address	2nd Floor, Nedbank Centre, Cnr Sishayi and Sozisa Roads, Mbabane
Qualification	MSc (Mathematical Modelling)
Position	CEO
Nationality	LiSwati
Experience	Ms. Mabuza was voted Business Woman of the Year Award (BWYA) in 2013. Her time at African Alliance Eswatini started in 2001. As the Chief Executive Officer of African Alliance Eswatini, she has gained diverse corporate finance experience ranging from sourcing finance through bond and equity issuances, listings, hedging currency portfolios and investment to advisory services. Ms. Mabuza holds an MSC in Mathematical Modelling with an emphasis in Finance, as well as a certificate in Financial Management.
Name and Age	S'thofeni Ginindza (53)
Business address	2nd Floor, Nedbank Centre, Cnr Sishayi and Sozisa Roads, Mbabane
Qualification	M.A. (Econ)
Position	Director
Nationality	LiSwati
Experience	Mr. Ginindza currently is a Director of African Alliance Eswatini. He holds a Bachelor's degree in Economics from the University of Eswatini and a Masters Degree in Economics from Carleton University in Canada. He has also attended an executive education course at Stanford University in California. Mr. Ginindza has worked in investment banking for 15 years. He joined African Alliance in March 1996 and led the setting up, growth and management of African Alliance's asset management business in Eswatini. He has extensive asset management experience both within Eswatini and in the region. Mr. Ginindza holds directorships in various African Alliance companies as well as Chairmanship in the Eswatini Electricity Company, Select Management Services, African Alliance in Lesotho and the HM Group of companies.

Name and Age	Mduduzi Phinda Magongo (46)
Business address	2nd Floor, Nedbank Centre, Cnr Sishayi and Sozisa Roads, Mbabane
Qualification	BA Commerce plus various Management Development qualifications
Position	Non-Executive Director
Nationality	LiSwati
Experience	Mr. Magongo is a Non-Executive Director of African Alliance Eswatini. He holds a Bachelors of Commerce from the University of Eswatini. He is currently the managing director of Unitrans Eswatini Limited & Unitrans Agricultural Services for which he started as the financial manager. Mr. Magongo is also the chairperson of Eswatini Road Transportation Board.

7.8.1.2 Fees payable to the Manager

Detail of the fees payable to the Manager are incorporated in the Management Agreement available for inspection as detailed in paragraph 18 and **Annexure 7** below.

The Manager is remunerated annually with an annual management fee of 2% of market capitalisation as calculated and paid quarterly in arrears, however, post the implementation of the Proposed Transactions, the annual management fee will be calculated as 1.5% of Greystone's net asset value, subject to Shareholder approval at the Annual General Meeting. The Manager is also remunerated on a performance basis.

The Manager earns a Performance Fee equal to 20% of the gain in the Adjusted Net Asset Value ("ANAV") of Greystone, subject to a 13.7% hurdle rate. The ANAV is calculated by adjusting the audited Net Asset Value ("NAV") for the period by adding back dividends paid to shareholders in the period and deducting any increase in the NAV for the period resulting from the issue of equity.

Thus, the Share Swap will not result in the Manager earning any Performance Fee as the increase in the ANAV will as a result of issuing shares which is specifically excluded in the calculation of the Performance Fee.

8 INFORMATION RELATING TO THE DIRECTORS

8.1 Directors of the Company

A full list of all directorships held by each director outside of Greystone is available at the Company's registered office.

Directors' full names, ages, nationality, business addresses, qualifications, positions and experience are outlined below:

Name and age	Mduduzi M Dlamini (Mduduzi) (51)
Nationality	LiSwati
Business address	5th floor, Sibekelo Building No.2, Mbabane Office Park, Mhlambanyatsi Road.
Qualification	Bachelor of Science, Master of Urban Planning
Position	Chairperson
Experience	Mr. Dlamini, the current Chairperson of the Board, is the Chief Executive Officer of Eswatini National Housing Board responsible for providing affordable housing and developing housing schemes in Eswatini. He holds a Masters Degree in Urban Planning from the University of Michigan Ann Arbor, Michigan, USA as well as a Bachelor of Science Degree from the University of Eswatini. Mr. Dlamini brings great input to the Greystone Board as he has also been exposed to various Boards within the Kingdom.

Name and age	Dr Khanyisile Dumsile Dlamini (Khanyisile) (52)
Nationality	LiSwati
Business address	2nd Floor, Garona Building, Dr James Moroka Drive, Mmabatho
Qualification	PhD in SME and Economic Development, Master of Business Administration, Bachelor of Commerce

Position	Non-executive director
Experience	Dr. Khanyisile is the Lead Consultant in the Department of Education and Sport Development in North West, conducting evaluation, adjudication and supply chain management administrative services for the Department, prior to that, she was the consultant in the Ministry of Commerce, Industry and Trade in Eswatini. Dr Khanyisile holds a PhD in SME and Economic Development from the Aston University, Birmingham, UK, Master of Business Administration from the DeMontfort University, Leicester, UK, as well as a Bachelor of Commerce from the University of Eswatini.
Name and age	Sandile Khumalo (Sandile) (35)
Nationality	LiSwati
Business address	Eluvatsini House, Mhlambanyatsi Road, Mbabane
Qualification	Master of Sciences in Finance & Accounting
Position	Non-executive director
Experience	Mr. Khumalo is currently the Finance Manager of Eswatini Electricity Company and has held the position for 2 years running and responsible for Financial Reporting, Treasury Management, Payroll Administration, Taxation and Accounts Payable. Prior to that he was a Commercial Manager – Planning & Performance for Eswatini Beverages Limited, where he was responsible for driving the organisation’s commercial strategy and top line growth. Mr. Khumalo holds a Master of Sciences in Finance & Accounting from the Westminster Business School – University of Westminster (UK) and also a Chartered Certified Accountant (ACCA).
Name and age	Nelsiwe Khuphukile Mabuza (Nelsiwe) (44)
Nationality	LiSwati
Business address	2nd Floor, Nedbank Centre, Cnr Sishayi and Sozisa Roads, Mbabane
Qualification	MSc (Mathematical Modelling)
Position	Executive director
Experience	Ms. Mabuza was voted Business Woman of the Year Award (BWYA) in 2013. Her time at African Alliance Eswatini started in 2001. As the Chief Executive Officer of African Alliance Eswatini, she has gained diverse corporate finance experience ranging from sourcing finance through bond and equity issuances, listings, hedging currency portfolios and investment to advisory services. Ms. Mabuza holds an MSC in Mathematical Modelling with an emphasis in Finance, as well as a certificate in Financial Management.
Name and age	Antonio Baptista Manuel de Castro (Tony) (56)
Nationality	Portuguese
Business address	Illovo Edge Office Block, Building 4, Cnr Harries and Fricker roads, Illovo, 2196
Qualification	MSc (Economics)
Position	Non-Executive director
Experience	Mr. de Castro is the founder and Senior Partner of the African Alliance Limited Group. He advises the group on strategy, drawing on his extensive experience in the banking sector spanning a wide range of banking disciplines.
Name and age	Mandla Lucky Dlamini (Mandla) (56)
Nationality	LiSwati
Business address	Mahlokohla Street, Mbabane, Eswatini
Qualification	Master of Business Leadership (MBL), B.Comm (Business Accounting)
Position	Non-executive director

Experience	Mr. ML Dlamini holds a Masters Degree in Business Leadership from the University of South Africa as well as a B.Com Degree from the University of Eswatini. He has extensive experience in Financial Services Regulation having worked for the Central Bank of Eswatini for the last 33 years where the last 14 years he held and still holds the position of Manager, National Payment Systems.
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Name and age	Simphiwe N Shabangu (Simphiwe) (45)
Nationality	LiSwati
Business address	Private Bag 4, Kwaluseni, Eswatini
Qualification	Master of Laws (LLM) (Specializing in Intellectual Property), Master of laws (LLM) (General Studies)
Position	Non-executive director
Experience	Ms. Shabangu is a Lecturer in the Department of Law at the University of Eswatini. She boasts of extensive experience in the law sector having worked for the University for the last 19 years. Ms. Shabangu has been admitted Attorney of the High Court of Eswatini and he is also a member of the Law Society in Eswatini. She holds a Master of Laws (LLM) (Specializing in Intellectual Property) from the Turin Law School, Italy and Master of laws (LLM) (General Studies) from the Georgetown University Law Centre, Washington DC, USA.

The MOA as well as the relevant provisions of the MOA relating to the qualification, remuneration, borrowing powers and appointment of Directors are available for inspection as set out in paragraph 18 of this Prospectus. The borrowing powers of Directors have never been exceeded.

The board of directors is composed of representatives of the Manager, representatives of investors, and independent persons. The board will be responsible for establishing the investment criteria and for appointing, supervising and evaluating the Manager.

Mr. M.M Dlamini is the Chairman of the board of directors

8.2 Investment Committee

The Manager has established an investment committee which will assist the Manager to discharge its duties in respect of Greystone in terms of the Manager's mandate. The investment committee will not relieve the Manager or the directors of the Manager of any of their responsibilities, but rather assist them to fulfil those responsibilities.

The Investment Committee is an advisory committee and not an executive committee. As such it does not perform any management functions or assumes any management responsibilities and primarily makes investment recommendations to the board of the Manager for its approval and final decision, unless mandated otherwise.

The Investment Committee's primary role is to investigate and research, consider, analyse and recommend on potential investment decisions to be made by Greystone.

The Investment Committee considers Greystone's portfolio weightings and proposed investments monthly, and takes into consideration, amongst other factors, the liquidity of investments, the length of time that they are expected to be held, the potential return, political factors, the currency and economic factors when considering portfolio weightings and their potential risk to the Company's assets.

The length of time Greystone will hold an investment, generally will be determined by the Manager's view of the changing risk/reward profile relative to other investment opportunities. The weighting of each investment in the Company's portfolio will typically reflect its relative risk/reward at current valuations, which will be continually monitored.

Membership of the Investment Committee is as follows:

Name and Age	Zakithi Dlamini (42)
Business address	P.O. Box 300, Mbabane, Eswatini
Qualification	B.Comm (Accounting)
Position	Chairperson
Nationality	LiSwati
Occupation	Manager Project, Eswatini Building Society (SBS).

Name and Age	Mfundo Msibi (34)
Business address	Private Bag 4, Kwaluseni, Eswatini
Qualification	Master of Science degree in Finance, B.Comm (Major in Accounting);
Position	Member
Nationality	LiSwati
Experience	Lecturer, University of Eswatini.
Name and Age	Dumsani Dlamini (60)
Business address	Mbabane Office Park, 2nd Floor South Wing, Building No.1, Mhlambanyatsi Road, Mbabane, Eswatini
Qualification	Masters in Accounting and Finance, ACCA and Research attachment
Position	Member
Nationality	LiSwati
Experience	Managing Director, Liberty Life Eswatini.

*All Committee members are independent (non-executives).

8.2.1 Managing Conflicts of Interest

The Manager and some of its directors consequently, indirectly manage a number of funds as well as direct investments and in doing so, potential conflicts of interests may arise between the Manager and Greystone. The Manager aims to adhere to the highest global standards of governance. To deal with potential conflicts of interests, the Manager discloses its interests in any investment or any potential investment to the Board prior to any investment being made by Greystone.

In addition, Directors' Interests are declared at the beginning of Board Meeting. The objective of these disclosures are to be able to be transparent and manage the outcome that most fairly treats the affected parties taking into account the facts of the relevant conflict.

Any such perceived conflicts and its management would not impact on the duties of the individuals towards the Company.

8.3 Greystone advisors and Company Secretary

The names and business addresses of the Company's advisors are set out in the "Corporate Information and Advisors" section. Bongiwe Dlamini, an employee of African Alliance Eswatini Limited, whose business address is set out in the "Corporate Information and Advisors" section, fulfils the role of Company Secretary.

The Board is satisfied that the Company Secretary maintains an arms-length relationship with the Board and is sufficiently resourced and qualified to execute the required duties.

Prior to the appointment, the Audit Committee considered the Company Secretary appointment and was satisfied that it has the appropriate resources with competence, qualifications and experience to be appointed in such capacity. The Directors are of the opinion that African Alliance Eswatini Limited maintains an arm's length relationship with the Board and the individual Directors as envisaged by the Listings Requirements.

8.4 Additional information related to the Directors

- contains the following additional information on the Directors:
 - emoluments;
 - borrowing powers of the Company exercisable by the Directors;
 - interests in Shares and transactions;
 - interests of Directors and promoters;
 - declarations; and
- The executive Directors have not entered into service contracts with the Company.
- The provisions of the MOA with regard to the following are available for inspection as set out in paragraph 18:
 - terms of office of Directors;
 - qualification of Directors;
 - remuneration of Directors;

- any power enabling the Directors to vote on remuneration to themselves or any member of the Board;
- the borrowing powers exercisable by the Directors and how such borrowing powers can be varied; and
- retirement or non-retirement of Directors under an age limit.

9 GENERAL INFORMATION

9.1 Material contracts

No material contracts have been entered into, either verbally or in writing by Greystone, or any of its subsidiaries, being restrictive funding arrangements or a contract entered into otherwise than in the ordinary course of business, within the two years preceding the date of this Prospectus or a contract entered into at any time containing an obligation or settlement that is material to Greystone as at the date of this Prospectus, save for the following agreements, which are available for inspection in terms of paragraph 18 hereto:

- The Management Agreement, dated 25 October 2010 and amended on 13 August 2015 between African Alliance Eswatini and the Company, whereby African Alliance Eswatini was appointed to provide asset management and related services to Greystone;
- The agreement in respect of the African Alliance Securities Trading Sale and Purchase Agreement; and
- The agreement in respect of the African Alliance Advisory Sale and Purchase Agreement.

Details of the above transactions are set out in paragraph 1.4 of this Prospectus as well as **Annexure 6** of this Supplementary Pre-Listing Statement.

9.2 Material changes

Save for the Proposed Transactions described in paragraph 1.1 of this Prospectus, the Directors confirm that there has been no material change in the financial or trading position of Greystone since its year end results for the period ending 30 September 2019.

9.3 Material commitments, lease payments and contingent liabilities

As at the Last Practicable Date, Greystone had no material commitments, lease payments or contingent liabilities save that Greystone has an obligation to settle the Purchase Consideration relating to the Proposed Transactions, subject to the conditions precedent of the Proposed Transactions, which obligation Greystone intends settling by way of the Share Swap.

9.4 Loans and borrowing powers

Details of the material loans and borrowings advanced to the Company, including the funding obtained in relation to the Proposed Transactions, as at the Last Practicable Date are available for inspection as set out in paragraph 17 of this Prospectus.

As at the Last Practicable Date, the Company did not have any material loans receivable, nor did it furnish any loan for the benefit of any Director or manager or any associate of any Director or manager.

As at the Last Practicable Date, the Company has not undertaken any off-balance sheet financing.

9.5 Corporate governance

Greystone and its Directors are committed to the principles of effective corporate governance and application of the highest ethical standards in the conduct of its business and affairs.

The Board supports and substantially complies with the principles of effective corporate governance as set out in King IV as set out in **Annexure 12** of this Supplementary Pre-Listing statement. The policy evidencing a clear balance of power and authority at a Directors level is included in the corporate governance statement.

10 WORKING CAPITAL STATEMENT

The Directors are of the opinion that the working capital available to Greystone is sufficient for Greystone's present working capital requirements and will, post-implementation of the Proposed Transactions and assuming the Resolutions regarding the issue of Shares are adopted, be adequate for at least 12 (twelve) months from the date of issue of this Prospectus.

11 LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which Greystone is aware, that may have or have had in the recent past, being the previous 12 months, a material effect on the Company's financial position.

12 SUBSCRIPTIONS

The shareholdings of the target companies in the process of being acquired, are set out and detailed in paragraph 1.1 of this Prospectus.

13 EXPENSES

The estimated costs of preparing and distributing this Prospectus and all its annexures, holding the Shareholder vote and implementing the Proposed Transactions, including the fees payable to professional advisors, are approximately E 2.5 million (including Value Added Tax) which will be paid by Greystone.

14 DIRECTORS' RECOMMENDATION

With regard to the Proposed Transactions, which are in the ordinary course of business of the Company, the Board is of the opinion that the terms and conditions of the Proposed Transactions are fair and that the implementation of the Proposed Transactions will add to and enhance the quality, stability and defensiveness of Greystone's balance sheet, as well as create opportunities to increase the shareholder spread and ultimately drive share price liquidity, which will be to the long-term benefit of Shareholders.

Accordingly, the Board recommends that Shareholders vote in favour of the Resolutions relating to the Proposed Transactions and intend to vote in favour of the Proposed Transactions in respect of Shares held by them, except to the extent they are precluded from voting as detailed in paragraph 2 of this Prospectus.

15 ADVISORS' CONSENTS

The parties referred to in the "Corporate Information and Advisors" section of this Prospectus have consented in writing to act in the capacities stated and to their names being stated in the Prospectus and, in the case of the Independent Reporting Accountants and Legal Advisors, have consented to the inclusion of their report, and to the references to their reports, in the form and context in which they appear, and have not withdrawn their consents prior to the publication of the Prospectus.

16 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given in the "Corporate Information and Advisors" section of this Prospectus, collectively and individually accept full responsibility for the accuracy of the information furnished relating to Greystone and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made, and that this Prospectus contains all information required by law and the Listings Requirements.

17 INFORMATION INCORPORATED BY REFERENCE

The information included by reference in this Prospectus, as detailed below, is available for inspection by Shareholders and prospective investors at the registered office of the Company, at no charge, during business hours from the date of issue of this Prospectus.

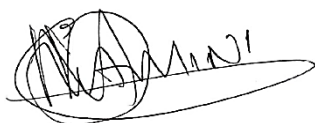
Information incorporated by reference	Prospectus paragraph number	Source document	Document reference
Investment management fees	7.8.1.2	Greystone Annual Report 2019 www.greystonepartners.net	Page 48
Details of Directors	8.1	Greystone Annual Report 2019 www.greystonepartners.net	Page 5
Directors' emoluments and incentives	8.4	Greystone Annual Report 2019 www.greystonepartners.net	Page 52
Loans and borrowings	9.4	Greystone Annual Report 2019 www.greystonepartners.net	Page 48

18 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by Shareholders during normal business hours at Greystone's registered office, the details of which are provided in the "Corporate Information and Advisors" section of this Prospectus, during business hours from the date of issue of this Prospectus:

- 18.1 the MOA of Greystone;
- 18.2 the Sale and Purchase Agreements;
- 18.3 the Management Agreements;
- 18.4 the material contracts as referred to in paragraph 9.19.1 of this Prospectus;
- 18.5 the Reporting Accountant's report on the *pro forma* statement of financial position and *pro forma* statement of profit or loss and other comprehensive income of Greystone for the year ended 30 September 2019 of Greystone before and after the Proposed Transactions, as set out in **Annexure 11** of the Prospectus;
- 18.6 the written consent letters by experts and advisors as referred to in paragraph 15 of the Prospectus;
- 18.7 the documents listed in paragraph 17 of this Prospectus; and
- 18.8 a copy of this Prospectus and all applicable annexures.

SIGNED AT MBABANE ON FRIDAY, 9 OCTOBER 2020 ON BEHALF OF ALL THE DIRECTORS OF GREYSTONE, AS LISTED BELOW, IN TERMS OF THE ROUND ROBIN RESOLUTIONS SIGNED BY SUCH DIRECTORS.



Mduduzi Mona Dlamini

Chairman of the Board of Greystone Partners

Friday, 9 October 2020



Greystone Partners Limited
(Incorporated in the Kingdom of Eswatini)
Registration number 74 of 2009
Share code on the ESE: GRYS
("Greystone" or "the Company")

Directors

Executive

NK Mabuza
AMB de Castro

Non-executive

MM Dlamini (Chairman)[#]
ML Dlamini[#]
S Khumalo[#]
SN Shabangu[#]
KD Dlamini[#]

[#]*Independent*

SUPPLEMENTARY PRE-LISTING STATEMENT IN TERMS OF THE LISTINGS REQUIREMENTS

- The definitions and interpretations section commencing on page 6 of this Prospectus of which the Supplementary Pre-Listing Statement form part applies, *mutatis mutandis*, throughout this Supplementary Pre-Listing Statement, including this cover page.
- **Shareholders are referred to the Prospectus for information relating to the Company. This Supplementary Pre-Listing Statement is not an invitation to the public to subscribe for Shares but are issued in compliance with the Listings Requirements for the purpose of providing information to the public and Shareholders with regard to the Company and is issued in respect of:**
 - the proposed acquisition of the African Alliance Shareholding from African Alliance – a related party to Greystone, for a total Purchase Consideration of E 264.3 million, which constitutes a related party and category 1 transaction for Greystone in terms of the Listings Requirements; and
 - a Share issuance to raise up to approximately E 100 million by way of a Capital Raise for up to approximately 33,333,333 Shares in the share capital of Greystone at an issue price, in accordance to the Listings Requirements, to be determined by demand and for which an indicative issue price of E 3.00 per share (ex-dividend) has been used in this Supplementary Pre-Listing Statement.
- The Shares to be issued pursuant to the Capital Raise will rank *pari passu* with all other Shares issued by Greystone. There are no convertibility or redemption provisions relating to any of the Capital Raise Shares offered in terms of the Capital Raise. There will be no fractions of Capital Raise Shares offered or issued in terms of the Capital Raise. The proceeds of the Capital Raise will be used by Greystone to position the Company for new transactions and follow on investments in the Existing Portfolio.
- Immediately prior to the Proposed Transactions –
 - the authorised share capital of the Company comprised 250,000,000 Shares of 1 cent each;
 - the issued share capital of the Company comprised 141,836,461 Shares of 1 cent each; and
 - the Company had no treasury Shares in issue.

Assuming that the Proposed Transactions are implemented and the Capital Raise is fully subscribed:

- the authorised share capital of the Company will comprise 500,000,000 Shares of 1 cent each;
- the issued share capital of the Company will comprise 263,254,903 Shares of 1 cent each; and
- the Company will have no treasury Shares in issue.

At the Implementation Date, assuming the Capital Raise is fully subscribed, the anticipated market capitalisation of the Company will be approximately E 790 million.

The ESE will grant approval for the listing of the issued ordinary shares of one cent each in the share capital of Greystone Partners at an issue price of 300 cents per share, on the ESE under the abbreviated code "GRYS" and ISIN code SZE000331023, with effect from the commencement of trade on the Closing Date, subject to the Company having satisfied the Listings Requirements and final conditions precedent.

An abridged version of this Supplementary Pre-Listing Statement will be published on Monday, 2 November 2020 and a copy of this Supplementary Pre-Listing Statement shall be registered with the Registrar of Companies in terms of S139 of the Companies Act.

- This Supplementary Pre-Listing Statement is issued in compliance with the Listing Requirements of the ESE and the Companies Act for the purpose of giving information to subscribers with regard to Greystone.
- The Directors, whose names appear on the cover of the Supplementary Pre-Listing Statement, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Supplementary Pre-Listing Statement contain all information required by law and the Listings Requirements.
- African Alliance Eswatini Limited and African Alliance Eswatini Securities Limited are acting as Corporate Advisor and Sponsoring Broker, respectively, for the Transaction. The Corporate Advisor and Sponsoring Broker have relied on information provided by the Company. As at date of signing of this Prospectus, the Corporate Advisors and Sponsoring Broker have, to the best of their abilities, confirmed that information contained in the Prospectus is true and accurate.
- The Corporate Advisor accepts responsibility or liability for any inaccuracy of the information contained and will be jointly liable to pay compensation to all persons who have acquired any shares on the faith of the Prospectus for the loss or damage they may have sustained by reason of any untrue statement therein, or in any report or memorandum appearing on the face thereof or issued therewith, or by reference incorporated therein.
- The Corporate Advisor and Sponsoring Broker do also confirm that to the best of their knowledge, this Supplementary Pre-Listing Statement constitutes a full and fair disclosure of all material facts as required by the ESE Rules about the Company.
- Howe Masuku Nsibande Attorneys is acting as legal advisors to the Company. Any opinion expressed is limited to matters of the laws of the Kingdom of Eswatini as in force and applied at the date of this Prospectus. Howe Masuku Nsibande Attorneys has relied on information provided by the Company. Accordingly, Howe Masuku Nsibande Attorneys does not provide any assurance of the accuracy of the information contained in this Prospectus and does not accept any responsibility or liability for the inaccuracy of the information contained in the Prospectus. Howe Masuku Nsibande Attorneys does however confirm that to the best of its knowledge, this Prospectus constitutes a full and fair disclosure of all material facts as required by the ESE Rules about the Company.
- All advisors whose names and/or reports are contained in the Supplementary Pre-Listing Statement have consented in writing to act in the capacity stated and to their names being included in the Supplementary Pre-Listing Statement and, if applicable, to the inclusion of their respective reports in the Supplementary Pre-Listing Statement in the form and context in which they appear and have not withdrawn their written consents prior to publication hereof.
- Neither the admission of the shares to the ESE nor the approval of the listing particulars pursuant to the Listing Requirements of the ESE shall constitute a warranty or representation by the ESE as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes. The investment activities of the Company will not be regulated or otherwise overseen by the ESE.
- Any information or representations not contained within this Supplementary Pre-Listing Statement (including, without limitation, any indications regarding target returns for the Company) may not be relied upon as having been authorised by the Company or the directors and should be disregarded. This Supplementary Pre-Listing Statement contains information in relation to the Company and the Proposed Transactions. It is subject to subsequent changes in applicable law and neither the delivery of this Supplementary Pre-Listing Statement nor the allotment or issue of Shares shall create any implication whatsoever that there has been no change in such law or the affairs of the Company since the date hereof.
- The contents of this Supplementary Pre-Listing Statement should not be considered to be legal or tax advice and each prospective investor should consult with its own counsel and advisors as to all matters concerning an investment in the Company.
- The distribution of this Supplementary Pre-Listing Statement and the offering of Shares in certain jurisdictions are restricted. There will be no public offering of Shares and no offer to sell (or solicitation of an offer to buy) is being made in any jurisdiction in which such offer or solicitation would be unlawful. It is the responsibility of any recipient of this Supplementary Pre-Listing Statement to confirm and observe all applicable laws and regulations. Notwithstanding anything to the contrary herein, each shareholder (and each employee, representative, or other agent of such shareholder) may not disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Company and (ii) any of its transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to the shareholder relating to such tax treatment and tax structure.
- **OTHER THAN REGISTRATION WITH THE ESWATINI FINANCIAL SERVICES REGULATORY AUTHORITY, THE REGISTRAR OF COMPANIES AND THE APPLICATION FOR ADMISSION OF THE SHARES TO THE MAIN BOARD OF THE ESWATINI STOCK EXCHANGE, THE OFFERING OF SECURITIES HEREBY HAS NOT BEEN FILED WITH OR APPROVED OR DISAPPROVED BY ANY REGULATORY AUTHORITY OF ANY COUNTRY OR JURISDICTION, NOR HAS ANY SUCH REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS SUPPLEMENTARY PRE-LISTING STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.**

- THESE SECURITIES ARE SUITABLE FOR SOPHISTICATED INVESTORS WHO DO NOT REQUIRE IMMEDIATE LIQUIDITY FOR THEIR INVESTMENTS, FOR WHOM AN INVESTMENT IN THE COMPANY DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM, AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN THE COMPANY'S INVESTMENT PROGRAM. SUBSCRIBERS FOR SHARES MUST REPRESENT THAT THEY ARE ACQUIRING THE SHARES FOR INVESTMENT. NO OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY IS BEING MADE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

Corporate Advisor and Bookrunner



African Alliance Eswatini Limited
(Registration number 415 of 1997)

Sponsoring Broker



African Alliance Eswatini Securities Limited
(Registration number 549 of 1998)

Legal Advisor



Howe
Masuku
Nsibande
Attorneys

Independent Reporting Accountants, Transfer
Secretary and Auditors
PricewaterhouseCoopers (Eswatini)
(Registration number 418 of 1998)



Date of issue: Friday, 9 October 2020

Copies of this Prospectus of which this Supplementary Pre-Listing Statement form part are available in English only and may, from the date of issue of this Supplementary Pre Listing Statement, to be obtained from the registered office of the Company and from African Alliance, during normal business hours at the addresses set out in the "Corporate Information and Advisors" section of this Prospectus. A copy of this Prospectus will also be available on the Company's website www.greystonepartners.net.

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INFORMATION ON GREYSTONE

1 INCORPORATION, HISTORY AND NATURE OF BUSINESS

1.1 Background and prospects

The history and prospects of Greystone are set out in paragraph 7.1 and 7.5 of this Prospectus. Greystone's financial year-end is 30 September.

Details of the registered office of Greystone, the transfer office, date and place of incorporation and date of registration are included in the "Corporate Information and Advisors" section of this Prospectus. Details of the Company Secretary, Independent Reporting Accountants, Legal Advisor, Independent Valuer, Corporate Advisor and Bookrunner and Sponsoring Broker are set out in the "Corporate Information and Advisors" section of this Prospectus.

2 PURPOSE OF THE SUPPLEMENTARY PRE-LISTING STATEMENT

Greystone has entered into an agreement with African Alliance to acquire the African Alliance Shareholding, as detailed in paragraph 1.1 of this Prospectus. The Supplementary Pre-Listing Statement are required in terms of the Listings Requirements, due to the Proposed Transactions being classified as a Category 1 Transaction, being an acquisition by a listed company of assets where the percentage ratio is 30% or more of the company's market capitalisation as detailed in paragraph 1.4 and paragraph 1.5 of this Prospectus.

3 MAJOR SHAREHOLDERS

Shareholders with a beneficial interest of 1% or more in the Shares of Greystone at the Last Practicable Date are as set out in paragraph 5 of this Prospectus. As at the Last Practical Date, UEPF was the largest shareholder of the Company with a 20.78% shareholding. Following implementation of the Proposed Transactions (and depending on the allocation of Shares pursuant to the Capital Raise), African Alliance will be the largest shareholder of Greystone, with an expected shareholding of approximately 34%.

4 DIRECTORS, OTHER OFFICE HOLDERS OR MATERIAL THIRD PARTIES

4.1 Directors of the Fund

Curricula vitae of the Directors are set out in paragraph 8.1 of this Prospectus.

The remuneration receivable by any of the Directors of Greystone will not be varied as a consequence of the implementation of the Proposed Transactions.

4.2 Directors' interests in Greystone Shares

The table below sets out the Directors' (and their associates), including Directors who have resigned during the 18 months prior to the Last Practicable Date, direct or indirect beneficial interests and holdings within Greystone as at the Last Practical Date:

Director	Beneficially held – directly %	Total Number of Shares Beneficially held – directly	Beneficially held – indirectly %	Total Number of Shares Beneficially held – indirectly	Total %	Total Number of Shares
Dr. Khanyisile D Dlamini active member of Board, appointed 01/10/2016	0.01%	19,244	0.00%	-	0.01%	19,244
Nelsiwe K Mabuza - active member of the board, appointed 16/06/2009	0.00%	-	0.02%	22,500	0.02%	22,500
	0.03%	39,244	0.02%	22,500	0.04%	61,744

4.3 Interests of Directors and promoters

Greystone has not entered into any promoters' agreements and thus no amounts have been paid or have accrued as payable within the preceding two years, nor have any amounts been proposed to be paid to any promoter.

There have been no commissions paid or accrued as payable within the preceding three years as commission to any person, including commission so paid or payable to any sub-underwriter. There have been no commissions, discounts, brokerages or other

special terms granted in connection with the issue or sale of any securities, Shares in the capital of the Company, where this has not been disclosed in the audited annual financial statements.

Other than in respect of the Directors, whose interests in Shares are disclosed in paragraph 4.2 of this Supplementary Pre-Listing Statement, there are no other promoters which have had any material beneficial interest, direct or indirect, in the promotion of the Company or in any property acquired or proposed to be acquired by Greystone or otherwise in the two years preceding the Last Practicable Date and no amount has been paid during this period, or is proposed to be paid to any other promoters.

Directors' interests in transactions are disclosed in paragraph 4.4 of this Supplementary Pre-Listing Statement.

4.4 Directors' and Directors of the Manager interests in transactions

Save in relation to the Directors' and the Directors of the Manager's interests as detailed in paragraph 4.2 of this Supplementary Pre-Listing Statement, none of the Directors have or have had a material beneficial interest, direct or indirect, in transactions that were effected by Greystone since its listing which remain in any respect outstanding or underperformed.

Details of additional information related to Directors of Greystone are detailed in **Annexure 4** of this Prospectus.

4.5 Greystone advisors and company secretary

The details in relation to the Company advisors and Company secretary are set out in paragraph 8.3 of this Prospectus.

5 MANAGEMENT OF THE FUND

Details of the Manager are set out in paragraph 7.8 of this Prospectus.

6 INFORMATION ON SHARE CAPITAL

6.1 Capital structure

The issued Share capital of Greystone before and after the Proposed Transactions is set out in paragraph 4 of this Prospectus.

7 FINANCIAL INFORMATION

7.1 Pro forma financial information

Pro forma financial effects of Greystone and the Proposed Transactions were prepared according to the Listing Requirements. A summary of the pro forma financial effects on the statement of financial position and the statement of comprehensive income are disclosed in paragraphs 3.1 and 3.2 of this Prospectus respectively.

7.2 Reporting Accountant Reports

The Reporting Accountants' reports on Greystone's Historical Financial Statements, as well as the *pro forma* historical statement of profit and loss and other comprehensive income and consolidated *pro forma* statement of financial position are presented in **Annexure 11**.

7.3 Profit history

As set out in paragraph 8.4 of the Listing Requirements, the Company's historical financial information is to be presented in consolidated form, in respect of a period of at least three (3) years up to and including the financial year immediately preceding the issue of the pre-listing statement or Prospectus. Details of Greystone's historical financial statements for the last three (3) years are set out and presented in **Annexure 8**.

7.4 Dividend policy

As a long-term investment fund, the intention of the directors is not to pay dividends but to reinvest the Company's earnings thereby enhancing its investment returns potential. However, in the event of circumstances where there is sufficient unutilised cash, a dividend may be paid, which will be done at the discretion of the Board.

7.5 Adequacy of capital

The directors are of the opinion that the Company's issued share capital and working capital resources are adequate for the current and foreseeable future requirements of its business. The directors' working capital statement is set out in paragraph 10 of this Prospectus.

7.6 Advances, loan capital and borrowings

Details of the material loans and borrowings advanced to the Company, including the funding obtained in relation to the Proposed Transactions are set out in paragraph 9.4.

8 INVESTMENT PORTFOLIO

Set out in paragraph 7.7 of this Prospectus and Annexure 5, are details of all Greystone's investments as at the Last Practical Date.

9 PROPERTIES, ASSETS AND BUSINESS UNDERTAKINGS ACQUIRED OR TO BE ACQUIRED

9.1 Securities acquired or to be acquired

Set out in paragraph 1.6 of this Prospectus and **Annexure 5**, are details of all other immovable properties and/or fixed assets and or securities and/or business undertakings that have been acquired within the past two years or that are in the process of being, or are proposed to be acquired by Greystone, including the African Alliance Shareholding.

No material immovable properties and/or fixed assets or securities and/or business undertakings are proposed to be acquired by Greystone, other than those contemplated in this Prospectus.

10 RISK FACTORS

An investment in Greystone will involve substantial risks and is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who are able to bear a loss of their investment. Investors should carefully consider the following factors in addition to the other information set out in this Supplementary Pre-Listing Statement before deciding to subscribe for shares in the Capital Raise. Additional risks and uncertainties that Greystone does not currently know about or that it currently believes are immaterial may also adversely impact its business, financial condition, results of operations, investments, returns, realisations or the value of an investment in Greystone. If any of the circumstances outlined in the following Risk Factors actually occurs, Greystone's business, financial condition, results of operations, investments, returns, realisations, the price of Greystone shares and thus value of an investment in Greystone I would be adversely affected. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence or of their severity or significance.

10.1 Liquidity Risk

The Company has no independent operations or significant assets other than the investment of the Existing Portfolio in which it has invested. As a result, for the Company to pay dividends to its shareholders, and for its investment inflows generally, it relies in part on receiving cash dividends, interest payments and other cash flows from its investments. The ability of its investments in turn to generate cash distributions to it will depend on a number of factors, including, among others, the actual results of operations and financial condition of these companies, restrictions on cash distributions that are imposed by applicable laws and regulations, the timing and amount of cash generated by investments that are made, fluctuations in currency exchange rates and other factors.

The Company cannot guarantee that the Existing Portfolio will generate sufficient profits or cash flows to pay dividends. In addition, if inflows from underlying investments are not forthcoming the Company may not be able to meet its obligations to creditors or debt funders. The nature of Greystone's business results in the company be subject to irregular cash flows.

The inability of one or more of the Existing Portfolio to pay dividends or advance funds to the Company could have a material adverse effect on its business, financial results, NAV or the value of the Company.

10.2 Inability for Existing Portfolio companies to raise funding

Certain of the Existing Portfolio may require additional financing. These companies typically raise capital either through bank financing or capital markets transactions. The availability of capital is generally a function of market conditions that are beyond their control, and there can be no assurance that bank financing will be available on acceptable terms or at all.

In addition, there can be no assurance that the Company or its Existing Portfolio will be able to accurately predict their respective future capital requirements necessary for success. Any inability or delay in obtaining capital to fund capital expenditure or other investments could have a material adverse effect on the businesses and financial performance of the Existing Portfolio companies and, in turn, on the Company's business, financial results, NAV or the value of Greystone's shares.

In addition, if Greystone is not able to provide funding to the Existing Portfolio companies as and when they require equity funding, these companies will be able to source funding elsewhere, subject to any terms of the investments made, which will result in a dilution of Greystone's shareholding in that particular company.

10.3 The use of leverage may significantly increase the Company's investment risk

The Company uses leverage from time to time to assist the fulfilment of its investment objective. The Company's use of leverage may increase its exposure to adverse economic factors such as rising interest rates, downturns in the economy or a deterioration in the condition of the Company's investments.

Similarly, the capital structures of certain of the Existing Portfolio in which the Company invests have or may in the future have significant leverage. If the relevant Existing Portfolio cannot generate adequate cash flow to meet its debt obligations, the Company may suffer a partial or total loss of capital invested in such an entity.

A failure by any of the Company or its Existing Portfolio companies to repay its borrowings could result in enforcement by lenders of security interests, which could have a material adverse effect on the Company's business, financial results, NAV or the value of the Company's shares.

10.4 Risks relating to the relationship with the Manger

Greystone is advised by the Manager. Success in achieving Greystone's investment goals and its ability to create returns on investment for shareholders will depend in substantial part on the skills, experience and expertise of the Manager and its investment professionals, and its and their continued involvement in Greystone and investee companies in which Greystone invests.

The Manager is responsible for, *inter alia*, sourcing investments, optimising value in the investee companies and advising on exits of underlying investments. The investment professionals employed by are not obligated to remain employed by the Manager. If the Manager fails to adequately compensate its investment professionals, one or more of such individuals could cease to work for the Manager. The departure of any of the Manager's senior investment professionals, their reassignment to duties other than providing investment advice to Greystone, a significant deterioration in their performance or the failure to appoint qualified or effective successors in the event of such departures or reassignment could have a material adverse effect on Greystone's ability to achieve its objectives.

If the Manager were to cease to provide services under the Manager Agreement, or certain portfolio companies were to cease to have access to the Manager's investment professionals for any reason, or if the Manager were to cease to sponsor the formation of, and manage, new investments, Greystone would not be able to make new investments, its business and prospects would be materially harmed and its financial prospects would be likely to suffer materially.

10.5 Greystone may have difficulty or be unable to dispose of its investments

Greystone may have difficulty exiting their investments by way of disposal or public-market exit. Greystone may not be able to find a buyer to conclude a disposal. Market conditions, other shareholder interests or the nature and performance of the investment may preclude a public-market exit by way of offering of securities. Furthermore, regulatory or legal requirements (such as a particular franchisor's restrictions on disposal of companies) requirements may further prohibit exit by way of public-markets.

10.6 Investments by Greystone require a long-term commitment with no certainty of return

A substantial proportion of Greystone's investments will be in private companies and will require a long-term commitment of capital. A substantial amount of Greystone's investments will also be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. Although certain investments made by Greystone may generate current income, the return of capital and the realisation of gains, if any, from an investment by Greystone will generally occur only upon the partial or complete disposal of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. The illiquidity of these investments may make it difficult to sell investments if the need arises or if the Board determines such sale would be in Greystone's best interests. In addition, if Greystone were to be required to liquidate all or a portion of an investment quickly, it may realise significantly less than the value at which the investment was previously recorded, which could result in a decrease in Greystone's NAV and resultant value of the Company.

10.7 Higher risk inherent in investment in unlisted securities

Greystone intends to invest in securities that may not now and may never be publicly traded or listed on a securities exchange. Companies whose securities are unlisted are not subject to the same disclosure and other investor protection requirements that are applicable to companies with listed securities. These investments may be difficult to value (which valuation may also be subjective) and to sell or otherwise liquidate, and the risk of investing in such companies is generally much greater than the risk of investing in listed or publicly traded companies, because of the lack of liquidity.

10.8 There can be no assurance that the value of investments that the Company reports will be realised

There can be no assurance that Greystone's investments will not be sold at prices below their acquisition costs. Future performance, market conditions, political environment and macro and micro economic conditions are uncertain and may require disposal of an investment at a price below the acquisition cost.

10.9 Greystone shares liquidity and performance

Although Greystone is listed on the ESE, there is no guarantee that an active trading market for Greystone's shares will exist and be sustained. If there is no active volume traded in Greystone's shares, this could have a material adverse effect on the liquidity and consequently the market price of the shares.

The market price of Greystone's shares could be volatile and subject to significant fluctuations due to a variety of factors, some of which do not relate to Greystone's fundamentals, including changes in general market conditions, the general performance of the exchange, regulatory changes affecting Greystone's operations, variations in Greystone's results and business developments of Greystone or its competitors.

11 ADDITIONAL INFORMATION

11.1 Material changes

Details of the material changes to date relating to this Prospectus and Supplementary Pre-Listing Statement are set out in paragraph 9.2 of this Prospectus.

11.2 Turnover, profit/loss and dividend history

The financial information in relation to the gross turnover and the profits and losses (before tax and after tax) of Greystone is set out in **Annexure 8** of this Supplementary Pre-Listing Statement.

11.3 Report by auditor of Greystone

In terms of the Listings Requirements, the auditor is required to prepare a report on the profits and losses, dividends and assets and liabilities of Greystone. In this regard, **Annexure 11** of this Supplementary Pre-Listing Statement sets out the auditor's report in respect of the financial information.

11.4 Material contracts

Details of the material contracts entered into to date relating to this Prospectus and Supplementary Pre-Listing Statement are set out in paragraph 9.1 of this Prospectus.

11.5 Expenses

Details of the expenses incurred to date relating to this Prospectus and Revised Listing Particulars are set out in paragraph 13 of this Prospectus.

11.6 Corporate governance

Details of Greystone's corporate governance principles relating to this Prospectus and Supplementary Pre-Listing Statement are set out in paragraph 9.5 of this Prospectus.

11.7 Litigation statement

Any legal or arbitration proceedings or legal actions are disclosed in paragraph 11 of this Prospectus.

11.8 Working capital statement

The working capital statement of Greystone is set out in paragraph 10 of this Prospectus.

11.9 Directors' responsibility statement

The directors' responsibility statement of Greystone is set out in paragraph 16 of this Prospectus.

11.10 Advisors' consents

Details of the advisors' consents are set out in paragraph 15 of this Prospectus.

11.11 Documents available for inspection

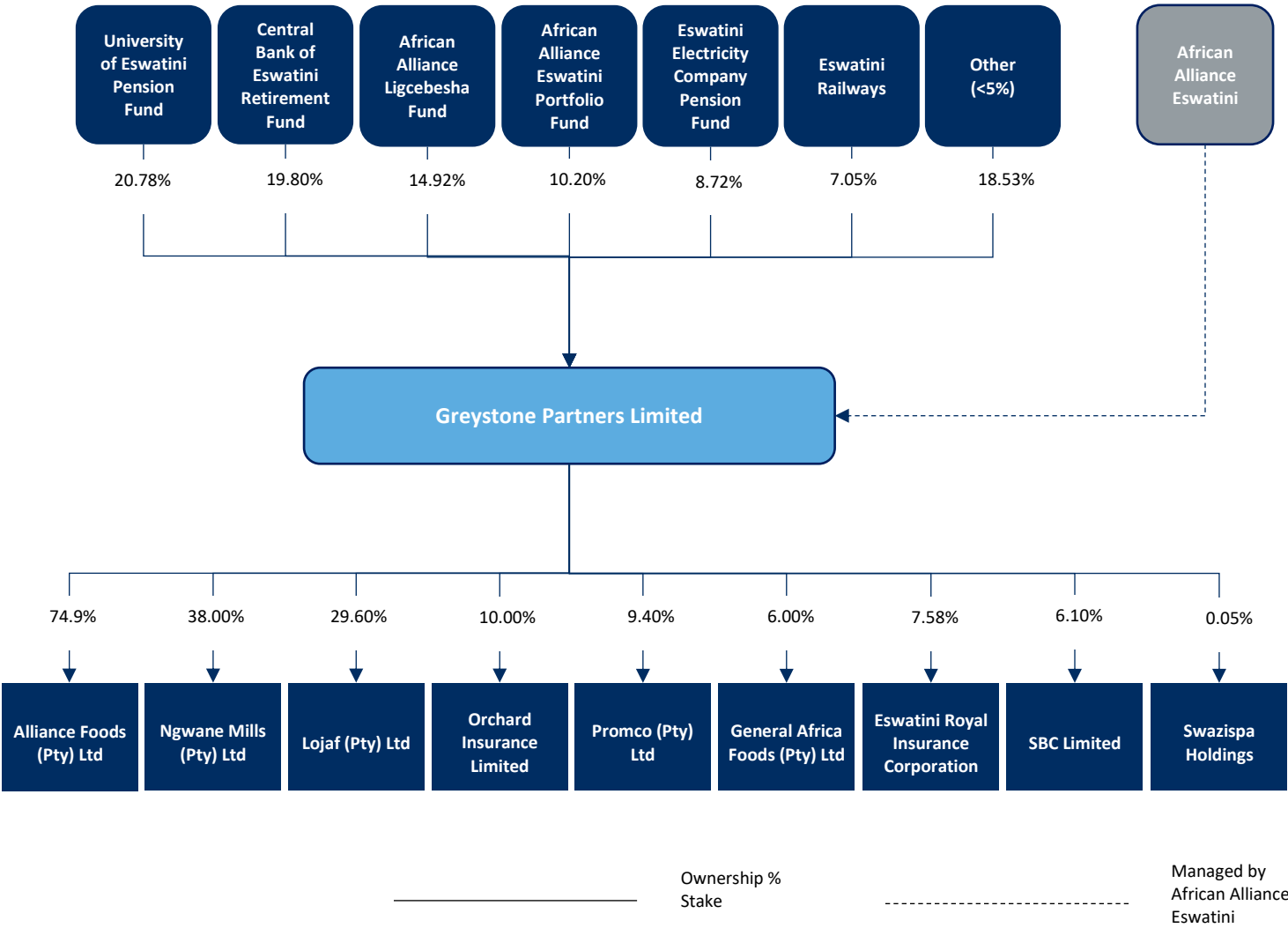
A schedule of documents that are available for inspection is set out in paragraph 18 of this Prospectus.

11.12 Related party transaction

Details of the related party transaction are set out in paragraph 2 of this Prospectus.

COMPANY STRUCTURE

Set out below is the Company's Structure



EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF GREYSTONE PARTNERS

1. EXTRACT FROM THE MEMORANDUM OF ASSOCIATION:

“3. The objects for which the Company is established are –

- (a) (i) To carry on the business of a holding company and to acquire by purchase, lease, exchange or in any other manner howsoever immovable and movable properties and also stocks;
- (ii) To transact all and any business or activities associated with investments that can be conveniently carried on in connection with the objects of the Company, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights;”
- (e) To acquire, sell, control and in any other way deal with the shares, property and rights of such other person or Company, to assume or in any other way deal with the liabilities of such other person or company;
- “(g) To enter into partnership or association, amalgamate, share profits, co-operate or in any other way contract with any person or company carrying on any business or about to engage in any business capable of being conducted so as to benefit this Company or with whom an association is necessary or convenient and in this connection;”
- “(i) To sell or dispose of the undertaking of the Company, in whole or in part, for such consideration as the Company may deem fit, and in particular in exchange for shares, debentures or securities of any other company having objects in whole or in part similar to the object of this Company;”
- “(k) To subscribe for, purchase, acquire, alienate, hold or otherwise deal with shares, bonds, debentures and securities of any other company;
- (l) To distribute to the members of the Company by way of bonus or dividend such of the assets of the Company as it may determine provided that the capital of the Company shall not be reduced except with such sanction as may be required by the law;
- (m) To invest such monies of the Company as are not immediately required in its business in any institution, business, security (excluding shares of the Company) or undertaking as the Company may deem fit with or without security or interest and on such terms and conditions as the Company may determine in its discretion;”

2. EXTRACT FROM THE ARTICLES OF ASSOCIATION:

APPOINTMENT, QUALIFICATION, REMUNERATION AND BORROWING POWERS OF DIRECTORS

QUALIFICATION OF DIRECTORS

“75. No person shall be required to hold any share to qualify him for the office of a director or alternate director.”

REMUNERATION OF DIRECTORS

“73. The remuneration of the directors shall from time to time be determined by the Company in general meetings.

74. The directors shall be paid all travelling, subsistence and other expenses properly incurred by them in the execution of their duties and as are authorised or ratified by the directors.”

BORROWING POWERS OF DIRECTORS

“80. Without in any way limiting the powers of the directors, they shall have power:

- 80.8 to borrow or raise money for any purpose of the Company and to exercise all the powers of the Company in this connection as are specified in 3.15 of the Memorandum of Association of the Company”

APPOINTMENT OF EXECUTIVE DIRECTORS AND MANAGING DIRECTORS

“93. The directors shall have the power at any time, and from time to time, to appoint a person as an additional director who shall retire from office at the following annual general meeting, but shall be eligible for election by the Company at that meeting as an additional director.

80. Without in any way limiting the powers of the directors, they shall have power:

- 80.3. to appoint any director or alternate director as an executive or managing director on such terms and conditions as they may determine and to remunerate a person so appointed by way of salary, commission, participation in profits or otherwise and to revoke or alter such appointment subject however to all other rights as such director may have to recover damages in respect of any breach of contract; provided that the appointment and remuneration of such director must be determined by a disinterested quorum of

directors; provided further that such director shall not be taken into account in determining the rotation of retirement of directors during the period of such contract.”

Annexure 3

GREYSTONE SHARE PRICE TRADING HISTORY ON THE ESE

The closing prices of Greystone Shares on the ESE since 29 May 2020 were as follows:

Daily (30 days)

DATE	SHARE PRICE	SHARES		NAV	Premium to NAV
		OUTSTANDING	MARKET CAP		
30-Jun-20	3.00	141,836,461	425,509	2.48	21.01%
01-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
02-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
03-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
06-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
07-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
08-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
09-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
10-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
13-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
14-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
15-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
16-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
17-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
20-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
21-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
22-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
23-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
24-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
27-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
28-Jul-20	3.00	141,836,461	425,509	2.48	21.01%
29-Jul-20	3.00	141,836,461	425,509	2.48	21.01%

Monthly (12 months)

DATE	SHARE PRICE	SHARES		NAV	Premium to NAV
		OUTSTANDING	MARKET CAP		
01-Jul-19	3.15	141,836,461	446,785	2.33	35.30%
01-Aug-19	3.15	141,836,461	446,785	2.33	35.30%
01-Sep-19	3.15	141,836,461	446,785	2.33	35.30%
01-Oct-19	3.15	141,836,461	446,785	2.48	27.06%
01-Nov-19	3.15	141,836,461	446,785	2.48	27.06%
01-Dec-19	3.30	141,836,461	468,060	2.48	33.11%
01-Jan-20	3.30	141,836,461	468,060	2.48	33.11%
01-Feb-20	3.30	141,836,461	468,060	2.48	33.11%
01-Mar-20	3.47	141,836,461	492,173	2.48	39.97%
01-Apr-20	3.47	141,836,461	492,173	2.48	39.97%
01-May-20	3.00	141,836,461	425,509	2.48	21.01%
01-Jun-20	3.00	141,836,461	425,509	2.48	21.01%
01-Jul-20	3.00	141,836,461	425,509	2.48	21.01%

INFORMATION ON THE DIRECTORS, MANAGEMENT, MATERIAL THIRD PARTIES AND THE MANAGER

1. DIRECTORS' EMOLUMENTS

- 1.1 The emoluments of the Directors paid for the period from 1 October 2018 to 30 September 2019 are set out in the table below:

	Remuneration Retainer per annum	Remuneration Sitting allowance per meeting	Total
Directors	E	E	E
Executive Directors	Nil	Nil	Nil
Non-executive Directors	E 35,000.00	E 26,000.00	E 61,000.00

- 1.2 Save as specified in the tables above, the Directors of the Company did not receive any emoluments in the form of:
- 1.2.1 fees for services as a Director;
 - 1.2.2 management, consulting, technical or other fees paid for such services rendered, directly or indirectly, including payments to management companies, a part of which is then paid to a director of the Company
 - 1.2.3 basic salaries;
 - 1.2.4 bonuses and performance-related payments;
 - 1.2.5 sums paid by way of expense allowance;
 - 1.2.6 any other material benefits received;
 - 1.2.7 contributions paid under any pension scheme; or
 - 1.2.8 any commission gain or profit-sharing arrangements.
- 1.3 No share options or any other right has been given to a Director of the Company in respect of providing a right to subscribe for Shares in the Company.
- 1.4 No Shares have been issued and allotted in terms of a share purchase or share option scheme for any of the employees.
- 1.5 Save as provided in paragraph 1.1 above, all of the Directors of Greystone will be remunerated by Greystone. The Directors did not receive any remuneration or benefit in any form from any subsidiary, joint venture or other third-party management or advisory company for their services as Directors of Greystone.
- 1.6 The Company has not paid any other fees or incurred any fees that are payable to a third party in lieu of Directors' fees.
- 1.7 The remuneration received by any of the Directors will not be varied as a consequence of any transactions.
- 1.8 Other than as detailed in paragraph 4 of this Supplementary Pre-Listing Statement, the business of the Company, or any part thereof, is not managed or proposed to be managed by any third party under contract or arrangement.

2. BORROWING POWERS

- 2.1 The relevant provisions of the Articles of Association of Greystone concerning the appointment, qualification, remuneration and borrowing powers of the directors are set out in **Annexure 2** to this Prospectus.
- 2.2 The borrowing powers have not been exceeded during the period from the date of incorporation of the Company to the Last Practical Date. There is no exchange control or other restrictions on the borrowing powers of the Company.

3. DIRECTORS' INTERESTS**3.1 Directors of the Manager interests in Greystone Shares**

- 3.1.1 Save in relation to Ms Nelsiwe Mabuza's interest in Greystone set out in paragraph 4.1 of the Supplementary Pre-Listing Statement above, none of the Directors of the Manager are directly or indirectly beneficially interested in Greystone Shares in issue as at the Last Practical Date.

- 3.1.2 It is anticipated that none of the Directors of the Manager will be directly or indirectly beneficially interested in Greystone Shares in issue post the Proposed Transactions.

3.2 Retirement of Directors

The Board undertakes the role of a Nominations Committee and the selection, appointment and approval of new Directors is therefore undertaken by the Board as a whole, in a formal and transparent manner, free from any dominance of any one particular Shareholder.

Any new appointees are required to possess the necessary skills to contribute meaningfully to Board deliberations and to enhance Board composition in accordance with recommendations, legislation, regulations and best practice. The Company Secretary assists the Board and ensures that the procedure for the appointment of Directors is properly carried out. No Director is appointed for life or for an indefinite period. Any Director appointed during the year is required to have the appointment confirmed by Shareholders at the next annual general meeting.

At each annual general meeting, one third of the Directors, or if their number is not three or a multiple of three, the number nearest to one third but not less than one third, retires from office, provided also that at least one third of the non-executive directors, or if their number is not three or a multiple of three, the nearest to one third, but not less than one third, will retire from office.

The appointment of executive Directors shall be terminable by way of a Board resolution.

3.3 Board committees

The Board committees are set out in the Greystone Annual Report, as detailed in paragraph 17 of this Supplementary Pre-Listing Statement.

4. DIRECTORS' DECLARATIONS

4.1 None of the Directors have been involved in:

- 4.1.1 any bankruptcies, insolvencies or individual voluntary compromise arrangements of such person;
- 4.1.2 any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company; where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s);
- 4.1.3 any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where such person is or was a partner at the time of or within the 12 months preceding such event(s);
- 4.1.4 receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event;
- 4.1.5 any public criticisms of such person by statutory or regulatory authorities, including recognised professional bodies, and whether such person has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- 4.1.6 any offence involving dishonesty committed by such person; and
- 4.1.7 a removal from an office of trust, on the grounds of misconduct and involving dishonesty.

With the assistance of the Board, the Chairman and the Company Secretary ensure that all Directors are appropriately made aware of their responsibilities through a tailored induction programme, and ensure that a formal programme of continuing professional education is adopted by the Board.

Annexure 5

DETAILS OF THE EXISTING PORTFOLIO

Investment	Sector	Stock Exchange	Shareholding	Cost ('000)	Valuation as at 30 Sep 2019 ('000)	Valuation method used	Multiple	Unrealised Profit	Income received during year ('000)
Listed Equity Investments on the ESE¹									
SBC Limited ³	Financial Services	Eswatini Stock Exchange	6.10%	22,029	47,452	Market value	N/A	25,423	1,800
Swazisp Holdings Limited ³	Travel & Leisure	Eswatini Stock Exchange	0.05%	30	21	Market value	N/A	(9)	-
Sub-Total				22,059	47,473			25,414	1,800
Unlisted Equity Investments¹									
Eswatini Insurance Corporation ²	Royal Insurance	N/A	7.58%	24,972	89,500	P/E multiple	11.34x	64,528	9,165
Ngwane Mills Ltd ²	Agri manufacturing	N/A	38.00%	39,051	37,409	Price/Embedded value	0.96x	(1,642)	-
Orchard Limited ²	Insurance	N/A	10.00%	200	2,892	DCF	N/A	2,692	81
Lojaf (Pty) Limited ²	Retail	N/A	29.60%	41,845	82,838	P/E multiple	11.34x	40,993	-
General Foods (Pty) Ltd ²	Africa Retail butchery	N/A	8.70%	20,000	21,728	DCF	N/A	1,728	-
Alliance Foods (Pty) Ltd ²	Quick Service Restaurants	N/A	74.90%	45,000	49,923	DCF	N/A	4,923	-
Promco (Pty) Ltd ²	Retail	N/A	9.40%	3,182	2,894	DCF	N/A	(288)	-
Sub-Total				174,250	287,184	DCF	N/A	112,934	9,246
Total				196,309	334,657			138,348	11,046

Notes:

1. All of the Existing Portfolio's funds are invested in equity securities, in a combination of listed and private equity investments. Approximately 89% of Greystone's Existing Portfolio is invested in unlisted instruments, with the remainder invested in selected listed equities, listed on the Eswatini Stock Exchange.
2. An independent valuation by KPMG of Greystone's unlisted investments as of 30 September 2019 was performed. At the time, these were ESRIC, Ngwane Mills, Orchard, Lojaf, General Africa Foods, Alliance Foods and Promco. KPMG applied the market multiple methodologies in valuing these companies.
3. For listed investments, quoted market prices have been used to value these investments.

Overview of investments within the Existing Portfolio:

SBC Limited



Sector:	Financial Services – Microfinance
Transaction Type:	Buy-out
Source of Opportunity:	Internal Sources
Date of Initial Investment:	17/11/2011
Date of Follow-on Investment	26/11/2014
Capital Invested – Tranche 1:	E12.0 million
Capital Invested – Tranche 2:	E10.0 million
Ownership:	6.10%
Date of Exit:	Unrealised
Holding Period – Tranche 1:	8 Years 7 Months
Holding Period – Tranche 2:	5 Years 7 Months
Value as at 30 September 2019:	E47.5 million
Dividends Received to Date:	E11.3 million
Internal Rate of Return*:	18.45%
Multiple of Capital Invested*:	4.05x

*As at 30 September 2019

Business Description

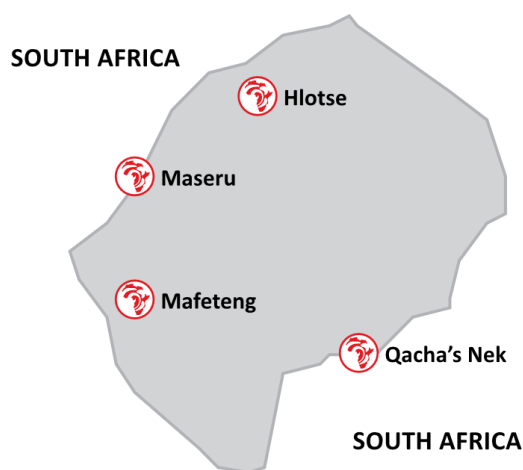
SBC was incorporated in Eswatini in April 2011 as an investment holding company with the purpose of investing in retail financial services opportunities in the Southern African region. SBC was listed on 10 February 2014 on the ESE at E 3.92 per share. SBC is an investment holding company that focusses on retail financial services and real estate development and management. The group focusses primarily on the extension of retail unsecured, incremental housing microfinance, education and consumer finance loans, ranging from three to sixty months. The Group commenced operations in August 1999, with the opening of its first branch in Mbabane, Eswatini, followed by the establishment of subsequent operations. Today, the Group has operations in Eswatini, Lesotho, Kenya and Malawi.

SBC owns a 97.97% stake in Select Limited ("Select"), a credit provider that offers microfinance loan funding through the Select group in Eswatini mainly to civil servants in Eswatini. Select offers retail financial services to the unbanked market in Eswatini, focusing on providing unsecured credit to employed individuals who are unable to access finance through traditional banking channels. Its client base is weighted towards civil servants, which is the largest employee base in Eswatini and is typically resilient to economic cycles. Select currently operates through 5 branches throughout Eswatini.

Eswatini



Lesotho



In February 2014 Select acquired Lesana Lesotho Limited (“Lesana”), a newly established micro finance company in Lesotho. The performance of Lesana has been strong and consistent, lending itself to SBC’s group strategic intent and improves SBC’s diversification where it can capitalise on opportunities that may be absent in other markets due to the competitive environment.

In 2015 SBC acquired Pine Acres (Pty) Limited, a property development company with a 42 hectare piece of land in Malkerns, Eswatini. Pine Acres is developing this land into Malkerns Square, an iconic, environmentally responsible, and resource-efficient lifestyle property development, with c. 1,300 residential housing units, and a retail shopping centre of 6,000m² to 8,000m². The total value of the completed development is expected to be in the range of approximately E 1.1 billion – c. E 1.3 billion.

Investment Themes

Established business with proven business model	<ul style="list-style-type: none"> SBC’s main subsidiary, Select, has been in operations since 1999. The Select group has been a market leader in Eswatini. The business has a proven track record and the business strategy of targeting civil servants has proven resilient to economic cycles.
Expansion Opportunities	<ul style="list-style-type: none"> The short to medium term goal includes expansion organically as well as through acquisitions. SBC continues to assess various investment opportunities in Southern Africa in order to fulfil its primary objective of building a regional financial services company. This will provide exposure to new markets and geographic diversification whilst leveraging off the existing platform and cash flows. SBC is expanding its product mix, in particular developing its housing finance product. It is expected that this will lead to exponential growth in SBC’s loan book albeit at reduced margin.
Best Practice Governance Standards	<ul style="list-style-type: none"> Effective Board and subcommittees. Board includes independent directors and independent Chairman. Separation of Board and management roles. Independent Auditor (KPMG).
Strong Management	<ul style="list-style-type: none"> The board and management of SBC have extensive experience in the microfinance sector. SBC’s resilience during the global financial crisis while the consumer is under immense pressure proves management has required ability to ensure continued growth.

Value Creation

Greystone has board representation on SBC through Tony de Castro. Tony de Castro, a Greystone board member, is a non-executive board member of SBC. Through regular engagement with management and shareholders, the Manager monitors its investment in SBC. Engagement with the board focuses on understanding growth opportunities and exploring further funding opportunities.

Value Realisation

SBC continues to grow and achieve solid results. As of 30 September 2019, the investment in SBC has yielded Greystone an internal rate of return of 18.45% and a times money multiple of 4.05x. This is assuming that SBC is worth E777.9 million (implied by the market capitalisation), which results in a fair value of Greystone’s stake of E47.4 million as of 30 September 2019. The achieved returns include dividends received to date of E11.3 million. In other words, in approximately eight years, Greystone has received dividends that covers more than 50% of the total purchase price, paid in November 2011 and December 2014 respectively. SBC has been one of Greystone’s standout performing investments, not only from an IRR perspective, but also from a capital gains perspective. The future growth strategy of the Group will be driven both organically and through acquisition and diversification. It is envisaged that SBC will achieve its objective of growing through acquisitions as well as growing its housing loan book business in Select. SBC’s progress will be monitored closely and an exit by Greystone Partners will be considered once it is believed that SBC’s growth is plateauing.



Sector:	Financial Services – Insurance
Transaction Type:	Buy-out
Source of Opportunity:	Internal Sources
Date of Initial Investment:	29/08/2012
Date of Follow-on Investment	15/01/2020
Capital Invested – Tranche 1:	E24.9 million
Capital Invested – Tranche 2:	E11.7 million
Initial Ownership:	6.50%
Current Ownership:	7.58%
Date of Exit:	Unrealised
Holding Period – Tranche 1:	7 Years 9 Months
Holding Period – Tranche 2:	5 Months
Value as at 30 September 2019:	E89.5 million
Dividends Received to Date:	E57.9 million
Internal Rate of Return*:	42.7%
Multiple of Capital Invested*:	5.91x

*As at 30 September 2019

Business Description

The Eswatini Royal Insurance Corporation was established in 1973 by a King’s Order-in-Council in terms of founding legislation No. 32/1973. The objective of the Corporation is to “provide adequate and proper insurance business of all classes including both short and long term insurance, in accordance with the conditions appropriate in the normal and proper conduct of insurance business”.

Since inception, ESRIC has grown steadily to be a solid and reputable insurer that has succeeded in contributing to a stable domestic insurance environment. The Corporation provides both short term insurance and life cover to individuals, corporate customers and government organisations.

Investment Themes

ESRIC – A dominant player	<ul style="list-style-type: none"> ESRIC is the largest insurer in Eswatini with short term market share of ~ 74% (per the latest industry statistics). According to the Eswatini FinScope 2018 Consumer Survey, 25% of the adult population is estimated to have some form of formal insurance. ESRIC’s Balance Sheet is very strong and can fund growth without requiring new capital, despite having paid significant dividends over the past 7 years.
History of Profitability and Dividends	<ul style="list-style-type: none"> ESRIC has a long history of profitable growth, cash flow generation and dividend payments. ESRIC has shown growth and increased profitability despite increased competition and a tough economic environment.
Strong Shareholders	<ul style="list-style-type: none"> ESRIC has three shareholders that are globally connected and which provide technical support (Munich Re, Zurich and Old Mutual). These shareholders, who have representatives on the Board, provide invaluable input and guidance to ESRIC.
Strong Management	<ul style="list-style-type: none"> Senior management have been involved with the business for many years. Management are stable and have demonstrated their ability to manage and grow the business.

- Management regularly consults with actuaries for commercial decisions.

Value Creation

ESRIC and management, continue to focus on the following areas of its strategy.

- Customer service;
- Effective underwriting considerations;
- Good risk management;
- Optimal capital utilization; and
- Cost containment and efficiencies.

Value Realisation

Greystone has achieved excellent returns from its investment in ESRIC due to the very attractive dividends received to date and a cash on cash multiple of almost 6x in over 7 years. The Company is considering an exit at or above the current fair valuation derived in order to ensure the greatest possible returns are achieved for the Company.



Sector:	Agriculture – Manufacturing
Transaction Type:	Growth Capital
Source of Opportunity:	Internal Sources
Date of Initial Investment:	09/12/2015
Capital Invested:	E39.0 million
Initial Ownership:	38.00%
Date of Exit:	Unrealised
Holding Period:	4 Years 6 Months
Value as at 30 September 2019:	E37.4 million
Dividends Received to Date:	E9.5 million
Internal Rate of Return*:	5.23%
Multiple of Capital Invested*:	0.96x

*As at 30 September 2019

Business Description

Ngwane Mills is an animal's feed manufacturer. It operates a fully automated Buhler plant in Matshapa which produces all monogastric and ruminant feeds. Ngwane has been operating in Eswatini since 1991. Feedmaster sells its products in Eswatini as well as export. The Feedmaster brand is one of the oldest and strongest brands in the Eswatini feed market.

Feedmaster's key customers are predominantly commercial farmers and distributors, with purchasing decisions driven by traceability, food safety and price. It has a broad range of customers with no particular reliance on any one customer. The business' key raw material is yellow maize, which is purchased locally from the National Maize Corporation.

Greystone's investment in Feedmaster provides it with exposure to the agricultural sector, which is seen as a key economic growth area for Eswatini. The agriculture potential and its twin sectors of food and agribusinesses is immense and, if effectively harnessed, will be key drivers of Eswatini and Africa's economic development and global competitiveness. Feedmaster is a platform to create a significant food business of scale with compelling brands and a sustainable value chain that delivers to consumers and their needs. The rationale of developing a platform asset is to leverage off existing knowledge and skills in seeking a diversified investment portfolio with the aim of reducing overall investment risk and providing greater returns.

In addition, the agriculture sector is attractive due to its ability to provide attractive financial returns, employment creation and reduce poverty. Agriculture, primary and secondary, is becoming an ever increasing global investment theme.

At a high level, this is largely due to:

- Population Growth: Global population growth leading to demand growth. The world's population is estimated to reach 9 billion by 2050;
- Dietary Evolution: Dietary shifts to higher protein foods such as meat require significantly more agricultural products;
- Urbanisation: Lack of suitable arable land due to urbanisation and lost farmland from soil erosion; and
- GDP Growth: Increasing standard of living will continue to increase food consumption in countries with large populations;
- Climate Change: Climate change is having a significant impact on production and yield.

It is estimated that world food production will need to increase between 60% to 90% by 2050 to meet the expected food demand

Investment Themes

Market Leader	<ul style="list-style-type: none"> • Ngwane is one of Eswatini's market leaders in the feed sector with a significant percentage of the market share • Ngwane has one of the strongest and oldest feed brands in Eswatini • Ngwane operates a Buhler plant, which is considered the "Rolls Royce" of milling equipment
Significant platform for expansion	<ul style="list-style-type: none"> • The agriculture potential and its twin sectors of food and agribusinesses is immense and, if effectively harnessed, will be key drivers of Eswatini and Africa's economic development and global competitiveness. • Ngwane provides Greystone with a platform to create a significant food business of scale with compelling

	brands and a sustainable value chain that delivers to consumer and customer needs. The rationale of developing a platform asset is to leverage off existing knowledge and skills in seeking a diversified investment portfolio with the aim of reducing overall investment risk and providing greater returns.
High Barriers to entry	<ul style="list-style-type: none"> • Ngwane’s brand recognition, operating size and footprint reach are not easily replicable in Eswatini. • This together with Ngwane’s reputation and the capital requirement to set up a new feed mill creates natural high barriers to entry.
Best Practice Governance Standards	<ul style="list-style-type: none"> • Ngwane is committed to sound corporate governance and adheres to strict business ethics that foster integrity, respect, honesty and openness in its day – to – day business activities • Big Four Independent Auditor (KPMG).
Strong Management and highly regarded majority Shareholder	<ul style="list-style-type: none"> • The business is headed by Wilhelm van Niekerk who is supported by a strong managerial team. • The majority shareholder NMI Group, has over 30 years of experience in the wheat and maize milling, animal feed, pasta, biscuits, sugar and poultry sectors. The NMI group is a major supplier of staple food and animal feed in the southern African region and employs nearly 3 000 people in South Africa, Namibia, Botswana, Eswatini and Mozambique.

Value Creation

Greystone will partner with the existing board and shareholders in order to provide strategic focus as well as to assist with and ensure disciplines in the following areas:

- Further expansion of the feed milling facilities.
- Vertical integration both up and down stream, to secure offtake as well as raw feed material.
- Continuous improvement in quality of the product.
- Continuous improvement in environmental, social and governance issues.
- The enhancement of sales and marketing strategies, as well as other strategic and profit improving initiatives.
- Access to a global network of agricultural experts (including the poultry sector) and financial institutions.

Value Realisation

Feedmaster is a platform to create a significant food business of scale with compelling brands and a sustainable value chain that delivers to consumer and customer needs. The rationale of developing a platform asset is to leverage off existing knowledge and skills in seeking a diversified investment portfolio with the aim of reducing overall investment risk and providing greater returns



Sector:	Financial Services – Insurance
Transaction Type:	Growth Capital
Source of Opportunity:	Internal Sources
Date of Initial Investment:	30/06/2011
Capital Invested:	E0.2 million
Initial Ownership:	10.00%
Date of Exit:	Unrealised
Holding Period:	8 Years 11 Months
Value as at 30 September 2019:	E2.9 million
Dividends Received to Date:	E185,000
Internal Rate of Return*:	39.94%
Multiple of Capital Invested*:	15.38x

*As at 30 September 2019

Business Description

Orchard provides Long term insurance products in Eswatini. It was established in 2009, but only began providing insurance underwriting services from January 2011 after being issued with a license by the Regulator. It began by providing credit life and funeral cover policies to the client base of the Select Group (a micro financing business) in Eswatini. Orchard has now expanded its product range to offering Group Life/Employee Benefits insurance products to its established client base. Orchard can underwrite the following lines of business:

- Credit life insurance;
- Funeral insurance; and
- All life insurance products for individuals & Groups i.e. Group Life Assurance.

Orchard reinsures 85% of its insurance book, and is backed by Swiss Re, a global reinsurance partner. Orchard services approximately 4% of the Long term sector in Eswatini (source: Registrar of Insurance and Retirement Funds ("RIRF") 2013).

Investment Themes

Growth Opportunity	<ul style="list-style-type: none"> • The Eswatini insurance sector was officially liberalized in November 2006 following the enactment of the Insurance Act of 2005. The industry has since liberalization registered ten new players bringing the total number of companies to ten (source: FSRA website). • Greystone sees Orchard providing competitive Long term insurance products that would not necessarily be attractive products provided for by the larger insurance companies; however, a need and a place for these products exist in the market. • The Centre for Financial Regulation and Inclusion ("CENFRI") estimated that there is a potential new market of 600,000 customers highlighting the opportunity for growth
Management	<ul style="list-style-type: none"> • Orchard's management team consists of very experienced individuals in the insurance sector.
Good performance	<ul style="list-style-type: none"> • Orchard has managed to grow its gross written premiums since inception. • Orchard has increased its market share in the long term sector to 4% in Q2 from 3% in Q1 2019 respectively.

Value Creation

Through the Manager, interaction is had with management on growth strategies and monthly report backs are given. These report backs provide updates on milestones achieved to date and business development.

Value Realisation

The main exit opportunities are through a trade sale or secondary buyout.

Lojaf



Sector:	Retail
Transaction Type:	100% Buy-out
Source of Opportunity:	Internal Sources
Date of Initial Investment:	01/12/2016
Date of Follow-on Investment:	01/06/2019
Capital Invested – Tranche 1:	E41.0 million
Capital Invested – Tranche 2:	E0.9 million
Initial Ownership:	29.96%
Date of Exit:	Unrealised
Holding Period – Tranche 1:	3 Years 7 Months
Holding Period – Tranche 2:	1 Year 1 Months
Value as at 30 September 2019:	E82.8 million
Dividends Received to Date:	E2.3 million
Internal Rate of Return*:	29.55%
Multiple of Capital Invested*:	2.06x

**As at 30 September 2019*

Business Description

Lojaf operates in the retail sector in Eswatini. The company was formed in 2016 to acquire four Pick n Pay franchise stores in the Kingdom of Eswatini. Lojaf has grown from strength to strength and through acquisitions as well as opening new stores currently owns and operates all the Pick n Pay stores in Eswatini. Lojaf strives to supply of high-quality, affordable food for all customers, while providing significant employment and economic opportunities across its value chain. Lojaf's overall vision was to serve the Eswatini shoppers a little better every day. Practically this meant providing a world class shopping experience in terms of service, store look, feel, ambiance as well as uncompromised hygiene standards as well as better availability of products that matter most every day at consistent stable prices.

Investment Themes

Growth Opportunity	<ul style="list-style-type: none">Eswatini continues to transition from informal to formal retail providing opportunity for growth above overall economic growth. This is evidenced by the fact that the wholesale and retail sector growth has outpaced GDP growth in the past 4 years.The investment provides an opportunity to open new stores off an existing platform and management team.The Proposed Transaction provides a platform to grow in the retail sector through mergers and acquisitions in the SADC region should the opportunity arise.
Management	<ul style="list-style-type: none">Lojaf has a very experienced management team in Eswatini, which is supported by seasoned retail individuals in South Africa.This together with the support from the franchisor provides exceptional expertise and knowledge.
Defensive Investment	<ul style="list-style-type: none">Food retail investments are known as “defensive stocks”, i.e. people have to eat. Therefore, the investment should be either stable or a market outperformer during an economic contraction.

Value Creation

The Manager is integrally involved in assisting Lojaf with its overall strategy. The Manager provides its expertise and services to assess any possible acquisitions as well as assessment of new sites for growth. In addition, the Manager is involved in providing management tools in order for the management team to have data to better control and grow the day to day business.

Value Realisation

There are two possible exit routes being:

1. Trade Sale

- There has been significant interest from existing Swazi retailers in acquiring the FSG. These parties would most certainly be interested in acquiring NewCo, especially once the Business has been improved upon in terms of efficiencies and performance.
- In addition, other consumer retail entities, such as Choppies and Shoprite, are also viable exit options.

2. Consolidation and Listing

- Upon completion of the implementation of systems, controls and the operational efficiencies, the strategy should be to expand organically by opening new stores. In addition, expansion via acquisitions and mergers within Eswatini and region should be pursued.
- This would create a substantial business with operations across various regions and therefore would be very attractive to institutional investors upon a listing.



Sector:	Retail Butchery
Transaction Type:	Venture Capital
Source of Opportunity:	Internal Sources
Date of Initial Investment:	20/12/2018
Capital Invested:	E20.0 million
Initial Ownership:	8.70%
Date of Exit:	Unrealised
Holding Period:	1 Year 6 Months
Value as at 30 September 2019:	E21.7 million
Dividends Received to Date:	None
Internal Rate of Return*:	11.24%
Multiple of Capital Invested*:	1.09x

*As at 30 September 2019

Business Description

General Africa Foods has embarked on a journey of investing in the retail sector, specifically in the butchery sector as a franchisee of OBC Chicken and Meat Butchery ("OBC") in Eswatini, South Africa and ultimately the rest of the African continent. OBC has been in existence for over 30 years and focuses on the low to mid income sectors by providing quality, affordability and convenience. General Africa Foods thus has a focus on offering convenient access to frozen chicken, fish, red meat, processed meat and other essential grocery items. OBC's proposition is to give customers the best value for their money and consistently offer its customers great prices particularly on poultry and red meat products.

Investment Themes

Exposure to emerging consumer class	<ul style="list-style-type: none"> It is well known that the excitement around the Africa growth story has been more subdued over the past couple of years, compared to 4-5 years ago. However, there are two fundamentals working in tandem that cannot be denied, the rise in infrastructure spend, and the rise of the consumer (or "middle") class. The increase in consumer spending is undeniable and driven by measurable trends such as urbanisation and the rise of mega cities, the demographic dividend, improvements in productivity, and better access to power. General Africa Foods will be well positioned to take advantage of increasing consumer spend and all the dynamics that come along with these positive changes in the middle class across the African continent.
Well-positioned for expansion and growth in new markets across sub-Saharan Africa	<ul style="list-style-type: none"> The investment provides an opportunity for growth not only in Eswatini and South Africa but across the SADC region. There are considerable opportunities for growth in the SADC region and General Africa Foods will be pursuing these opportunities in time. General Africa Food's ambitions are to expand its foot print and it is well-positioned to achieve its target of over 50 stores across various countries by 2027. General Africa Foods will also be pursuing strategic acquisition opportunities and therefore provides a platform to grow in the retail sector through mergers and acquisitions in the SADC region.
Unique Customer Offering	<ul style="list-style-type: none"> The OBC offering is unique in that it provides consumers with goods that they are typically not able to access through traditional retail channels. OBC thus provides a unique offering to customers and is a competitive value proposition to these customers.
Defensive Investment	<ul style="list-style-type: none"> Food retail investments are known as "defensive stocks", i.e. people have to eat. Therefore, the investment should outperform the market, or at least be stable during any economic contractions.

Value Creation

The Manager has been integral in assisting to set up this business and provide the necessary infrastructure and platform for this business to grow. This includes providing input from recruiting staff, establishing process and procedures, assessing new sites for growth and raising capital.

Value Realisation

- The Manager envisage an exit within 10 years via a listing on an exchange. General Africa Foods aims to build a significant retail platform and in time list the company on a major securities exchange, thus providing an exit for investors.
- This would be the preferred exit strategy as it is believed this would maximise value for investors.



alliance foods

Sector:	Quick Service Restaurants (QSR)
Transaction Type:	100% Buy-out
Source of Opportunity:	Internal Sources
Date of Initial Investment:	21/12/2018
Date of Follow-on Investment:	18/12/2019
Capital Invested – Tranche 2:	E45.0 million
Capital Invested – Tranche 2:	E50.4 million
Initial Ownership:	54.50%
Current Ownership	74.90%
Date of Exit:	Unrealised
Holding Period – Tranche 1:	1 Year 6 Months
Holding Period – Tranche 2:	6 Months
Value as at 30 September 2019:	E49.9 million
Dividends Received to Date:	None
Internal Rate of Return*:	14.27%
Multiple of Capital Invested*:	1.11x

*As at 30 September 2019

Business Description

Alliance Foods is currently the master franchisee for KFC Eswatini under a franchise agreement with KFC (Pty) Limited. Alliance Foods currently owns 8 KFC in Eswatini with ambitions to own up to 12 KFC's in Eswatini as well as acquire a number of KFC's in SADC. KFC (Pty) Limited is a subsidiary of Yum! Brands, Inc., a company listed on the Nasdaq Stock Market in the USA that through its subsidiaries and associates, operates in the QSR sector worldwide.

Yum! is world's largest restaurant company (source: Yum! Annual Presentation 2018) and the KFC brand has grown to be the world's most popular chicken restaurant chain with over 22,600 restaurants in more than 130 countries and territories around the world. KFC is truly a global Mega Brand.

Alliance Foods has ambitions to own and operate a significant number of KFC Quick Service Restaurants ("QSR's) not only in Eswatini but across the continent.

Investment Themes

Attractive market dynamics	<ul style="list-style-type: none"> Research has indicated that the quick service restaurant ("QSR") sector has continued to show steady growth. According to the research performed by Euromonitor and published in the Financial Mail, KFC achieved a 9.4% growth in 2017 revenues and is the largest fast food brand in South African with a total turnover of E 8.7 billion. (Source: Financial Mail June 21 Brutal Bites). McDonald's was in second place with turnover growth of 5.6% and a total turnover of R 4.3 billion.
Leading market position and scale in Eswatini	<ul style="list-style-type: none"> KFC was voted the number 1 Top of Mind Restaurant brand and 8th Best Brand overall in Eswatini. (Source: Top Brands Eswatini Report 2016 by Yati Marketing). It is estimated that in the QSR sector, KFC is the market leader in Eswatini.
Relationship with Yum!	<ul style="list-style-type: none"> Yum! is one of the world's leading and largest restaurants companies. Alliance Foods has access to the Yum! systems including global brand and product development, operating systems, national advertising and procurement.
Established platform for future growth	<ul style="list-style-type: none"> Multiple levers for growth through the introduction of new products, operational initiatives, refurbishments and new restaurant roll-out. Potential for future acquisitions and growth outside of Eswatini.

Strong financial track record

- Achieved excellent historic growth.
- Strong cash flow generation.

Value Creation

The Manager has been integrally involved in the refinement and growth of Alliance Foods. The Manager source the General Manager of Operations as well as has one if its employees being assigned the title of Principle Operator by Yum!. The Manager provides Alliance Foods with support in terms of systems and processes as well as strategic input on its growth strategy

Value Realisation

The main exit opportunities are through a trade sale or secondary buyout.

MATERIAL CONTRACTS

Other than the contracts mentioned in paragraph 9.1, there have been no (i) contracts entered into otherwise than in the ordinary course of business, within the two years prior to the date of this Prospectus or at any time containing an obligation or settlement that is or may be material to the Company at the date of issue of this Prospectus; and (ii) contracts that are otherwise considered material by the Company (10% of market capitalisation). Please refer to **Annexure 5** for particulars on investments made by the Company during the two years prior to the date of this Prospectus.

1. AGREEMENTS CONCLUDED REGARDING THE SHARE SWAP

Salient details of the Share Swap concluded by Greystone are set out below:

African Alliance Securities Trading Sale Agreement in respect of shares and claims in General Africa Foods

A Sale of Share and Claims Agreement has been entered into between African Alliance Securities Trading and Greystone (the "General Africa Foods Sale of Shares Agreement") in which Greystone will acquire 172 (one hundred and seventy-two) ordinary shares (the "Sale Shares") in the share capital of General Africa Foods (Pty) Ltd, constituting 64,18% (sixty-four comma eighteen percent) of General Africa Foods (Pty) Ltd issued ordinary share capital. The consideration for the sale of the Sale Shares is an amount equal to E 205 466 097 (forty two hundred and five million four hundred and sixty six thousand and ninety seven six million Emalangen) ("Sale Consideration"). In lieu of cash, the African Alliance Securities Trading agrees Greystone shall pay the Sale Consideration by issuing 68 488 699 (sixty eight million four hundred and eighty eight thousand six hundred and ninety nine) Greystone shares.

The African Alliance Securities Trading Sale Agreement is subject to:

- i. resolutions passed by the directors of the Greystone and African Alliance Securities Trading approving the sale of the Sale Shares and Sale Claims;
- ii. resolutions passed by the shareholders of the Greystone approving the sale of the Sale Shares and Sale Claims in terms of this Prospectus to Shareholders and to the extent necessary ratification of the decisions and resolutions approved and passed by the board of the Purchaser;
- iii. unconditional approval by the shareholders of Greystone approving the Lojaf Sale of Shares Agreement in terms of a Prospectus to Shareholders; and
- iv. to the extent required, approval of the Financial Services Regulatory Authority and the Eswatini Stock Exchange in respect of the sale of the Sale Shares and Sale Claims.

African Alliance Advisory Sale Agreement in respect of shares and claims in Lojaf

A Sale of Share and Claims Agreement has been entered into between African Alliance Advisory and Greystone (the "Lojaf Sale of Shares Agreement") in which Greystone will acquire 27,096 (one hundred and seventy-two) ordinary shares (the "Sale Shares") in the share capital of Lojaf (Pty) Ltd, constituting 20.1% (twenty comma one percent) of Lojaf (Pty) Ltd issued ordinary share capital. The consideration for the sale of the Sale Shares is an amount equal to E 58 789 227 (Fifty Eight Million Seven Hundred and Eighty Nine Thousand Two Hundred and Twenty Seven Emalangen) ("Sale Consideration"). In lieu of cash, the African Alliance Advisory agrees Greystone shall pay the Sale Consideration by issuing 19 596 409 (Nineteen Million Five Hundred and Ninety Six Thousand Four Hundred and Nine) Greystone shares.

The African Alliance Advisory Sale Agreement is subject to:

- i. resolutions passed by the directors of the Greystone and African Alliance Advisory approving the sale of the Sale Shares and Sale Claims;
- ii. resolutions passed by the shareholders of the Greystone approving the sale of the Sale Shares and Sale Claims in terms of this Prospectus to Shareholders and to the extent necessary ratification of the decisions and resolutions approved and passed by the board of the Purchaser;
- iii. unconditional approval by the shareholders of Greystone approving the General Africa Foods Sale of Shares Agreement in terms of a Prospectus to Shareholders; and
- iv. to the extent required, approval of the Financial Services Regulatory Authority and the Eswatini Stock Exchange in respect of the sale of the Sale Shares and Sale Claims.

SALIENT FEATURES OF THE MANAGEMENT AGREEMENT BETWEEN GREYSTONE AND THE MANAGER

1. Duties

The Company hereby vests in African Alliance Eswatini Limited ("the Manager") the authority to manage investments on the Company's behalf.

2. Duration

The Manager is appointed for an initial period of 7 (seven) years where after the management agreement will be automatically renewed for further periods of 5 (five) years, unless at the time of such renewals 75% of the shareholders of the Company vote in favour of terminating the agreement.

The Manager shall not initiate any market transaction in any investment or listed financial instrument on behalf of the Company after notice of termination has been received. It is recorded that any transaction initiated on behalf of the Company prior to receipt of notice of termination shall be completed. On termination, the power of attorney shall be returned to the Company for cancellation and the Manager shall follow the Company's written instruction regarding the transfer of the investments managed by the Manager. Upon termination the Manager shall advise the Company of all third parties to whom the power of attorney had been disclosed.

3. Remuneration

The Manager shall be entitled to a management fee equal to 2% per annum of the market capitalisation of the Company on the Eswatini Stock Exchange, calculated daily, and paid quarterly in arrears.

The management fee for the first management fee period of the Company shall be pro-rated for the actual number of days elapsed in such period over a 365-day year.

4. Participation mechanism

As an incentive bonus, the Manager will, shall be entitled to a performance fee in respect of each period of twelve months ending on the last day of the Company's financial year ("the Calculation Period"), payable in cash, subject to the adjustments described below.

- 4.1 The performance fee will be equal to 20% of the appreciation in the Net Asset Value of the Company during the Calculation Period (in each case after taking into account the effect of any new share issues, and adding back dividends and other distributions made during the Calculation Period (the "Adjusted NAV")); provided however, that the performance fee will only be paid with respect to the appreciation in the Adjusted NAV of the Company in excess of the Prior High NAV of the Company.
- 4.2 The "Prior High NAV" of the Company shall be the Net Asset Value of the Company immediately following the date as of which a performance fee was last determined, as increased by the Hurdle Rate since such date. The Hurdle Rate is 13.7% per annum (prorated for part periods).
- 4.3 The Prior High NAV will be adjusted during the Calculation Period after taking into account the effect of any new share issues, and adding back dividends and other distributions.
- 4.4 The performance fee will be paid out in cash in full each year and not as shares, and the performance fee calculation will be performed at the end of each financial year, once the valuation of all the investments is completed. Adequate provision for the performance fee will be made in the Company's accounts for the relevant year, as applicable, and the actual cash payment to the Manager will be made after audit and confirmation of the performance fee calculation by the external auditors.

GREYSTONE HISTORICAL FINANCIAL STATEMENTS

The definitions commencing on page 6 of the Prospectus have been used throughout this **Annexure 8**.

As detailed in the Prospectus, Greystone has entered into Sale and Purchase Agreements with the Sellers for the acquisition of an effective 20.1% of Lojaf from African Alliance Advisory and 64.2% of GAFE from African Alliance Securities Trading respectively, related parties to Greystone, for an aggregate consideration of approximately E 264.3 million, where the Purchase Consideration will be settled through a Share Swap. The Share Swap constitutes a Category 1 and related party transaction for Greystone in terms of the Listings Requirements transaction.

Basis of preparation

The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows for the prior three (3) years ("Historical Financial Information"), as well as the related accounting policies and the notes relating to the respective financial statements as at 30 September 2019 have been prepared in accordance with Section 8.4 of the ESE Listings Requirements which requires, *inter alia*, the Company's historical financial information to be presented in consolidated form, in respect of a period of at least three (3) years up to and including the financial year immediately preceding the issue of the pre-listing statement or Prospectus, be presented in respect of the subject of the Category 1 transaction. The Historical Financial Information has been prepared, to the extent applicable, in accordance with the accounting policies of Greystone.

PwC Inc. is the reporting accountant to Greystone. PwC Inc. conducted the review of the Historical Financial Information in accordance with International Standards on Auditing and reported without qualification on the Historical Financial Information.

The Directors are responsible for the Historical Financial Information.

Directors commentary

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.

Post reporting date events

Subsequent to 30 September 2019, a limited number of cases of an unknown virus had been reported to the World Health Organisation. Following the subsequent 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 post 30 September 2019 as a new coronavirus, and its subsequent spread, is considered as a non-adjusting subsequent event. There are meaningful direct and indirect effects developing with companies across multiple industries and the world.

The Group and the Company is continuing to operate currently 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.

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 currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

In October 2019 the Group made an additional investment of E 11,735,876 in Eswatini Royal Insurance Corporation through Inba Holdings Limited for 360,000 shares.

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

Change in accounting policy

When an entity ceases to be an investment entity, it shall apply IFRS 3 to any subsidiary that was previously measured at fair value through profit or loss in accordance with paragraph 31. All subsidiaries shall be consolidated in accordance with paragraphs 19–24 of this IFRS from the date of change of status. As a result, the investment in Alliance Foods have been consolidated into Greystone's financial statements as a subsidiary according to IFRS 3, paragraphs 19–24. Greystone is considered to be a venture capital organisation, therefore the investments in Lojaf Proprietary Limited and Ngwane Mills Proprietary Limited, which were initially classified as investments at fair value through profit or loss, have been reclassified as investments in associates at fair value through profit or loss.

Consolidated statement of financial position			
Figures in Emalangeni	30-Sep-17	30-Sep-18	30-Sep-19
Assets			
Non-Current Assets			
Fair value through profit & loss			
Property, Plant and Equipment	-	-	8,689,937
Goodwill	-	-	86,537,737
Investments in associates	-	107,114,000	120,247,000
Amounts owing by related parties	-	-	-
Investments at fair value through profit or loss	261,101,727	145,204,120	164,487,000
Deferred tax	5,376,123	6,271,069	9,433,555
Tax receivable	190,753	190,753	190,753
Total non-current assets	266,668,603	258,779,942	389,585,982
Current Assets			
Inventories	-	-	1,620,168
Investment in promissory notes	38,516,494	40,410,119	-
Cash and cash equivalents	34,823,233	33,611,934	66,265,037
Trade and other receivables	-	-	2,969,322
Other receivables	-	-	-
Total current assets	73,339,727	74,022,053	70,854,527
Total assets	340,008,330	332,801,995	460,440,509
Equity and liabilities			
Equity			
Share capital	181,090,820	181,090,820	181,090,820
Share premium	-	-	-
Retained income	144,116,606	149,133,786	174,381,517
Total Equity	325,207,426	330,224,606	355,472,337
Non-Controlling interest	-	-	19,337,573
Total Equity	325,207,426	330,224,606	374,809,910
Liabilities			
Non-current liabilities			
Other financial liabilities	-	-	31,552,509
Current liabilities			
Trade and other payables	14,800,904	2,577,389	10,623,994
Other financial liabilities	-	-	42,402,397
Current tax payable	-	-	1,051,699
Total current liabilities	14,800,904	2,577,389	54,078,090
Total liabilities	14,800,904	2,577,389	85,630,599
Total equity and liabilities	340,008,330	332,801,995	460,440,509

Greystone's accounting policies and notes to the Consolidated Statement of Financial Position as at 30 September 2019 is available for inspection in the published Annual Financial Statements for the 2019 financial year, as published on Greystone's website www.greystonepartners.net.

Consolidated statement of profit or loss and other comprehensive income

Figures in Emalangeni

	30-Sep-17	30-Sep-18	30-Sep-19
Revenue	-	-	71,955,716
Cost of sales	-	-	(36,064,995)
Gross profit	-	-	35,890,721
Investment income	18,622,624	28,080,300	15,762,274
Operating expenses	(17,117,318)	(9,501,000)	(41,825,999)
Operating profit / (loss)	1,505,306	18,579,300	9,826,996
Unrealised gain / (losses) on revaluation of investments	58,893,872	(8,783,607)	17,679,960
Finance costs	-	-	(3,849,281)
Profit before taxation	60,399,178	9,795,693	23,657,675
Income tax credit	2,931,443	894,945	1,590,056
Profit for the year	63,330,621	10,690,638	25,247,731
Other comprehensive income	-	-	-
Total comprehensive income	63,330,621	10,690,638	25,247,731

Earnings per share

Per share information

Basic earnings per share ('E)	0.45	0.08	0.18
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Greystone's accounting policies and notes to the consolidated statement of profit or loss and other comprehensive income for the year ended 30 September 2019 is available for inspection in the published Annual Financial Statements for the 2019 financial year, as published on Greystone's website www.greystonepartners.net.

Consolidated statement of changes in equity	Share Capital	Share premium	Total share capital	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Figures in Emalangeni							
Balance as at 1 October 2016	1,418,365	179,672,455	181,090,820	86,175,771	267,266,591	-	267,266,591
Profit for the year	-	-	-	63,330,621	63,330,621	-	63,330,621
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	63,330,621	63,330,621	-	63,330,621
Dividends	-	-	-	(5,389,786)	(5,389,786)	-	(5,389,786)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	(5,389,786)	(5,389,786)	-	(5,389,786)
Balance as at 30 September 2017	1,418,365	179,672,455	181,090,820	144,116,606	325,207,426	-	325,207,426
Profit for the year	-	-	-	10,690,638	10,690,638	-	10,690,638
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	10,690,638	10,690,638	-	10,690,638
Dividends	-	-	-	(5,673,458)	(5,673,458)	-	(5,673,458)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	(5,673,458)	(5,673,458)	-	(5,673,458)
Balance as at 30 September 2018	1,418,365	179,672,455	181,090,820	149,133,786	330,224,606	-	330,224,606
Profit for the year	-	-	-	25,247,731	25,247,731	-	25,247,731
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	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 as 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

Greystone's accounting policies and notes to the consolidated statement of changes in equity for the year ended 30 September 2019 is available for inspection in the published Annual Financial Statements for the 2019 financial year, as published on Greystone's website www.greystonepartners.net.

Consolidated statement of cash flows			
Figures in Emalangeni	30-Sep-17	30-Sep-18	30-Sep-19
Cash flows from operating activities			
Cash generated from/(used in) operations	(1,927,725)	(23,618,141)	(472,858)
Interest income	6,438,346	6,246,655	4,695,238
Dividend income	12,184,278	21,833,645	11,067,036
Finance costs	-	-	(3,849,281)
Tax paid	-	-	(520,731)
Net cash generated from operating activities	16,694,899	4,462,159	10,919,404
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	(8,728,242)
Purchase of financial assets	(41,000,000)	-	(83,903,084)
Proceeds from promissory notes matured	(13,500,055)	-	40,410,119
Net cash used in investing activities	(54,500,055)	-	(52,221,207)
Cash flows from financing activities			
Movement in other financial liabilities	-	-	73,954,906
Dividends paid	-	(5,673,458)	-
Net cash generated from/(used in) financing activities	-	(5,673,458)	73,954,906
Net change of cash and cash equivalents	(37,805,156)	(1,211,299)	32,653,103
Cash and cash equivalents at the beginning of the year	72,628,389	34,823,233	33,611,934
Total cash and cash equivalents at the end of the year	34,823,233	33,611,934	66,265,037

Greystone's accounting policies and notes to the consolidated statement of cash flows for the year ended 30 September 2019 is available for inspection in the published Annual Financial Statements for the 2019 financial year, as published on Greystone's website www.greystonepartners.net.

PRO FORMA STATEMENT OF FINANCIAL POSITION OF GREYSTONE

The definitions commencing on page 6 of the Prospectus have been used throughout this **Annexure 9**.

The pro forma statement of financial position of Greystone has been prepared to illustrate the effect of the acquisition of the African Alliance Shareholding (the “Share Swap”) and the subsequent capital raise (“Capital Raise”), collectively (the “Proposed Transactions”) on Greystone.

The Proposed Transactions are assumed to have occurred on 30 September 2019 and are based on Greystone’s published annual financial information as at 30 September 2019. The acquisition of GAFE have been treated as a business combination in terms of IFRS 3: Business Combinations, while the acquisition of Lojaf has been treated as an increase in investment in an associate, recognised in the balance sheet at fair value through profit and loss.

In October 2018, the IASB issued amendments to IFRS 3 Business Combinations which are effective for years beginning on or after 1 January 2020. These amendments may be early adopted. Greystone has elected to early adopt these amendments as at 30 September 2019.

The pro forma statement of financial position of Greystone has been prepared for illustrative purposes only and because of its nature may not fairly present Greystone’s financial position and changes in equity after the Proposed Transactions.

The pro forma statement of financial position of Greystone has been prepared using accounting policies that comply with IFRS and that are consistent with those applied in the published annual financial information of Greystone for the twelve months ended and as at 30 September 2019.

The pro forma statement of financial position of Greystone has been prepared in accordance with the Listings Requirements and are the responsibility of the Directors.

PwC’s reporting accountant’s report on the *pro forma* financial information of Greystone is set out in **Annexure 11** to this Prospectus.

The pro forma statement of financial position of Greystone as at 30 September 2019 is set out in the following table:

E'000	Published Greystone as at 30 September 2019	Pro forma adjustments for the GAFE consolidation	Pro forma adjustments for the Capital Raise	Post the Proposed Transactions
	Actual E'000 Column 1	Pro forma E'000 Column 2	Pro forma E'000 Column 3	Pro forma E'000 Column 4
ASSETS				
Non-current assets	389,586	288,522	-	678,108
Property, Plant and Equipment	8,690	23,203	-	31,892
Goodwill	86,538	227,136	-	313,674
Intangible assets	-	1,122	-	1,122
Investments in subsidiaries	-	1	-	1
Investments in associates	120,247	59,526	-	179,773
Amounts owing by related parties	-	-	-	-
Investments at fair value through profit or loss	164,487	(22,466)	-	142,021
Deferred tax	9,434	-	-	9,434
Tax receivable	191	-	-	191
Current assets	70,855	44,724	98,750	214,328
Inventories	1,620	5,169	-	6,789
Investment in promissory notes	-	-	-	-
Cash and cash equivalents	66,265	34,875	98,750	199,890
Trade and other receivables	2,969	4,679	-	7,649
Other receivables	-	-	-	-
Total assets	460,441	333,245	98,750	892,436
EQUITY AND LIABILITIES				
Equity	355,472	305,975	98,750	760,197
Share capital	1,418	877	329	2,624
Share premium	179,672	307,673	98,436	585,782
Retained income	174,382	(2,575)	(15)	171,791
Non-Controlling interest	19,338	-	-	19,338
Total Equity	374,810	305,975	98,750	779,535
Liabilities				
Non-current liabilities	31,553	-	-	31,553
Other financial liabilities	31,553	-	-	31,553
Current liabilities	54,078	27,269	-	81,347
Trade and other payables	10,624	6,977	-	17,601
Other financial liabilities	42,402	20,292	-	62,694
Current tax payable	1,052	-	-	1,052
Total equity and liabilities	460,441	333,244	98,750	892,435
Number of Shares	141,836,461	88,085,108	33,333,333	263,254,902
NAV and TNAV per share ('E)	2.51			2.89

Notes and assumptions:

1. Column 1 presents the statement of financial position of Greystone, which has been extracted, without adjustment, for the published annual financial information of Greystone for the twelve months as at 30 September 2019.
2. Columns 2 and 3 presents the financial effects of the Share Swap and Capital Raise as if the Proposed Transactions had been effective on the effective date of 30 September 2019, as follows:
 - 2.1 As the acquisition of GAFE has been treated as a business combination in terms of IFRS 3: Business Combinations, the net identifiable assets and liabilities of the consolidated GAFE were recognised at their fair values in Column 2.
 - 2.2 GAFE and GAFSA were consolidated separately based on the apportioned management accounts for the period of 1 October 2018 – 30 September 2019.
 - 2.3 Goodwill of E 227.1 million was recognised as a result of the consolidation of GAFE into Greystone as at 30 September 2019.
 - 2.4 Retained income has been adjusted for E 30,000 of the transaction costs which have been expensed in terms of IAS 32: *Financial Instruments: Presentation*;
 - 2.5 Share capital has been adjusted for the 121,418,441 new Greystone Shares that will be issued at a price of E 3.00 (with a nominal value of E 0.01 per share) in settlement of the Purchase Considerations for the Alliance Shareholding and subsequent Capital Raise, plus the transaction costs, amounting to E 1.2 million ((purchase consideration for the African Alliance Shareholding at a nominal value of E 0.881 million plus the Capital Raise at a nominal value of E 0.333 million). Share capital has been further adjusted for the E 2.47 million of transaction costs which have been capitalised in terms of IAS 32: *Financial Instruments: Presentation*;
 - 2.6 Share premium has been adjusted for the 121,418,441 new Greystone Shares that will be issued at a price of E 3.00 (with a nominal value of E 2.99 per share) in settlement of the Purchase Considerations for the Alliance Shareholding and subsequent Capital Raise, plus the transaction costs, amounting to E 363 million ((purchase consideration for the African Alliance Shareholding at a nominal value of E 263.4 million plus the Capital Raise at a nominal value of E 99.67 million). Share premium has been further adjusted for the E 2.47 million of transaction costs which have been capitalised in terms of IAS 32: *Financial Instruments: Presentation*
 - 2.7 Investments in associates and Investments at fair value through profit and loss have been adjusted to reflect the fair value of the acquisition of the 20.05% shareholding in Lojaf from African Alliance; *and*
3. Column 4 presents the statement of financial position of Greystone post the implementation of the Proposed Transactions.
4. The reconciliation of the *pro forma* shareholders' interest for Greystone subsequent to the Proposed Transactions is as follows:

E'000	Stated capital	Share premium	Retained earnings	Non-controlling interest	Shareholders interest
Opening balance 30 September 2019	1,418	179,672	174,382	-	355,472
Issue of new Greystone shares - Share Swap	881	263,374	-	-	264,255
Issue of new Greystone shares - Capital Raise	333	99,667	-	-	100,000
Consolidation of GAFE	-	45,530	(2,560)	19,338	62,307
Transaction costs capitalised	(8)	(2,462)	-	-	(2,470)
Transaction costs expensed	-	-	(30)	-	(30)
	2,624	585,782	171,791	19,338	779,535

REPORT OF THE PRO FORMA STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR GREYSTONE FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2020

Introduction

The definitions commencing on page 6 of the Prospectus have been used throughout this **Annexure 10**.

As detailed in the Prospectus, Greystone was incorporated as a public company on 27 January 2009. It is a listed investment company that focuses primarily on unlisted investment opportunities, i.e. the private equity asset class. Greystone has recently entered into the Sale agreements to acquire the African Alliance Shareholding. The acquisition of the African Alliance Shareholding constitutes a related party transaction in terms of the Listings Requirements.

The pro forma statement of profit or loss and other comprehensive income for Greystone (the “Pro forma SOCI”) for the twelve months ended 30 September 2019 has been prepared for illustrative purposes only to provide information about what Greystone would have looked like had the acquisition of the African Alliance Shareholding taken place on 1 October 2018 and, because of its nature, it may not fairly present Greystone’s results of operations after the acquisition of the African Alliance Shareholding. The Pro forma SOCI has been prepared in accordance with Greystone’s accounting policies as included in their published financial statements for the twelve months ended 30 September 2019, which are compliant with IFRS.

During the 2019 financial year, Greystone was deemed to cease being an investment entity, and therefore had to apply IFRS 3 to any subsidiary that was previously measured at fair value through profit or loss in accordance with paragraph 31. All subsidiaries shall be consolidated in accordance with paragraphs 19–24 of this IFRS from the date of change of status. As a result, the investment in Alliance Foods have been consolidated into Greystone’s financial statements as a subsidiary according to IFRS 3, paragraphs 19-24. Greystone is considered to be a venture capital organisation, therefore the investments in Lojaf Proprietary Limited and Ngwane Mills Proprietary Limited, which were initially classified as investments at fair value through profit or loss, have been reclassified as investments in associates at fair value through profit or loss

It has been assumed for purposes of the Pro forma SOCI that 33,333,333 Shares will be placed in terms of the Capital Raise.

The Directors are responsible for the Pro forma SOCI.

E'000	Published Greystone as at 30 September 2019	Pro forma adjustments for the Share Swap - at acquisition	Pro forma adjustments for the Capital Raise	Post the Proposed Transactions
	Actual E'000 Column 1	Pro forma E'000 Column 2	Pro forma E'000 Column 3	Pro forma E'000 Column 4
Revenue	71,956	53,252	-	125,208
Cost of sales	(36,065)	(43,163)	-	(79,228)
Gross profit	35,891	10,089	-	45,980
Investment income	15,762	952	-	16,715
Operating expenses	(41,826)	(13,617)	(15)	(55,458)
Operating profit / (loss)	9,827	(2,575)	(15)	7,237
Unrealised gain / (losses) on revaluation of investments	17,680	-	-	17,680
Finance costs	(3,849)	-	-	(3,849)
Profit before taxation	23,658	(2,575)	(15)	21,067
Income tax credit	1,590	-	-	1,590
Profit for the year	25,248	(2,575)	(15)	22,658
Other comprehensive income	-	-	-	-
Total comprehensive income	25,248	(2,575)	(15)	22,658
Reconciliation between earnings and headline earnings per Share				
Profit for the year attributable to shareholders	25,248	(2,575)	(15)	22,658
Unrealised (losses) / gain on revaluation of investments	17,680	-	-	17,680
Headline earnings attributable to shareholders	42,928	(2,575)	(15)	40,337
Earnings per Share (cents)	0.18			0.09
Headline earnings per Share (cents)	0.30			0.15
Weighted average number of shares in issue	141,836			263,255

Notes and assumptions:

1. Column 1 sets out the statement of profit or loss and other comprehensive income of Greystone for the 12 months ended 30 September 2019 extracted, without adjustment, from the published annual financial statements of Greystone for the 12 months ended and as at 30 September 2019;
2. Column 2 sets out the reviewed statement of profit or loss and other comprehensive income of the consolidated GAFE entity, after consolidating GAFSA into GAFE, extracted, without adjustment, from the consolidated monthly trial balance and management accounts of GAFE for the twelve months ended 30 September 2019;
3. The Operating expenses have been adjusted for the expensing of transaction costs amounting to R 30,000 in Columns 2 and 3, in terms of IAS 32: *Financial Instruments: Presentation*. These adjustments will not have a continuing effect on the *Pro forma* SOCI
4. Column 4 illustrates the aggregated statement of profit or loss and other comprehensive income of Greystone after the adjustments detailed above.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON GREYSTONE PARTNERS (Schedule 2 Part II)

The Directors
Greystone Partners Limited
2nd Floor, Nedbank Centre
Cnr Sishayi and Sozisa Roads
P.O. Box 5727
Mbabane

24 July 2020

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF GREYSTONE PARTNERS LIMITED ("GREYSTONE")

We have performed our limited assurance engagement in respect of the Greystone Historical Financial Statements and pro forma financial information set out in paragraph 3, **Annexure 8**, **Annexure 9** and **Annexure 10** of the Prospectus to shareholders of Greystone, to be dated on or about 13 July 2020 ("the Prospectus"). Terms used herein and defined in the Prospectus have the meaning assigned to them in the Prospectus unless otherwise indicated.

The pro forma financial information has been prepared in accordance with the requirements of the ESE Limited ("the ESE") Listings Requirements, for illustrative purposes only, to provide information about how the disposal might have affected the reported historical financial information presented, had the corporate action been undertaken at the commencement of the period or at the date of the pro forma balance sheet being reported on.

Directors' responsibility

The directors are responsible for the compilation, contents and presentation of the pro forma financial information contained in the Prospectus and for the financial information from which it has been prepared. Their responsibility includes determining that:

- the pro forma financial information has been properly compiled on the basis stated;
- the basis is consistent with the accounting policies of Greystone;
- the pro forma adjustments are appropriate for the purposes of the pro forma financial information disclosed in terms of the ESE Listings Requirements.

Reporting accountants' responsibility

Our responsibility is to express our limited assurance conclusion on the pro forma financial included in the Prospectus to the Greystone shareholders.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Guide on Pro Forma Financial Information issued by the South African Institute of Chartered Accountants. This standard requires us to obtain sufficient appropriate evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted financial information with the source documents, considering the pro forma adjustments in light of the accounting policies of Greystone, considering the evidence supporting the pro forma adjustments, and discussing the adjusted pro forma financial information with the directors and management of the company in respect of the corporate action that is the subject of this Prospectus.

In arriving at our conclusion, we have relied upon financial information prepared by the directors and management of Greystone Partners and other information from various public, financial and industry sources.

While our work performed has involved an analysis of the historical published audited financial information, and other information provided to us, our assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance

with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that in term of section 8.17 and 8.30 of the ESE Listings Requirements:

- the pro forma financial information has not been properly compiled on the basis stated;
- such basis is inconsistent with the accounting policies of Greystone; and
- the adjustments are not appropriate for the purposes of the pro forma financial information as disclosed.

Consent

This report on the pro forma financial information is included solely for the information of the Greystone Shareholders. We consent to the inclusion of our report on the Greystone historical financial statements and pro forma financial information and the references thereto, in the form and context in which they appear

Yours faithfully

PricewaterhouseCoopers
RHUS Office Park
Karl Grant Street
P O Box 569
Mbabane
H100
Swaziland

KING CODE AND CORPORATE GOVERNANCE

The Board recognises the link between effective governance, sustainable performance and the creation of long-term value for all of its stakeholders. The Board is committed to the principles of transparency, integrity, fairness and accountability, and recognises the need to implement good corporate governance principles. The Board, therefore, seeks to apply the principles as set out in the King Code and the ESE Listings Requirements.

Greystone has performed an assessment of the application of the principles set out in paragraph 7.F.5(b) of the ESE Listings Requirements, which assessment is reflected below:

	Applied	Principle	Comments
1.	Applied	The governing body should lead ethically and effectively.	Under the stewardship of the Board, an open governance process is managed, through which stakeholders may derive assurance that the Company is being managed in an ethical and disciplined manner.
2.	Applied	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<p>The Group has adopted an internal code of ethics, which commits management and employees to the highest ethical standards of conduct.</p> <p>The code articulates the Group's commitment to its stakeholders, comprising its shareholders, customers, suppliers and the broader community, as well as policies and guidelines regarding the personal conduct of management, officials and other employees.</p>
3.	Applied	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	<p>Sound corporate governance structures and processes are being applied at Greystone and are considered by the board to be pivotal to delivering sustainable growth in the interest of all stakeholders.</p> <p>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.</p>
4.	Applied	The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	<p>The Board assumes responsibility for the Company's performance by steering and setting the direction for the realisation of the Company's core purpose and values through its annual board strategy, where strategy prepared by management, various performance metrics and supporting policies and plans are debated and approved by the Board.</p> <p>The audit committee assists the Board with the governance of risk and monitors risks and ensures the implantation of various mitigating controls. This responsibility is contained in the board charter and the audit committee charters.</p>
5.	Applied	The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.	<p>Greystone's annual report will provide an assessment of its performance, measured against its objectives. Furthermore, publication of the following on Greystone's website, or other platforms, for access by stakeholders provide further assessment of Greystone's performance</p> <ul style="list-style-type: none"> ▪ corporate governance disclosures ▪ integrated reports ▪ annual financial statements ▪ other external reports

6.	Applied	The governing body should serve as the focal point and custodian of the corporate governance in the organisation.	<p>The Board is the focal point and custodian of corporate governance of Greystone. Its role and responsibilities and the way that it executes its duties and decision making are documented and are set out in the board charter. Further aspects of governance are addressed through the established Board sub-committees.</p> <p>Governance is a regular item on the Board agenda.</p>
7.	Applied	The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	<p>The Board and its sub-committees consider on an annual basis, its composition in terms of balance of skills, experience, diversity, independence and knowledge and whether this enables it to effectively discharge its role and responsibilities. The Board consists of 7 directors, 5 of which are non-executive directors and 2 of which are executive directors. The Board is satisfied that there is a balance of skills, experience, diversity and knowledge needed to discharge its role and responsibilities.</p>
8.	Applied	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	<p>The Board consists of 7 directors, 5 of which are non-executive directors and 2 of which are executive directors.</p> <p>All board sub-committees have formal terms of reference and their responsibilities and functions as delegated by the Board are detailed in the terms of reference. A summary of each subcommittee's terms of reference are contained in the Corporate Governance section of the integrated report. The number of meetings and attendance are published in the integrated report under Corporate Governance. Every subcommittee has a section in the integrated report where the committee expresses its views regarding its satisfaction regarding the fulfilment of its responsibilities</p>
9.	Applied	The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	<p>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</p> <p>The purpose of the Audit Committee is to assist the board in discharging its fiduciary duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards.</p> <p>The Audit Committee operates under a board-approved terms.</p> <p>The Board Committees have specific terms of reference, appropriately skilled members, membership by Non-executive Directors who act independently, Executive Directors and Executive Management participation and access to specialist advice when considered necessary</p>
10.	Applied	The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and effective exercise of authority and responsibilities.	<p>The board meets regularly, retains control over the Company and monitors executive management. Greystone has a unitary board structure comprising a mix of executive and non-executive directors. Appointments to the board are a matter for the board as a whole.</p> <p>Directors are requested to use their best endeavours to attend board meetings and to prepare thoroughly therefore and are expected to participate fully, frankly and constructively in discussions and to bring the benefit of their particular knowledge and expertise to the board table.</p>

11.	Applied	The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	Governance is an important risk indicator to the fulfillment of an entity's mandate and its ongoing operational sustainability. The Audit Committee assists the Board with the governance of risk. The Board is aware of the importance of risk management as it is linked to the strategy, performance and sustainability of the business are identified and managed within acceptable parameters. The Audit Committee identifies, assesses, mitigates and manages risks within the existing operating environment. Mitigating controls are in place to address these risks which are monitored.
12.	Applied	The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	The Board, together with the Audit Committee, oversees the governance of information technology. The Board is aware of the importance of technology and information in relation to Greystone's strategy.
13.	Applied	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that it supports the organisation being ethical and a good corporate citizen.	The Board is assisted by the company secretary to monitor compliance with the various laws Greystone is subject to.
14.	Applied	The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in short-medium- and long-term.	The Board, assisted by the remuneration committee, ensures that Directors are remunerated fairly, responsibly, transparently and in line with industry standards so as to promote the creation of value in a sustainable manner. This responsibility is contained in the remuneration and nomination committee's charter.
15.	Applied	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports	The Board is satisfied that the assurance results indicate an adequate and effective control environment and integrity of reports for better decision-making. This responsibility is contained in the board charter and the Audit Committee charter. The Audit Committee reviews the combined assurance approach and annually reviews the expertise, resources and experience of the company's finance function.
16.	Applied	In the execution of its governance roles and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	The Board believes that corporate social responsibility policies are intended to promote a culture of social responsibility within the Company, which will help improve the well-being of people, promote the economic and social development of the communities in which it has a presence, and create sustainable value for shareholders and investors, employees, investee companies, suppliers and other stakeholders of the Company.
17.	Applied	The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.	Greystone's vision is to create a long-term foundation for better governance, better transparency and disclosure and long-term sustainability of their investments. The investment analysis and due diligence process are applied to all their investments - including listed and unlisted assets, equity and debt and across the various sectors they invest in.