

---

**SUMMARISED UNAUDITED CONSOLIDATED RESULTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31 MAY 2017**

---

The Company has been established in Mauritius as a public company limited by shares holding a Category 1 Global Business Licence. The Company has primary listings on the Stock Exchange of Mauritius Ltd ("SEM") and the Alternative Exchange ("AltX") of the Johannesburg Stock Exchange ("JSE"). The primary objective of the Company is to acquire good quality, income-generating retail and logistics/warehouse property assets in the United Kingdom ("UK") and mainland Europe. The Company's property investments are held by a number of wholly-owned subsidiaries.

**REPORTING CURRENCY**

The Company's results are reported in Pounds Sterling ("GBP").

**BUSINESS REVIEW**

The Group's International Financial Reporting Standards ("IFRS") result for the period was a profit of GBP 7.459 million compared to the previous period's result of GBP 5.005 million. The Group produced a recurring profit of GBP 7.684 million for the period compared to the previous period's recurring profit of GBP 8.541 million. A reconciliation table of the recurring profit to IFRS total comprehensive income for the period is provided in the financial section at the end of this report.

**Letting activity and lease renewals**

The Company has made progress letting vacant units in a challenging retail environment which is facing headwinds from rising inflation and consumer concerns over the European Union Referendum result and the resultant triggering of Article 50, whereby the UK served notice to leave the European Union ("Brexit").

During the period, the Company undertook eight leasing events of which four were long-term core lettings, with an average lease length of ten years and rent free of six months.

Three core leases have been renewed at an average rent increase of 5.97% above valuation Estimated Rental Value ("ERV"), accounting for rent of GBP 82,000 p.a.

As at 31 May 2017, the centres had a combined occupancy of 93.53% (28 February 2017: 93.59%) by ERV and 91.54% (28 February 2017: 92.38%) by Gross Lettable Area.

There are a further four units currently under offer on long-term lettings and twelve core lease renewals ongoing which will result in a further improvement to the overall occupancy of the centres.

A number of asset management initiatives are under way within all schemes which will allow the Company to improve the quality of space that is offered to tenants, allowing them the opportunity to upsize and improve their profitability.

**Net asset value ("NAV")**

The European Public Real Estate Association ("EPRA") NAV is a proportionally consolidated measure representing the IFRS net assets excluding the mark-to-market ("MTM") on effective cash flow hedges and related debt adjustments, the MTM on convertible bonds as well as deferred taxation on property and derivative valuations.

EPRA NAV, based on the shares in issue throughout the period (of 152,774,750), is 72 pence per share for the period ended 31 May 2017 compared to 75 pence per share at 28 February 2017. A reconciliation table of the EPRA NAV to the Statement of Financial Position is provided in the financial section at the end of this report.

**PROSPECTS**

During this period the Company's business strategy has continued to evolve to take into account changes in the prevailing political and economic climate. In particular, in relation to the European investment property market's reaction to Brexit.

The Company's strategy continues to retain its retail focus. However, the Company has refined this strategy to also acquire:

- (a) retail property within mainland Europe and the UK; and
- (b) non-retail assets within mainland Europe and the UK.

Preference will be given to dominant retail assets and logistics/warehouse properties let to tenants in the UK, Germany, Austria, Slovakia, Czech Republic, Poland, Ireland and Benelux.

The Company has since been working hard to execute the refined strategy and has identified a shortlist of properties that meet its investment criteria including a logistics warehouse in Austria which is currently under offer. The proposed acquisition in Austria will provide exposure to the logistics/warehouse market enabling the Company to benefit from the increase of e-retail activity across Europe. Should the proposed acquisition and capital raise be successfully implemented, New Frontier will publish a further announcement in this regard.

This approach will enable the Company to exploit a much wider range of opportunities, reducing its overall risk profile whilst continuing to benefit from the profits contributed by its existing centres and broadening its hard currency exposure.

## **CHANGES TO BOARD OF DIRECTORS**

Mr Kameel Keshav has resigned as a non-executive director of the Company with effect from 29 June 2017. It is the Company's intention to have three current directors of its major shareholder, Rebosis Property Fund Limited ("**Rebosis**") as members of its Board of directors. Therefore, following the recent resignation of Mr Keshav as CFO of Rebosis, Mr Keshav has resigned from the Board of New Frontier to allow the Company to maintain the balance of South African and UK directors for UK REIT regulations. The directors would like to thank Mr Keshav for his valuable contribution and commitment to the Company.

On 5 July 2017 the Company was pleased to announce that Mrs Marelise De Lange, the CFO of Rebosis, was appointed to the Board as a non-executive director.

## **DIVIDEND**

The Company's dividend policy is to consider declarations of dividends on a six-monthly basis in line with its year end and half year which are August and February respectively.

As a result, no dividend has been declared for the period under review.

## **ASSET MANAGEMENT AGREEMENT ("**Agreement**")**

The Board of the Company has issued a notice dated 27 June 2017 informing the Company's shareholders that it has proposed to make certain amendments to the Agreement to incentivise the asset manager, Waypoint New Frontier Limited, to acquire further assets. This was approved by shareholders on 10 July 2017.

## **CAPITAL REDUCTION**

On 9 June 2017 the Board of the Company issued a notice informing the Company's shareholders and the public in general that it has put forward a proposal for the reduction of the Company's stated capital which was subsequently approved by its shareholders by special resolution at a special meeting of the Company on 11 July 2017.

## **BASIS OF PREPARATION**

These summarised unaudited consolidated results for the nine months ended 31 May 2017 have been prepared in accordance with IFRS, including IAS34 – Interim Financial Reporting, the SEM Listing Rules, the Securities Act of Mauritius 2005 and the JSE Listings Requirements to the extent required.

## **ACCOUNTING POLICIES**

The accounting policies adopted are consistent with those used to prepare the audited annual financial statements for the year ended 31 August 2016.

These financial statements have not been reviewed or reported on by the Company's external auditors.

## **SEGMENTAL INFORMATION**

The Group derives its revenue from a single business activity, the property sector, which it considers as its only segment.

By order of the Board

Osiris Corporate Solutions (Mauritius) Limited  
Company secretary

14 July 2017

## NOTES

Copies of this report are available to the public at the registered office of the Company, B45 Twenty-Foot Road, 3<sup>rd</sup> Floor, La Croisette, Grand Baie, Mauritius.

Copies of the statement of direct or indirect interest of the Senior Officers of the Company pursuant to rule 8(2)(m) of the Securities (Disclosure of Obligations of Reporting Issuers) Rules 2007 are available to the public upon request to the Company Secretary at the Registered Office of the Company at B45 Twenty-Foot Road, 3<sup>rd</sup> Floor, La Croisette, Grand Baie, Mauritius.

This communiqué is issued pursuant to Listing Rules 12.20 and 12.21 and Section 88 of the Securities Act of Mauritius 2005. The Board of New Frontier Properties Ltd accepts full responsibility for the accuracy of the information in this communiqué.

For further information please contact:

JSE sponsor

**Java Capital** +27 11 722 3050

Company secretary

**Osiris Corporate Solutions (Mauritius) Limited** +230 650 4030

**NEW FRONTIER PROPERTIES LTD**  
**STATEMENTS OF FINANCIAL POSITION AT 31 MAY 2017**

	<b>Unaudited</b>	<b>THE GROUP</b>	
	<b>31 May</b>	Restated Unaudited	Audited
	<b>2017</b>	31-May	31 August
	<b>£000</b>	2016	2016
	<b>£000</b>	£000	£000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	849	20	19
Investment property	272,588	280,976	272,588
	<u>273,437</u>	<u>280,996</u>	<u>272,607</u>
<b>Current assets</b>			
Trade and other receivables	4,507	4,816	5,846
Cash and cash equivalents	4,720	2,765	3,639
	<u>9,227</u>	<u>7,581</u>	<u>9,485</u>
<b>Total assets</b>	<u><b>282,664</b></u>	<u>288,577</u>	<u>282,092</u>
<b>EQUITY</b>			
<b>Capital and reserves (attributable to owners of the parent)</b>			
Share capital	124,412	124,412	124,412
Hedging reserve	(3,768)	(2,899)	(5,614)
Accumulated losses	(14,105)	(4,289)	(10,051)
<b>Total equity</b>	<u><b>106,539</b></u>	<u>117,224</u>	<u>108,747</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	166,862	162,838	162,935
Derivative financial instrument	3,768	2,899	5,614
	<u>170,630</u>	<u>165,737</u>	<u>168,549</u>
<b>Current liabilities</b>			
Trade and other payables	4,403	5,383	4,719
Income tax payable	1,092	233	77
	<u>5,495</u>	<u>5,616</u>	<u>4,796</u>
<b>Total liabilities</b>	<u><b>176,125</b></u>	<u>171,353</u>	<u>173,345</u>
<b>Total equity and liabilities</b>	<u><b>282,664</b></u>	<u>288,577</u>	<u>282,092</u>

**Restatement**

As at 31 May 2016 the accounting entries for the MTM movements on the derivatives were incorrectly accounted for through retained earnings rather than the hedging reserve. The Statement of Financial Position as at 31 May 2016 has been restated to show the MTM through the hedging reserve. The adjustments for the restated Statement of Financial Position are contained in the table at the end of this document.

NEW FRONTIER PROPERTIES LTD

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME

FOR QUARTER AND NINE MONTHS ENDED 31 MAY 2017

	THE GROUP			
	Unaudited	Unaudited	Unaudited	Unaudited
	For the quarter ended 31 May 2017	For the quarter ended 31 May 2016	For the 9 months ended 31 May 2017	For the 9 months ended 31 May 2016
	£000	£000	£000	£000
Rental income	4,727	5,143	15,035	15,202
<b>Expenses</b>				
Property operating expenses	(1,075)	(720)	(2,499)	(2,144)
Administrative expenses	(332)	(461)	(919)	(1,268)
Acquisition related costs	-	-	-	(2,562)
Other income	-	-	72	-
	3,320	3,962	11,689	9,228
Net finance costs	(1,452)	(1,221)	(4,314)	(3,912)
<b>Profit before tax</b>	1,868	2,741	7,375	5,316
Taxation	-	(10)	84	(311)
<b>Profit for the period</b>	1,868	2,731	7,459	5,005
<b>Other comprehensive income for the period</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Fair value gain/(loss) on financial derivatives	146	1,485	1,846	(2,899)
Other comprehensive income for the period	146	1,485	1,846	(2,899)
<b>Total comprehensive income/(loss) for the period</b>	2,014	4,216	9,305	2,106
Basic earnings per share (GBP)	0.0122	0.0179	0.0488	0.0334
Headline earnings per share (GBP)	0.0122	0.0179	0.0488	0.0334

NEW FRONTIER PROPERTIES LTD

STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MAY 2017

	Share capital	Hedging reserve	Accumulated losses	Total
	£000	£000	£000	£000
<b><u>THE GROUP</u></b>				
Balance at 01 September 2016	124,412	(5,614)	(10,051)	108,747
Profit for the period	-	-	7,459	7,459
Other comprehensive income for the period	-	1,846	-	1,846
Dividends	-	-	(11,611)	(11,611)
Waiver of dividend	-	-	98	98
<b>Balance at 31 May 2017</b>	<b><u>124,412</u></b>	<b><u>(3,768)</u></b>	<b><u>(14,105)</u></b>	<b><u>106,539</u></b>
Balance at 01 September 2015	80,511	-	834	81,345
Issue of shares	44,693	-	-	44,693
Issue costs	(792)	-	-	(792)
Profit for the period	-	-	5,005	5,005
Other comprehensive loss for the period	-	-	(2,899)	(2,899)
Dividends	-	-	(10,128)	(10,128)
<b>Balance at 31 May 2016</b>	<b><u>124,412</u></b>	<b><u>-</u></b>	<b><u>(7,188)</u></b>	<b><u>117,224</u></b>
Balance at 01 September 2015	80,511	-	834	81,345
Issue of shares	44,693	-	-	44,693
Issue costs	(792)	-	-	(792)
Profit for the period	-	-	5,005	5,005
Other comprehensive loss for the period	-	(2,899)	-	(2,899)
Dividends	-	-	(10,128)	(10,128)
<b>Balance at 31 May 2016 (Restated)</b>	<b><u>124,412</u></b>	<b><u>(2,899)</u></b>	<b><u>(4,289)</u></b>	<b><u>117,224</u></b>
Balance at 01 September 2015	80,511	-	834	81,345
Issue of shares	44,693	-	-	44,693
Issue costs	(792)	-	-	(792)
Loss for the year	-	-	(757)	(757)
Other comprehensive income for the year	-	(5,614)	-	(5,614)
Dividends	-	-	(10,128)	(10,128)
<b>Balance at 31 August 2016 (Audited)</b>	<b><u>124,412</u></b>	<b><u>(5,614)</u></b>	<b><u>(10,051)</u></b>	<b><u>108,747</u></b>

**NEW FRONTIER PROPERTIES LTD**  
**STATEMENTS OF CASH FLOWS FOR NINE MONTHS ENDED 31 MAY 2017**

	<b>Unaudited</b>	<b>THE GROUP Restated Unaudited</b>	<b>Audited</b>
	<b>31 May</b>	<b>31 May</b>	<b>31 August</b>
	<b>2017</b>	<b>2016</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	13,773	8,064	11,617
Tax received/(paid)	217	(671)	(1,119)
Interest paid	(4,052)	(3,492)	(5,723)
<b>Net cash generated from operating activities</b>	<b>9,938</b>	<b>3,901</b>	<b>4,775</b>
<b>Cash flows from investing activities</b>			
Acquisitions of subsidiaries, net of cash acquired	-	(11,553)	(11,553)
Addition to investment property	-	(358)	(358)
Addition to property, plant and equipment	(831)	(20)	(20)
Interest received	1	-	1
<b>Net cash used in investing activities</b>	<b>(830)</b>	<b>(11,931)</b>	<b>(11,930)</b>
<b>Cash flows from financing activities</b>			
Repayments on long-term borrowings	-	(27,827)	(27,827)
Proceeds from loans	3,500	500	500
Payment on borrowing costs	(14)	(637)	(637)
Proceeds from issue of share capital	-	44,694	44,693
Payments for share issuance costs	-	(792)	(792)
Dividend payment	(11,513)	(10,128)	(10,128)
<b>Net cash (used in)/generated from financing activities</b>	<b>(8,027)</b>	<b>5,810</b>	<b>5,809</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period</b>	<b>1,081</b>	<b>(2,220)</b>	<b>(1,346)</b>
Cash and cash equivalents at the beginning of the period	3,639	4,985	4,985
<b>At 31 May 2017/2016</b>	<b>4,720</b>	<b>2,765</b>	<b>3,639</b>

**Restatement**

The acquisition of the Blackpool shopping centre was for a cash purchase consideration of GBP 13.4 million less cash acquired of GBP 1.8 million, effectively a purchase consideration of GBP 11.6 million. The statement of cash flows for the nine months ended 31 May 2016 and six months ended 28 February 2016 misallocated the repayments on long-term borrowings, proceeds from loans and payments on borrowing costs to the acquisition of subsidiaries net of cash acquired line item in the statement of cash flows.

The adjustments for the restated statement of cash flows are contained in the table at the end of this document.

**NEW FRONTIER PROPERTIES LTD**

**RECONCILIATION OF PROFIT FOR NINE MONTHS TO HEADLINE EARNINGS**

**THE GROUP**

Basic and headline earnings per share

	<b>Unaudited For the 3 months ended 31 May 2017 £000</b>	<b>Unaudited For the 3 months ended 31 May 2016 £000</b>	<b>Unaudited For the 9 months ended 31 May 2017 £000</b>	<b>Unaudited For the 9 months ended 31 May 2016 £000</b>
Basic earnings from continuing operations attributable to equity holders of the Company	<u>1,868</u>	<u>2,731</u>	<u>7,459</u>	<u>5,005</u>
Headline earnings from continuing operations attributable to equity holders of the Company	<u>1,868</u>	<u>2,731</u>	<u>7,459</u>	<u>5,005</u>
Number of shares/weighted average number of shares	<u>152,774,750</u>	<u>152,774,750</u>	<u>152,774,750</u>	<u>149,772,769</u>
Basic earnings per share (GBP)	<u><u>0.0122</u></u>	<u><u>0.0179</u></u>	<u><u>0.0488</u></u>	<u><u>0.0334</u></u>
Headline earnings per share (GBP)	<u><u>0.0122</u></u>	<u><u>0.0179</u></u>	<u><u>0.0488</u></u>	<u><u>0.0334</u></u>

Note: There are no dilutionary instruments in issue



## Reconciliation of IFRS total comprehensive income to recurring profit

### Basis of preparation

In order to provide information of relevance to investors and a meaningful basis of comparison, unaudited management accounts have been prepared and are presented below. The directors consider that the management accounts are more meaningful in interpreting the performance of the Company. The management accounts diverge from IFRS as they make adjustments to total comprehensive income to determine recurring profit and EPRA NAV.

The preparation of the management accounts is the sole responsibility of the directors and has been prepared in accordance with the basis decided for illustrative purposes only. Due to their nature, the management accounts may not fairly present the results of the Company.

	Unaudited for the 9 months ended 31 May 2017 £000	Unaudited for the 9 months ended 31 May 2016 £000	Unaudited for the 6 months ended 28 Feb 2017 £000	Unaudited for the 3 months ended 30 Nov 2016 £000	Audited for the year ended 31 Aug 2016 £000
Total comprehensive income for the period	9,305	2,106	7,291	4,864	(6,371)
Fair value (gain)/loss on financial derivatives	(1,846)	2,899	(1,700)	(2,166)	5,614
Basic earnings/(loss)	7,459	5,005	5,591	2,698	(757)
Fair value movement on investment property	-	-	-	-	8,745
Amortised loan costs	309	318	202	101	419
Taxation	(84)	311	(84)	-	(52)
Acquisition related fees	-	2,562	-	-	2,563
Administrative expenses	-	345	-	-	761
Recurring profit	7,684	8,541	5,709	2,799	11,679

EPRA has issued recommended bases for the calculation of NAV per share (see the table below). Commentary on NAV per share is provided in the business review.

	Unaudited as at 31 May 2017 £000	Unaudited as at 31 May 2016 £000	Unaudited as at 28 Feb 2017 £000	Unaudited as at 30 Nov 2016 £000	Unaudited as at 31 Aug 2016 £000
Total equity	106,539	117,224	109,927	107,501	108,747
Adjusted for;					
MTM of financial derivatives	3,768	2,899	3,914	3,448	5,614
EPRA NAV	110,307	120,123	113,841	110,949	114,361
No. of shares	152,774,750	152,774,750	152,774,750	152,774,750	152,774,750
NAV per share (GBP)	0.72	0.79	0.75	0.73	0.75

EPRA NAV excludes MTM of financial derivatives.

Reconciliation of restatement of the balance sheet at 31 May 2016

	<b>THE GROUP</b>		
	<b>Unaudited</b>	Adjustment	Restated
	31 May		31 May
	2016		2016
	£000	£000	£000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	20		20
Investment property	280,976		280,976
	<u>280,996</u>	<u>-</u>	<u>280,996</u>
<b>Current assets</b>			
Trade and other receivables	4,816		4,816
Cash and cash equivalents	2,765		2,765
	<u>7,581</u>	<u>-</u>	<u>7,581</u>
<b>Total assets</b>	<u>288,577</u>	<u>-</u>	<u>288,577</u>
<b>EQUITY</b>			
<b>Capital and reserves (attributable to owners of the parent)</b>			
Share capital	124,412		124,412
Hedging reserve	-	(2,899)	(2,899)
Accumulated losses	(7,188)	2,899	(4,289)
<b>Total equity</b>	<u>117,224</u>	<u>-</u>	<u>117,224</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	162,838		162,838
Derivative financial instrument	26	2,873	2,899
	<u>162,864</u>	<u>-</u>	<u>165,737</u>
<b>Current liabilities</b>			
Trade and other payables	8,256	(2,873)	5,383
Income tax payable	233		233
	<u>8,489</u>	<u>-</u>	<u>5,616</u>
<b>Total liabilities</b>	<u>171,353</u>	<u>-</u>	<u>171,353</u>
<b>Total equity and liabilities</b>	<u>288,577</u>	<u>-</u>	<u>288,577</u>

Reconciliation of restatement of cash flows for nine months ended 31 May 2016 and six months ended 29 February 2016

	<b>THE GROUP</b>					
	<b>Unaudited 31 May 2016</b>	<b>Adjustment</b>	<b>Restated 31 May 2016</b>	<b>Unaudited 29-Feb 2016</b>	<b>Adjustment</b>	<b>Restated 29-Feb 2016</b>
	£000		£000	£000		£000
<b>Cash flows from operating activities</b>						
Cash generated from operations	8,064	-	8,064	1,027	-	1,027
Tax received/(paid)	(755)	84	(671)	-	84	84
Interest paid	(3,492)	-	(3,492)	(1,765)	-	(1,765)
<b>Net cash generated from operating activities</b>	<b>3,817</b>	<b>84</b>	<b>3,901</b>	<b>(738)</b>	<b>84</b>	<b>(654)</b>
<b>Cash flows from investing activities</b>						
Acquisitions of subsidiaries, net of cash acquired	(45,836)	34,283	(11,553)	(45,836)	34,283	(11,553)
Addition to investment property	-	(358)	(358)	-	(358)	(358)
Addition to property, plant and equipment	(20)	-	(20)	(14)	-	(14)
<b>Net cash used in investing activities</b>	<b>(45,856)</b>	<b>33,925</b>	<b>(11,931)</b>	<b>(45,850)</b>	<b>33,925</b>	<b>(11,925)</b>
<b>Cash flows from financing activities</b>						
Repayments on long-term borrowings	-	(27,827)	(27,827)	-	(27,827)	(27,827)
Proceeds from loans	6,045	(5,545)	500	7,608	(5,545)	2,063
Payment on borrowing costs	-	(637)	(637)	-	(637)	(637)
Proceeds from issue of share capital	44,694	-	44,694	44,693	-	44,693
Payments for share issuance costs	(792)	-	(792)	(792)	-	(792)
Dividend payment	(10,128)	-	(10,128)	(4,628)	-	(4,628)
<b>Net cash (used in)/generated from financing activities</b>	<b>39,819</b>	<b>(34,009)</b>	<b>5,810</b>	<b>46,881</b>	<b>(34,009)</b>	<b>12,872</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period</b>	<b>(2,220)</b>		<b>(2,220)</b>	<b>293</b>		<b>293</b>
Cash and cash equivalents at the beginning of the period	4,985		4,985	4,985		4,985
<b>At 31 May 2016 / 29 February 2016</b>	<b>2,765</b>		<b>2,765</b>	<b>5,278</b>		<b>5,278</b>