Rockcastle Global Real Estate Company Limited

(Incorporated in the Republic of Mauritius)
(Registration number 108869 C1/GBL)
Having its registered address at Level 3, Alexander House 35 Cybercity, Ebene, Mauritius
SEM Code "Rock.N0000"
JSE Code: 'ROC'
ISIN: MU0364N00003
(LEC/P/13/2016)
Dated 3 May 2016
("**Rockcastle**" or "**the company**")

LISTING PARTICULARS

The definitions commencing on page 11 of these Listing Particulars have, to the extent appropriate, been used on this cover page.

At the company's Annual General Meeting held on 30 October 2015, the shareholders of Rockcastle authorised the issue of up to a further 196 975 850 shares at a price per share that is not less than the NAV per Rockcastle share at the time any such issue and listing is announced.

The company intends offering and issuing such additional shares by way of private placement or otherwise to existing shareholders or new investors as may be permitted in terms of the Mauritian Companies Act 2001, the SEM Listing Rules, the Mauritian Securities Act 2005, the JSE Listings Requirements, the South African Companies Act, 2008 and any other applicable laws and regulations.

The details of any such offer will be communicated to targeted investors as and when such offer is made.

An application is being made to the SEM for the listing of up to 196 975 850 additional ordinary shares of Rockcastle on the SEM and the JSE.

Accordingly, these Listing Particulars have been prepared and issued:

- in compliance with the SEM Listing Rules governing the Official Listing of Securities, in respect of the listing of up to 196 975 850 additional Rockcastle shares at an offer price to be decided by the board in due course, which price shall not be less than the net asset value per Rockcastle share at the time any such offer, issue or placement is announced;
- for the purpose of providing updated information to the public with regard to the company.

This document does not constitute an invitation to any person to subcribe for shares in the company.

Rockcastle has its primary listing on both the SEM and the JSE.

A copy of these Listing Particulars is available in English, accompanied by the documents referred to under "Documents available for inspection" as set out in section five, paragraph 13 of these Listing Particulars.

The directors, whose names appear on page 14 and **Annexure 3**, collectively and individually, accept full responsibility for the accuracy or completeness of the information contained in these Listing Particulars and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The corporate advisor, sponsor, management company, auditor and bankers whose names are included in these Listing Particulars, have consented in writing to the inclusion of their names in the capacity stated and have not withdrawn their written consent prior to publication of these Listing Particulars.

This document may include forward-looking statements. Forward-looking statements are statements including, but not limited to, any statements regarding the future financial position of the company and its future prospects. These forward-looking statements have been based on current expectations and projections which, although the directors believe them to be reasonable, are not a guarantee of future performance.

The distribution of these Listing Particulars and the offer, sale or delivery of Rockcastle shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of these Listing Particulars are advised to consult their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. These Listing Particulars may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

The contents of this document should not be treated as advice relating to legal, taxation, investment or any other matters. Targeted investors should inform themselves as to (i) the legal requirements within their own respective country for the purchase, holding, transfer or other disposal of shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they may encounter; (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares. Prospective investors must rely on their own representatives, including their own legal advisors and accountants, as to legal, tax, investment or any other related matters concerning the company and an investment therein. This document should be read in its entirety before making any application for shares.

These Listing Particulars have been vetted by the Listing Executive Committee of the SEM ("**LEC**"), in conformity with the Listing Rules, on 3 May 2016.

Neither the LEC nor the SEM nor the Financial Services Commission ("**FSC**") assumes any responsibility for the contents of this document. The LEC, the SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this document and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

Permission has been granted by the LEC on 3 May 2016 for the listing of up to 196 975 850 additional Rockcastle shares on the Official List of the SEM.

A copy of these Listing Particulars has been filed with the FSC.

Mauritian management company

Intercontinental Trust

South African corporate advisor and JSE Sponsor

Java Capital

Auditor

BDO

Sponsor

cmb

Capital Markets Brokers

Date and place of incorporation of the company
30 March 2012, Mauritius
Date of issue: 3 May 2016

CORPORATE INFORMATION

Company details

Rockcastle Global Real Estate Company Limited
(Registration number: 108869 C1/GBL)
SEM code: Rock.N0000
JSE Code: ROC

ISIN: MU0364N00003

Level 3
Alexander House
35 Cybercity, Ebene 72201

Mauritius

Transfer secretary in South Africa

Link Market Services South Africa
Proprietary Limited
(Registration number: 2000/007239/07)
13th Floor

Rennie House

19 Ameshoff Street
Braamfontein
2001
(PO Box 4844, Johannesburg, 2000)
South Africa

Bankers

Standard Bank (Mauritius) Limited
Level 9, Tower A
1 Cybercity

Ebene 72201

Mauritius

Afrasia Bank Limited
Bowen Square
10 Dr Ferriere Street
Port Louis
Mauritius

HSBC
54 Clarence Street

Kingston Upon Thames
Surrey, KT1 1NS
London, United Kingdom

Company secretary and Mauritian management company

Intercontinental Trust Limited
Level 3, Alexander House

35 Cybercity, Ebene 72201
Mauritius

Auditor

BDO & Co
DCDM Building
10, Frère Félix de Valois Street

Port Louis, 11404

Mauritius

SEM Sponsor

Capital Markets Brokers Limited
Ground Floor, Alexander House
35 Cybercity, Ebene 72201
Mauritius

South African Corporate Advisor and JSE Sponsor

Java Capital (Proprietary) Limited
(Registration number: 2002/031862/07)
6A Sandown Valley Crescent

Sandton, Johannesburg
2196
(PO Box 2087, Parklands, 2121)

South Africa

TABLE OF CONTENTS

The definitions given on pages 11 to 13 of this document have been used in the following table of contents.

IMPORTANT DATES AND TIMES

Further details of any offer, including salient dates and time, the number of shares being offered and the offer price will be communicated to targeted investors and the market in due course.

INTRODUCTION TO ROCKCASTLE AND OVERVIEW

The definitions commencing on page 11 of these Listing Particulars have, where appropriate, been used in this section.

1. INCORPORATION AND LISTING

1.1 The company was established in Mauritius on 30 March 2012 as a category one Global Business License company.

1.2 Rockcastle listed on the SEM on 5 June 2012, on the Alt^{X} on 26 July 2012 and migrated its listing therefrom to the main board of the JSE on 25 November 2014. Rockcastle conducts its business from Mauritius and its board includes four Mauritian resident directors.

1.3 Subsequent to the issue of its Integrated Report for the year ended 30 June 2015:

- In September 2015, the company placed 41 379 310 new Rockcastle shares with investors at R29.00 and US$2.17 per share through the company's South African and Mauritian share registers respectively. The 41 379 310 new Rockcastle shares were listed on the JSE and SEM on 9 September 2015.

- On 11 September 2015, the company issued 5 940 000 new Rockcastle shares at US$2.17 per share pursuant to the Rockcastle Share Purchase Scheme (the "Scheme") that was approved by shareholders on 13 July 2015. The Scheme was approved by the LEC on 11 June 2015 and permits 42 393 101 Rockcastle shares as the maximum number of shares that can be offered for subscription on a periodic basis. The 5 940 000 new Rockcastle shares were issued through the company's Mauritian share register and were listed on the JSE and SEM on 11 September 2015.

- On 25 September 2015, the SEM granted approval to the company for the issue of up to 18 763 001 Rockcastle shares to shareholders who elect to receive a scrip dividend in lieu of a cash dividend in relation to which the company issued a first Supplement to its Listing Particulars on 25 September 2015. On 28 September 2015, the company issued 17 358 776 new Rockcastle shares at US$2.11 per share to existing shareholders who elected to receive scrip dividend in lieu of cash dividend. The 17 358 776 new Rockcastle shares were listed on the JSE and SEM on 28 September 2015.

- The shareholders of Rockcastle authorised the issue of up to a further 196 975 850 shares at the annual general meeting of shareholders held on 30 October 2015.

- On 26 February 2016, the SEM granted approval to the company for the issue of up to 19 774 744 Rockcastle shares to shareholders who elect to receive a scrip dividend in lieu of a cash dividend in relation to which the company issued a second Supplement to its Listing Particulars on 26 February 2016. On 8 March 2016, the company issued 18 454 215 new Rockcastle shares at US$2.13 per share to existing shareholders who elected to receive scrip dividend in lieu of cash dividend. The 18 454 215 new Rockcastle shares were listed on the JSE and SEM on 8 March 2016.

2. OVERVIEW OF ROCKCASTLE

2.1 Introduction

Rockcastle's primary objective is to invest in real estate assets and companies that have competitive yields and with the prospect of capital growth. Its investments may comprise global real estate securities, unlisted or over-the-counter real estate securities, other instruments derived from such real estate securities, a global portfolio of direct property assets, including commercial property development projects, existing properties and/or real estate companies. Further information on Rockcastle's investment strategy, process and operations is detailed in Annexure 6. Investments made by the company as at 30 June 2015 are set out in Annexure 7.

2.2 Investment strategy

Rockcastle's investments comprise listed real estate securities in selected developed jurisdictions including Canada, Australia, Singapore, France, the Netherlands, Hong Kong, the United States and the United Kingdom. It is the board's view that the real estate investment vehicles established and listed in these jurisdictions have attractive yields and fundamentally sound property portfolios that represent attractive investment opportunities.

Rockcastle's management team employs opportunistic and pro-active asset management strategies to enable it to investigate potential investments in global real estate securities, unlisted and over-the-counter real estate securities, other instruments derived from such real estate securities and direct property assets. Management is constantly investigating potential investments that will provide sustainable, long-term growth that exceeds industry norms.

Rockcastle's aim is to build a global company with exposure to international property companies across the globe, and to invest in direct property with sustainable growth prospects. The board has set mandates for investments in specific markets where potential growth is considered to be both attractive and sustainable. The company balances its investment decisions by considering the risks and returns of the underlying properties, whether directly or through a listed real estate company, as well as the macro-economic conditions in the specific markets in which the properties are located. Rockcastle's medium-term objective is to have a portfolio with an equal composition of direct property to listed securities. The direct property portfolio (including investments under development) comprises 5% of total assets which is a considerable increase from less than 1% of total assets in 2014 when considering the total asset base increased by 45% in the current year.

A stringent approval process is in place for properties to be acquired or developed with minimum letting and anchor tenant requirements. Rockcastle's investment committee members, who are all experienced in the property sector, approve the company's acquisitions, redevelopments and disposals and receive updates on these at each meeting of the investment committee.

Rockcastle's aim is to grow and diversify the direct property portfolio and there has been significant progress in this regard with the acquisition of a property in London, one existing shopping centre and one ongoing development in Poland and two shopping centres, as well as one ongoing development, in Zambia. Rockcastle currently has a total of 4 direct property assets (excluding projects in development).

Further information on Rockcastle's investment strategy, process and operations is detailed in Annexure 6. Investments made by the company as at 30 June 2015 are set out in Annexure 7.

2.3 Listing on additional exchanges

Rockcastle will consider listing on other recognised international stock exchanges to broaden its investor base and source additional capital to fund growth aspirations, and to:

2.3.1 enhance potential investors' awareness of the company;

2.3.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;

2.3.3 provide invited investors the opportunity to participate directly in the income streams and future capital growth of the company; and

2.3.4 provide invited investors with an additional market for trading the company's shares.

DEFINITIONS

In this document and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

"**Alt^{X}**"	the Alternative Exchange of the JSE;
"**business day**"	any day other than a Saturday, Sunday or official public holiday in Mauritius or South Africa;
"**CAD**"	Canadian Dollar;
"**CDS**"	Central Depository and Settlement Company Limited approved under the Securities (Central Depository, Clearing and Settlement) Act 1996 of Mauritius;
"**certificated shares**"	shares in respect of which physical share certificates will be issued;
"**the company**" or "**Rockcastle**"	Rockcastle Global Real Estate Company Limited (Registration number 108869 C1/GBL), a company incorporated under the laws of Mauritius and holding a category one Global Business License issued by the FSC;
"**Constitution**"	the constitution of the company, dated 9 October 2014 and as amended from time to time;
"**CSDP**"	a Central Securities Depository Participant appointed by a shareholder for purposes of and in regard to dematerialisation and to hold and administer shares on behalf of a shareholder in South Africa;
"**dematerialise**" or "**dematerialisation**"	the process whereby physical share certificates are replaced with electronic records of ownership under CDS with the duly appointed broker, as the case may be, or under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker;
"**dematerialised shareholder**"	a holder of dematerialised shares;
"**dematerialised shares"**	shares which have been dematerialised and deposited in the CDS or incorporated into the Strate system;
"**directors**" or "**the board**" or "**board of directors**"	the directors of the company as at the date of these Listing Particulars, further details of whom appear in **Annexure 3** of these Listing Particulars;
"**EUR**"	Euro, the official currency of the Eurozone;
"**Exchange Control Regulations**"	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, 1933;
"**FSC**"	the Financial Services Commission of Mauritius;
"**GBL1**"	a category one Global Business License issued under the Financial Services Act 2007;
"**GBP**"	British Pound;

"**HKD**"	Hong Kong Dollar;
"**IFRS**"	International Financial Reporting Standards;
"**Income Tax Act**"	South Africa's Income Tax Act, 1962, as amended;
"**investment strategy**"	the investment strategy of the company as determined by the board, further details of which are contained in section 1, paragraph 4 of this document;
"**invited investors**"	those private clients, selected financial institutions and retail investors who have been invited to participate in the SA private placement;
"**ITL**"	Intercontinental Trust Limited, further details of which are set out in the "Corporate Information" section;
"Java Capital" or "JSE sponsor"	collectively, Java Capital (Proprietary) Limited (Registration number 2012/089864/07), the corporate advisor and joint bookrunner and Java Capital Trustees and Sponsors (Proprietary) Limited (Registration number 2008/005780/07), the sponsor, full details of which are set out in the Corporate Information section;
"**JSE**"	JSE Limited (Registration number 2005/022939/06), a company duly registered and incorporated with limited liability under the company laws of South Africa, licensed as an exchange under South Africa's Securities Services Act, 2004;
"**JSE Listing Requirements**"	JSE Listings Requirements, as amended from time to time;
"**last practicable date**"	the last practicable date prior to the finalisation of these Listing Particulars, being 29 April 2016;
"**LEC**"	Listing Executive Committee of the SEM;
"**listing**"	the listing in terms of the Listing Rules of the SEM and JSE Listings Requirements;
"**listing date**"	the anticipated date of listing of the shares;
"**Listing Particulars"**	this document and its annexures, dated 3 May 2016, which have been prepared in compliance with the Listing Rules;
"**Listing Rules**"	the Listing Rules of the SEM governing the Official Market;
"**management**"	the current management of the company, as detailed in **Annexure 3**;
"**Mauritian Companies Act**"	the Mauritian Companies Act 2001 (Act 15 of 2001) as amended;
"**Mauritian private placement**"	an offer to targeted investors to subscribe for additional Rockcastle shares at a price per share in US$ prior to the listing of the Rockcastle shares on the SEM and the JSE;
"**Mauritius**"	the Republic of Mauritius;
"**Official List**"	the list of all securities admitted for quotation on the SEM Official Market;
"**placement**"	an offer to targeted/ invited investors to subscribe for Rockcastle shares;
"**placement shares**"	Rockcastle shares being offered pursuant to the placement;
"**REIT**"	either a listed or unlisted Real Estate Investment Trust;
"**South African Companies Act**"	the South African Companies Act 2008 (Act 71 of 2008) as amended;
"**SA Government**"	the Government of South Africa;

"**SA private placement**"	an offer to invited investors to subscribe for additional Rockcastle shares at a price per share in ZAR prior to the listing of the Rockcastle shares on the JSE and the SEM;
"**SA transfer secretaries**"	Link Market Services South Africa (Proprietary) Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the company laws of South Africa and the South African transfer secretaries to the company, further details of which are set out on in the "Corporate Information" section;
"**SEM**"	the Stock Exchange of Mauritius Limited established under the repealed Stock Exchange Act 1988 of Mauritius;
"**SEM Official Market**"	the Official List of the SEM;
"**SGD**"	Singapore Dollar;
"**SENS**"	the Stock Exchange News Service of the JSE;
"**shares**" or "**Rockcastle shares**"	ordinary no par value shares in the share capital of the company;
"**shareholder**"	a holder of shares;
"**South Africa**" or "**SA**"	the Republic of South Africa;
"**Strate**"	Strate Limited (Registration number 1998/022242/06), a public company incorporated in accordance with the company laws of South Africa and the electronic clearing and settlement system used by the JSE to settle trades;
"**targeted investors**"	those private clients, selected financial institutions and retail investors who have been invited to participate in the Mauritian private placement;
"**US$**" or "**USD**"	United States Dollar; and
"**ZAR**" or "**R**" or "**Rand**"	South African Rand.

Rockcastle Global Real Estate Company Limited

(Incorporated in the Republic of Mauritius)
(Registration number 108869 C1/GBL)
("**Rockcastle**" or "**the company**")

Directors of the company

Spiro Noussis*
Karen Bodenstein#
Nicholas Matulovich*
Mark Olivier#
Rory Kirk#
Andre van der Veer^
Yan Chong Ng Cheng Hin#
Barry Stuhler^

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^ South African # Mauritian Resident * South African residing in the United Kingdom

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SECTION ONE – INFORMATION ON THE COMPANY

1. INTRODUCTION

The purpose of this document is to provide information to investors in relation to the company and its activities.

2. DIRECTORS AND MANAGEMENT OF THE COMPANY

2.1 Rockcastle's board of directors

Annexure 3 contains the following information:

2.1.1 details of directors and executive management including their names, addresses, qualifications, occupations and experience;

2.1.2 information concerning the appointment, remuneration, terms of office and borrowing powers of the directors;

2.1.3 directors' interests;

2.1.4 directors' declarations; and

2.1.5 directors' other directorships and partnerships.

2.2 Management company

ITL acts as the management company, company secretary and registrar to Rockcastle and its duties will include:

2.2.1 maintaining statutory registers such as the register of members, directors and directors' interests;

2.2.2 filing statutory returns and forms with the relevant authorities;

2.2.3 providing the relevant information and assistance to the auditors;

2.2.4 providing the board of directors with guidance as to its duties, responsibilities and powers; and

2.2.5 ensuring compliance with anti-money laundering legislation.

2.3 Areas of responsibility

2.3.1 The board of the company is responsible for the management of the company and strategic decision making and implementation.

2.3.2 Most administrative and secretarial functions are carried out by ITL in Mauritius.

2.3.3 The company uses the services of global brokers for the trading and custody of listed securities and other instruments.

2.3.4 The board leverages off existing operations within ITL and associated companies for operations management, finance and accounting.

3. INCORPORATION, HISTORY AND NATURE OF BUSINESS

3.1 Incorporation, name and address

3.1.1 Rockcastle was incorporated on 30 March 2012 in Mauritius and holds a category one Global Business License in accordance with the Companies Act 2001 and the Financial Services Act 2007 of Mauritius and has been operational since 4 April 2012. The company's registered address is c/o Intercontinental Trust Ltd, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius.

3.1.2 Rockcastle was listed on the SEM on 5 June 2012 and on the Alt^X on 26 July 2012. Rockcastle transferred its listing on the Alt^X to the main board of the JSE on 25 November 2014.

3.2 Listings on the SEM and JSE

3.2.1 Rockcastle was established in Mauritius in order to take advantage of Mauritius' business infrastructure and the double tax agreements that Mauritius has negotiated with many of the jurisdictions in which the company is investing or intends to invest.

3.2.2 Rockcastle listed on the SEM and the JSE to broaden its investor base and source additional capital to fund growth aspirations, and to:

3.2.2.1 enhance potential investors' awareness of the company;

3.2.2.2 improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its securities;

3.2.2.3 provide targeted investors the opportunity to participate directly in the income streams and future capital growth of the company; and

3.2.2.4 provide targeted investors with an additional market for trading the company's shares.

3.3 Financial year-end

The financial year-end of the company is the last day of December each year. Rockcastle recently changed its year end from June to December and this was announced on SENS and on the SEM website on 21 December 2015.

4. INVESTMENT STRATEGY, PROCESS AND OPERATIONS

4.1 Rockcastle invests in real estate, whether through investments in direct property or through real estate securities, or instruments or securities derived from such investments. The investment strategy includes investments in derivative instruments, such as portfolio or asset swaps in order to gain the benefits of gearing and will further include listed and unlisted instruments, for example, in real estate holding companies.

4.2 World markets have been driven by the divergent growth prospects and economic fundamentals between the developed and emerging economies. This has resulted in increased volatility in global markets. Lower commodity prices and deteriorating structural and fiscal deficits in emerging markets threatened global economic growth while optimism for a US-led recovery over the medium-term looks to be more muted based on recent financial indicators.

4.3 Concerns over economic growth in various markets, particularly in China, are driving investor sentiment and perceptions. Despite these deteriorating sentiments, continued quantitative easing programmes by central banks are providing support and investment appetite for real estate assets.

4.4 Rockcastle's net asset value per share increased from USD1.46 to USD1.56 for the 6-month period ended 31 December 2015. The company continues to focus on growing its net asset value and its dividend-paying capacity for the 2016 financial year.

4.5 As a result of the strategy to increase direct property investments and developments, these have increased from approximately 5% to 17% of total assets during the six-month period. Approximately EUR350 million was invested in retail property in Poland. The increase in exposure to direct property provides the company with the flexibility to concentrate its listed security portfolio on a core number of property stocks that meet Rockcastle's distribution growth, market capitalisation and liquidity requirements.

4.6 The listed security portfolio is focused on liquid counters offering growth, with an emphasis on developed markets. Management's strategy to concentrate the portfolio on counters invested in markets benefiting from monetary and fiscal stimulus and limited currency and commodity price risk has protected Rockcastle from the decline in both share prices and currencies in these countries experienced in the last quarter of 2015 and the start of 2016. As such, the listed security portfolio continues to have significantly more exposure to the developed markets of the US and UK. Rockcastle's management continues to engage with the management teams of these core stocks and conduct physical property inspections.

4.7 During December 2015, the three previously announced transactions namely Karolinka, Platan and Pogoria shopping centres were successfully concluded and the properties transferred to Rockcastle. The combined purchase price of these assets was approximately EUR270 million and represents a substantial deployment of capital to our direct property portfolio. Rockcastle now owns four shopping centres with two retail developments under construction scheduled to be completed in Q4 2016.

4.8 The acquisition of these existing assets in Poland has facilitated the establishment of a strong operational team based in Rockcastle's Warsaw office. This team and the value-added development opportunities available to the company in the existing portfolio, places Rockcastle in a strong position in a competitive market. Major benefits of acquiring existing assets from passive, non-strategic investors are the asset management efficiencies to be extracted and the meaningful leasing enhancements evident in the medium and long-term.

4.9 Rockcastle continues to make progress on various potential transactions in Poland as well as the Czech Republic and Hungary which will enable us to leverage off our Central and Eastern European operational platform. The Group's focus is on established assets as well as increasing the development pipeline to position the business advantageously in the future. These further initiatives will result in substantial additional capital being invested in the region.

4.10 The company's investments in Kafubu Mall in Ndola and Mukuba Mall in Kitwe were sold in December 2015 to Delta Africa Property Holdings Limited ("Delta"). During the period of ownership, both assets traded on budget with low vacancies. The board concluded that the operational focus in Central and Eastern Europe is a greater priority and accordingly mandated the sale of these assets. Transaction proceeds of USD21.6 million have been received with a further USD2.5 million currently outstanding by way of vendor financing to Delta. In addition, Rockcastle remains a guarantor to Standard Bank for the purposes of the senior debt, totalling USD16.5 million, currently in place until November 2016 when the facilities are repayable by Delta. For this purpose, Rockcastle has the requisite security over the shares in the investment holding companies.

4.11 Rockcastle retains its right to purchase a 50%, interest in the 26 000m2 GLA Cosmopolitan Mall being developed in Southern Lusaka, Zambia at a yield of 9.5%. The mall will be anchored by Game and Shoprite, and include Ackermans, Edgars, Foschini, Innscor, Jet, Mr Price, Pep, Truworths and Woolworths as tenants and is scheduled to open in March 2016. Negotiations for the disposal of this interest are currently ongoing and a decision in this regard will be made in due course.

4.12 The focus for Rockcastle is on the aggressive and proactive management of both the portfolio of securities and properties, in order to enhance returns and capital values for investors. Operational and administrative functions are carefully managed and supervised from Rockcastle's Mauritian and European office.

4.13 An outline of Rockcastle's investment strategy, process and operations as at the last practicable date is presented in Annexure 6 so as to provide invited/targeted investors with insight into Rockcastle's likely investments in the future and is not intended to limit the broad objectives as outlined above. These investment strategies, processes and operations are reviewed by the board on a regular basis so as to ensure that the company is meeting its defined objectives.

5. SCHEDULE OF INVESTMENTS

The company has made several investments in listed securities and direct property since its listing on the SEM and the JSE. The company's investments as at 30 June 2015 are set out in **Annexure 7**.

6. COMPANY STRUCTURE

6.1 Company structure

The company structure is set out in **Annexure 1**.

6.2 Share capital

Information regarding the issued share capital of the company, the shareholders of the company holding in excess of 5% of the issued share capital, alterations of capital, a summary of all offers of shares by the company to the public since incorporation and ancillary information is set out in **Annexure 2**.

6.3 Constitution

Extracts from the company's Constitution are set out in **Annexure 5**.

7. EMPLOYEES

Other than its executive directors, the company has seven employees based in Mauritius, London and Poland.

8. COMMISSIONS PAID AND PAYABLE

8.1 Since the incorporation of the company, no commissions, discounts, brokerages or royalties have been paid nor have any other special terms been granted by the company in connection with the issue or sale of any securities, shares or debentures in the capital of the company.

8.2 Since incorporation, there have been no commissions paid or are payable in respect of underwriting by the company.

8.3 Since incorporation, the company has not paid any material technical or secretarial fees.

8.4 Since incorporation, the company has not entered into any promoter's agreements and as a result no amount has been paid or is payable to any promoter.

9. MATERIAL CONTRACTS

Material contracts with major international financial institutions have been entered into in order to utilise their prime broking platforms and various derivative instruments offered by these institutions. All such contracts have been entered into in the ordinary course of business by the company.

10. INTERESTS OF DIRECTORS AND PROMOTERS

Details of directors' interests in the share capital of the company and directors' emoluments are set out in paragraph 3 and paragraph 11, respectively, of **Annexure 3**.

11. EXPENSES OF THE PLACEMENT AND LISTING

The estimated expenses relating to the capital raising, will be paid out of the proceeds of the private placement.

The estimated expenses relating to the capital raising and listing are set out below.

	US Dollar
Fee payable to Corporate Advisors	1 500
Printing, publication, distribution and advertising costs	5 000
SEM application fees	3 100
Total	9 600

SECTION TWO – DETAILS OF THE APPLICATION FOR LISTING

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1 PURPOSES OF THE APPLICATION FOR LISTING

1.1 The listing of the additional Rockcastle shares on the SEM and the JSE will provide the company with the necessary capital to pursue its investment strategy as detailed in Annexure 6.

1.2 The company will undertake placement(s) in Mauritius and / or South Africa for purposes of offering for subscription up to an additional 196 975 850 Rockcastle shares.

2 ANTICIPATED APPLICATION OF THE PROCEEDS OF THE PLACEMENT(S)

In line with the company's strategy of investing in real estate and real estate companies, the additional capital raised through the placement(s) will be used by Rockcastle to invest in listed real estate securities and/or direct property in selected jurisdictions, as and when investment opportunities arise.

Further information on Rockcastle's investment strategy, process and operations is detailed in Annexure 6.

Rockcastle may consider raising further capital in the coming month(s) by way of a placement of shares to targeted investors and the proceeds of the placement will be utilised for the following purposes:-

- Refinancing the acquisition of the Platan Shopping Centre acquisition in December 2015. The acquisition initially utilized financing available via Rockcastle's prime brokerage platform which it intends to now refinance.

- Increasing its investments in UK listed REIT securities where opportunities arise.

Further details of any offer, including salient dates and time, the number of shares being offered and the offer price will be communicated to targeted investors and the market in due course.

3 SALIENT DATES AND TIMES FOR SHAREHOLDERS

Further details of any offer, including salient dates and time, the number of shares being offered and the offer price will be communicated to potential investors and the market in due course.

4 TERMS, CONDITIONS AND PAYMENT FOR SHARES ON THE SEM

4.1 Participation in the placement(s)

The placement shares will only be issued in dematerialised form. No certificated shares will be issued.

4.2 Application, payment and trading of shares to be listed on the SEM

4.2.1 Shares may only be traded on the SEM in electronic form (dematerialised units). Trades will be settled on the basis of trade + 3 days on a strict delivery versus payment basis. Final and irrevocable transfer of funds will occur through the central bank with same day funds on the settlement date. Settlement will be made through the CDS.

4.2.2 If any applicant has any doubt as to the mechanics of the CDS, the applicant should consult with his investment dealer or other appropriate advisor and is also referred to the SEM website at www.stockexchangeofmauritius.com for additional information. Some of the principal features of the CDS are as follows:

(a) electronic records of ownership replace share certificates and physical delivery of certificates;

(b) trades executed on the SEM are settled within 3 business days; and

(c) all investors owning dematerialised shares or wishing to trade their shares on the SEM are required to appoint an investment dealer to act on their behalf and to handle their settlement requirements.

4.3 Issue and allocation of shares

Shares will be allotted subject to the provisions of the Constitution of the company and will rank *pari passu* in all respects, including dividends, with any existing issued shares of that particular class.

The shares which are the subject of the placement(s) are not subject to any conversion or redemption provisions. The basis of allocation of the shares will be determined on an equitable basis by the board.

It is intended that notice of the allocations will be announced in due course, and after agreement by the board of Rockcastle.

CDS accounts of successful applicants for shares shall be credited with the allocated shares and shall be allocated on the settlement date on a ‘delivery-versus-payment’ basis.

4.4 Representation

4.4.1 Any person applying for or accepting the shares shall be deemed to have represented to the company that such person was in possession of a copy of these Listing Particulars at that time.

4.4.2 Any person applying for or accepting shares on behalf of another:

4.4.2.1 shall be deemed to have represented to the company that such person is duly authorised to do so and warrants that such person and the purchaser for whom such person is acting as agent is duly authorised to do so in accordance with all relevant laws;

4.4.2.2 guarantees the payment of the issue price; and

4.4.2.3 warrants that a copy of these Listing Particulars was in the possession of the purchaser for whom such person is acting as agent.

4.5 Simultaneous issues

No shares of the same class are issued or to be issued simultaneously or almost simultaneously with the issue of shares for which application is being made.

4.6 Anti-Money Laundering provisions

As part of its responsibility for the prevention of money laundering, the company will require a detailed verification of each shareholder's identity and the source of the payment. Depending on the circumstances of each shareholder, detailed verification might not be required in the case of shareholders qualifying under the reduced or simplified due diligence regime based on Clause 5.5 of the Code on the Prevention of the Money Laundering & Terrorist Financing issued by the FSC in 2012.

The company reserves the right to request such information as is necessary to verify the identity of a subscriber or shareholder at any time after the application for subscription. In the event of delay or failure by the shareholder to produce any information required for verification purposes, the company may refuse to accept the application and the subscription monies relating thereto.

5 UNDERWRITING

The private placement(s) will not be underwritten.

6 THE JSE

Any announcement relating to, and listing of, Rockcastle shares on the JSE has to comply with the Constitution of the company, the Companies Act of South Africa and the JSE Listings Requirements.

SECTION THREE – RISK FACTORS AND RISK MANAGEMENT

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

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

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

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

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

The company is considering to raise further capital to avail itself of any investment opportunities that may arise. Although there is always a risk that the company does not raise the capital they intended to, that would not impact on the operations of the company.

The risk management framework is presented to the risk committee on an annual basis. The key risks include:

Key risk	Strategic goal impacted	Business impact	Mitigation of the risk	Stakeholders impacted
Risk of losses due to currency fluctuations	Capital growth in share price	Income for the period is reduced due to foreign exchange fluctuations.	Rockcastle hedges its exposure to currency risk to a reasonable extent by aiming to fund the purchase of counters in the currency in which that counter is denominated.	Shareholders
Risk of underperformance of investments, specifically forecasted dividends not being received.	Growth in distributable income	Distributable income is reduced due to the reduction of dividends received from investments.	Management monitors the performance of listed counters on a daily basis. All investments are made in accordance with the investment mandate and the board monitors compliance with such mandates on a quarterly basis.	Shareholders

Risk of financial loss to the company if a tenant or counterparty to a financial instrument fails to meet its contractual obligations. Arises principally from the company's receivables from tenants and investment securities.	Growth in distributable income Capital growth in share price	Distributable income is reduced due to the reduction of rental income from tenants or dividends received from investments.	Financial instruments are entered into with reputable financial institutions. Rockcastle's credit processes aim to ensure that each tenant is analysed and the lease agreed prior to occupancy of the premises. When available, the company's review includes external ratings. The company limits its exposure to credit risk by only investing in liquid securities and only with globally recognised financial institutions and/ or counterparties that are listed on a recognised stock exchange. The company limits its exposure to credit risk by utilising multiple globally recognised financial institutions.	Shareholders Tenants Financiers
Risk of losses owing to movements in the level or volatility of market prices.	Capital growth in share price	Net asset value is reduced due to losses incurred, which in turn reduces the Rockcastle share price.	Management monitors the performance of the counters on a daily basis. All investments are made in accordance with the investment mandate and the board monitors compliance with such mandates on a quarterly basis.	Shareholders Financiers
Rockcastle is built on the expertise of the management team. Executive management is critical in the day-to-day operations of the business through their expertise and experience in the	Capital growth in share price	Skilled and experienced staff may not be retained.	The remuneration of key staff is aligned with the interests of shareholders.	Employees Shareholders

analysis of the market and the identification of suitable investment opportunities.				
Deterioration in the company's credit profile, a decline in debt market conditions or a general rise in interest rates could impact the cost and availability of funding.	Growth in distributable income	The cost of financing increases substantially reducing distributable income.	The company monitors its key financial ratios. Interest rate risk is mitigated through the use of bond shorts and interest rate swaps in multiple currencies and jurisdictions.	Shareholders Financiers Employees
Inability to refinance debt at acceptable rates and overexposure to a single financial institution.	Growth in distributable income	Higher finance costs result in lower distributable income.	Concentration exposure to one financial institution is avoided.	Shareholders Financiers Employees
Business continuity risk	Growth in distributable income	Business interruption may have a severe impact on the operations of Rockcastle and may reduce distributable income.	Rockcastle has a business continuity plan which includes the daily backup of data which is tested regularly.	Employees Shareholders
Investing on international markets increases operational, regulatory and other risks	Growth in distributable income Maintenance of the Rockcastle brand	Non-compliance with regulatory requirements could lead to fines, penalties and censures.	This risk is mitigated through the collaboration of the risk committee, the executives, and Rockcastle's legal advisers and service providers in identifying and ensuring compliance with regulatory requirements.	Shareholders Financiers Employees
Development projects fail to deliver expected returns due to increased costs or delays.	Growth in distributable income	Rockcastle may suffer reputational damage as well as financial loss if developments are not completed timeously and within budget. The majority of developments are done via joint ventures and delays may lead to legal disputes.	Rockcastle has access to professional, independent development managers that can be contracted on a watching brief basis to mitigate this risk. All construction works are, where possible, put to tender and only reputable professionals are engaged. Structural and occupation	Financiers Shareholders Employees

			certificates are obtained for all developments on completion.	
The underperformance of property managers may result in inaccurate recovery of revenue and incorrect reporting.	Tenant relationships and retention Growth in distributable income	Inaccurate billing of tenants and reporting.	Compliance with service level agreements is monitored regularly. Management reviews monthly reports and meets with the property managers on a regular basis.	Tenants Property managers Shareholders Employees Co-owners
Destruction of assets	Maintaining and growing a quality portfolio of assets Growth in distributable income	Buildings destroyed due to force majeure, fire etc and as a result income cannot be generated from tenants.	Insurance cover is carefully monitored to ensure that it is sufficient. The insurable amount is based on replacement valuations obtained from an independent valuer. Rockcastle uses reputable underwriters with sufficient financial backing to sustain cover paid for.	Tenants Property managers Shareholders Employees Co-owners
Physical deterioration of properties rendering them untenantable.	Maintaining and growing a quality portfolio of assets Growth in distributable income	Properties that have physically deteriorated will be untenantable resulting in decreased distributable income.	Asset managers perform regular property inspections as do the property managers.	Tenants Property managers Shareholders Employees Co-owners
Exposure to uncertain operating environments through investment in various African countries.	Growth in distributable income	Due to the dynamic legislative and regulatory environments in certain African countries, the risk of non-compliance is increased.	Management consults with professional advisors in order to identify and comply with legislation and regulations in the applicable jurisdictions.	Shareholders Financiers Co-owners
Significant volume of leases expiring in a specific period	Tenant relationships and retention	Rental income may be eroded due to new leases or renewals at lower rentals than previously achieved. Vacancies may not be	Asset and property managers closely monitor lease expiries and begin negotiations with tenants in advance of the expiry. All rentals are done at	Tenants Property managers Shareholders

	Growth in distributable income	let timeously thus reducing distributable income.	market related rates. Rockcastle actively markets all vacant space.	Employees Co-owners
Funding liquidity risk	Growth in distributable income	Inability to meet obligations which may force early liquidation of the position as a result of margin calls.	Ensuring sufficient cash reserves are held by means of proper planning of cash-flow needs by setting limits on cash-flow gaps, by diversification, and by lending due consideration to how new funds can be raised to meet cash shortfalls.	Shareholders Financiers

Opportunities

Following the re-rating of the global listed property markets and the fact that most listed property counters are now trading at a premium to net asset value, the group’s strategy is to transfer from listed property counters to direct property assets. The board’s view is that direct property assets, particularly in certain countries in Africa and central Europe offer superior value and will achieve attractive growth for the foreseeable future. Rockcastle will assess these opportunities in line with guidance from the investment committee.

SECTION FOUR – STATEMENTS AND REPORTS REGULATING THE OFFER

1. **WORKING CAPITAL**

   The directors of the company are of the opinion that the working capital available to Rockcastle is sufficient for the company's present requirements, that is, for at least the next 12 months from the date of issue of these Listing Particulars.

2. **LISTING AND DEALINGS ON SEM AND JSE**

   An application is being made for the listing of up to 196 975 850 additional ordinary shares of Rockcastle on the SEM.

3. **SIGNIFICANT CHANGES**

   There has been no significant change in the financial or trading position of Rockcastle since 30 June 2015, besides the capital raising mentioned in Section 1.3 and the direct property acquisitions mentioned in Section 11.

SECTION FIVE – ADDITIONAL MATERIAL INFORMATION

1. **HISTORICAL FINANCIAL INFORMATION**

The historical financial information of Rockcastle for the financial year ended 30 June 2015 is set out in **Annexure 8.** The preparation of the historical information falls under the responsibility of the directors of the company.

2. **DIVIDENDS AND DISTRIBUTION**

No shares of the company are currently in issue with a fixed date on which entitlement to dividends arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

3. **PROPOSED ACQUISITIONS**

Please refer to paragraph 10 of this Section for information on material commitments.

For further information regarding Rockcastle's proposed acquisitions, shareholders of the company and the general public may refer to the following documents issued by the company:-

- Integrated Report 2015;
- summarised unaudited consolidated interim financial statements of the company for the three months ended 30 September 2015, released on 5 November 2015; and
- summarised unaudited consolidated interim financial statements of the company for the three months and the six months ended 31 December 2015, released on 10 February 2016.

Copies of the above documents are available for inspection at the company's registered office during business hours.

4. **DISPOSALS**

The company's investments in Kafubu Mall in Ndola and Mukuba Mall in Kitwe were sold in December 2015 to Delta Africa Property Holdings Limited ("Delta"). During the period of ownership, both assets traded on budget with low vacancies. The board concluded that the operational focus in Central and Eastern Europe is a greater priority and accordingly mandated the sale of these assets. Transaction proceeds of USD21.6 million have been received with a further USD2.5 million currently outstanding by way of vendor financing to Delta. In addition, Rockcastle remains a guarantor to Standard Bank for the purposes of the senior debt, totalling USD16.5 million, currently in place until November 2016 when the facilities are repayable by Delta. For this purpose, Rockcastle has the requisite security over the shares in the investment holding companies.

Rockcastle retains its right to purchase a 50%, interest in the 26 000m2 GLA Cosmopolitan Mall being developed in Southern Lusaka, Zambia at a yield of 9.5%. The mall will be anchored by Game and Shoprite, and include Ackermans, Edgars, Foschini, Innscor, Jet, Mr Price, Pep, Truworths and Woolworths as tenants and is scheduled to open in March 2016.

5. ADVANCES, LOANS AND BORROWINGS

5.1 ROCKCASTLE MANAGEMENT INCENTIVE LOAN ("MIL") EXTRACT

The Rockcastle management incentive loans were approved by the board during the last financial period.
The purpose of the incentive is to provide employees with an incentive linked to the growth of the company's long-term value as measured by the share price. This form of long-term incentivisation is designed to provide an incentive programme that will contribute to the achievement of the company's objectives and enhance shareholder value. Directors and employees are provided with a 10-year loan to facilitate the purchase of Rockcastle shares which are pledged as security for the aforesaid loan.

			2015
	% of issued shares	**Number of shares**	**Loan balance USD**
Shares issued to directors and employees in terms of MIL	2,08%	17 665 000	25 129 000

The participants in the MIL carry the risk associated with the shares issued to them. The disclosure includes all shares issued since incorporation. The MIL bear interest at 5% for the year ended 30 June 2015. The loans are secured by 17 665 000 shares in Rockcastle with a fair value of USD 39.22 million. The value of security held for each individual loan exceeds the amount of the related loan. The loans are payable on the tenth anniversary of the loan being granted.

Details of the shares issued to directors in terms of the Rockcastle MIL as at 30 June 2015 are as follows:

	Number of shares issued	**Date of issue**	**Issue price USD per share**	**Employee asset as recorded in the financials USD**
Spiro Noussis	1 000 000	2 Oct 2014	1.83	1 830 000
	4 615 000	18 Feb 2014	1.33	6 138 000
Nick Matulovich	850 000	2 Oct 2014	1.83	1 556 000
	1 000 000	18 Dec 2013	1.3	1 300 000
	500 000	14 Jun 2013	1.35	135 000
Paul Pretorius	500 000	2 Oct 2014	1.83	915 000
	1 000 000	18 Dec 2013	1.3	1 300 000
	500 000	14 Jun 2013	1.35	675 000

5.2 **INTEREST-BEARING BORROWINGS EXTRACT**

The company's interest-bearing borrowings comprise short selling of government bonds as well as short term interest-bearing borrowings. The borrowing facilities, together with shareholder stated capital, are used to fund the company's investment activities. The company's investment mandate allows the company to have borrowings of up to 60% of the total asset value. Short term interest-bearing borrowings are measured at amortised cost. Interest-bearing borrowings pertaining to bond shorts are measured at fair value which is calculated using quoted market prices at the reporting period.

Interest-bearing borrowings-short term	**Nominal interest rate**	**Maturity**	**Fair value USD**	**Carrying amount USD**
USA	Federal Funds Effective Rate + 0.45%	Less than one year	670 081 000	670 081 000
USA	1-month USD LIBOR + 1.00%	Less than one year	512 346 000	512 346 000
Australia	RBA overnight rate + 0.05%	Less than one year	26 105 000	26 105 000
Europe	EONIA + 0.45%	Less than one year	67 467 000	67 467 000
UK	Overnight SONIA + 0.45%	Less than one year	198 554 000	198 554 000
UK	1-month LIBOR + 0.5%	Less than one year	198 549 000	198 549 000
Singapore	1-month Association of Banks in Singapore Swap + 0.5%	Less than one year	194 438 000	194 438 000
Canada	CABROVER + 0.05%	Less than one year	54 317 000	54 317 000
Canada	1-month CDOR + 0.7%	Less than one year	53 340 000	53 340 000
Interest-bearing borrowings (short-term)			1 975 197 000	1 975 197 000
Equity swap cash collateral			(911 420 000)	(911 420 000)
Net short term borrowings			1 063 777 000	1 063 777 000

6. CORPORATE GOVERNANCE

The company's corporate governance statement is set out in **Annexure 4**.

7. LITIGATION

The company is not involved in any governmental, legal or arbitration proceedings and, in so far as the directors are aware, there are no governmental, legal or arbitration proceedings pending or threatened against them, or being brought by the company during the 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the company.

8. **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors whose names are given in **Annexure 3**:

- have considered all statements of fact and opinion in this document;
- collectively and individually, accept full responsibility for the accuracy of the information given;
- certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading;
- have made all reasonable enquiries in this regard; and
- certify that, to the best of their knowledge and belief, these Listing Particulars contains all information required by law and the Listing Rules.

9. **MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES**

The company does not have any capital commitments, financial lease payments and contingent liabilities as at the last practicable date other than in the ordinary course of business.

10. **MATERIAL COMMITMENTS IN RESPECT OF ACQUISITION AND ERECTION OF BUILDINGS, PLANT AND MACHINERY**

Galeria Tomaszow: Rockcastle's 85% owned 17 000m2 retail project being developed in the city of Tomaszow Mazowiecki 120km south west of Warsaw is under construction and scheduled to open in October 2016. Due to tenant interest, the original size of the centre has been increased to accommodate a cinema operator. The completed development cost is expected to be EUR29 million representing a projected initial yield of 9.3%.

Galeria Wolomin: the 23 500m2 development, located in the City of Wolomin 30km outside Warsaw, is currently under construction and is scheduled to be completed in October 2016. All anchor tenants and requisite fashion brands have been signed and the leasing is progressing well. The completed development cost will be EUR46.6 million at a budgeted initial yield of 7.6%. The site includes a further 6 500m2 of gross lettable retail bulk which can be used to expand the centre in future.

Rockcastle retains its right to purchase a 50%, interest in the 26 000m2 GLA Cosmopolitan Mall being developed in Southern Lusaka, Zambia at a yield of 9.5%. The mall will be anchored by Game and Shoprite, and include Ackermans, Edgars, Foschini, Innscor, Jet, Mr Price, Pep, Truworths and Woolworths as tenants and is scheduled to open in March 2016. Negotiations for the disposal of this interest are currently ongoing and a decision in this regard will be made in due course.

11. **PRINCIPAL IMMOVABLE PROPERTY LEASED OR OWNED**

During March 2015, Rockcastle acquired Solaris Centre in Opole, Poland for EUR52 million and at a yield of 7.7%. The mall is anchored by an upmarket grocer and includes major international fashion brands. In October 2015, a public-private partnership agreement was successfully concluded with the City of Opole securing the adjoining site to Solaris Shopping Centre to enable the extension of the centre by approximately 8 000m2 GLA and the construction of an underground basement parking.

Karolinka shopping centre was acquired in December 2015, and is a prime, large scale and dominant regional shopping centre situated in the City of Opole with a population of 120 000 inhabitants and a catchment area of over 300 000 people. It has a gross lettable area ("GLA") of 69 997m2 divided into a 37 702m2 Shopping Gallery and an adjoining 32 395m2 Retail Park. The centre was acquired at an acquisition yield of 6.46% and a price of EUR145.4 million.

During December 2015, Rockcastle concluded an agreement to acquire Platan Shopping Centre ("Platan") located in the city of Zabrze for EUR51.84 million at an initial yield of 6.9%. The shopping centre has a Gross Lettable Area ("GLA") of 25 336 m2, is anchored by a 14 091 m2 Auchan hypermarket with a remaining lease term of 12 years, and consists of 78 other retail units. The centre benefits from a free and extensive surface car parking area for its customers.

Pogoria shopping centre was acquired in December 2015, is centrally located in Dabrowa Gornicza and is the largest shopping centre and leisure destination in the city. It offers 36 705m2 of retail GLA over two levels and includes an 8 198m2 stand-alone OBI DIY store. The purchase price was EUR75.4 million at an acquisition yield of 6.76%.

The company has entered into a short-term lease in respect of immovable property relating to office space in Mauritius.

12. TAXATION

Mauritian Taxation provisions

Under the provisions of the Mauritian Income Tax Act, a GBL1 is taxed at a fixed rate of 15%. A system of deemed foreign tax credits of 80% effectively reduces the income tax rate to 3%.

Under the Mauritius fiscal regime, there are no:

(a) withholding taxes on dividends distributed by a company to its shareholders;

(b) withholding taxes on interest; and

(c) capital gains taxes.

However, the nature and amount of tax payable by the company is dependent on the availability of relief under the various tax treaties in the jurisdictions in which the board chooses to invest from time to time.

13. DOCUMENTATION AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the company's registered office during business hours from the date of issue of the Listing Particulars up to and including 17 May 2016:

13.1 the signed Listing Particulars;

13.2 the Constitution of the company;

13.3 the accountants' report; and

13.4 the annual financial statements for the financial year ended 30 June 2015.

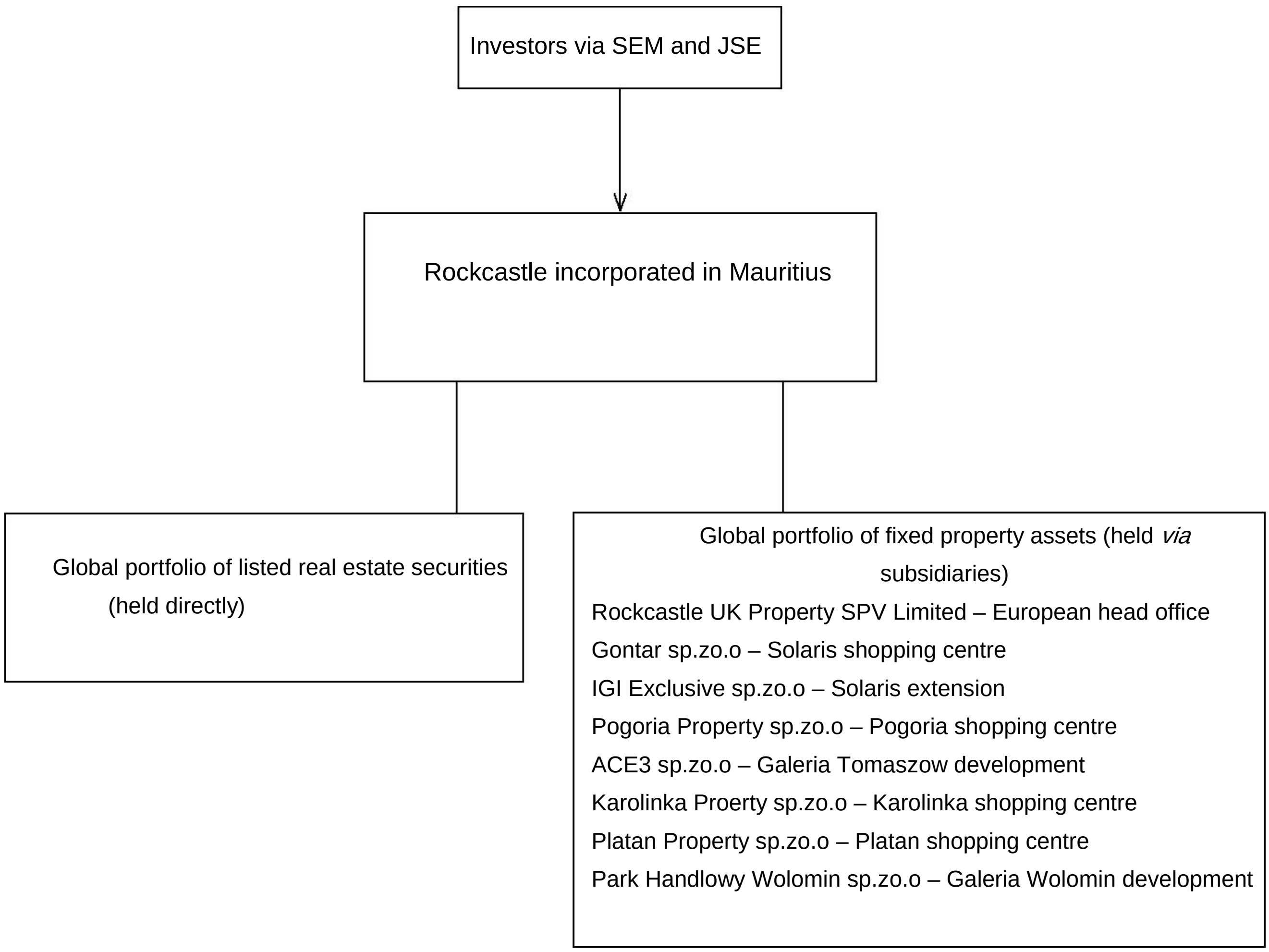
SIGNED AT EBENE, MAURITIUS ON 3 MAY 2016 ON BEHALF OF ROCKCASTLE GLOBAL REAL ESTATE COMPANY LIMITED

Nick Matulovich

who warrants that he is duly authorised thereto by resolution of the board of directors of Rockcastle Global Real Estate Company Limited

STRUCTURE

The structure of the company is set out below:



SHARE CAPITAL AND SHAREHOLDING

1. SHAREHOLDER SPREAD AND SUBSTANTIAL SHAREHOLDERS

Shareholder spread at 30 June 2015 in terms of the JSE Listings Requirements

	Number of shareholders	Number of shares held	Percentage of issued shares
Public	4,831	550,661,026	64.9%
Non-public	2	272,806,187	32.2%
Directors and employees	24	24,394,805	2.9%
	4,857	**847,862,018**	**100,0%**

Size of holding	**Number of shareholders**	**Number of shares held**	**Percentage of issued shares**
Up to 2 500 shares	2,492	2,428,279	0.3%
2 501 to 10 000 shares	1,295	6,415,280	0.8%
10 001 to 100 000 shares	752	23,233,902	2.7%
100 001 to 1 000 000 shares	238	79,669,616	9.4%
1 000 001 to 3 500 000 shares	45	83,353,871	9.8%
More than 3 500 000 shares	35	652,761,070	77.0%
	4,857	**847,862,018**	**100,0%**

Registered shareholders owning 5% or more of issued shares	**Number of shares held**	**Percentage of issued shares**
Resilient Properties Proprietary Limited	146,082,152	17.2%
Fortress Income 2 Proprietary Limited	136,343,761	16.1%
Pangbourne Properties Limited	51,131,685	6.0%
Capital Propfund Proprietary Limited	49,403,905	5.8%
	382,961,503	**45.1%**

Control of more than 5% of issued shares	**Number of shares controlled**	**Percentage of issued shares**
Resilient Properties Proprietary Limited	146,082,152	17.2%
Fortress Income 2 Proprietary Limited	136,343,761	16.1%
Pangbourne Properties Limited	51,131,685	6.0%
Capital Propfund Proprietary Limited	49,403,905	5.8%
	382,961,503	**45.1%**

2. **SHARES ISSUED**

912 540 104 shares have been issued by the company since incorporation.

3. **COMPANY'S STATED CAPITAL**

The stated capital of the company as at 30 June 2015 was as follows:

	Stated capital
Issued shares	**USD'000**
847 862 018 ordinary no par value shares	1 180 670
Total	1 180 670

The company does not hold any shares in treasury.

All the shares to be issued in terms of the Listing Particulars will be of the same class and will rank *pari passu* with all other issued shares of the company.

4. **ALTERATIONS TO SHARE CAPITAL OF THE COMPANY**

4.1 Subsequent to the issue of its Integrated Report for the year ended 30 June 2015:

- In September 2015, the company issued 41 379 310 new Rockcastle shares to investors at R29.00 and US$2.17 per share through the company's South African and Mauritian share registers respectively.
- On 11 September 2015, the company issued 5 940 000 new Rockcastle shares at US$2.17 per share pursuant to the Rockcastle Share Purchase Scheme (the "Scheme") that was approved by the shareholders on 13 July 2015. The 5 940 000 new Rockcastle shares were issued through the company's Mauritian share register.
- On 28 September 2015, the company issued 17 358 776 new Rockcastle shares at US$2.11 per share to existing shareholders who elected to receive scrip dividend in lieu of cash dividend.
- On 8 March 2016, the company issued 18 454 215 new Rockcastle shares at US$2.13 per share to existing shareholders who elected to receive scrip dividend in lieu of cash dividend.

4.2 Furthermore:

4.2.1 there have been no consolidation or subdivision of shares in the company during the three years preceding the date of these Listing Particulars;

4.2.2 no share repurchases were undertaken by the company during the three years preceding the date of these Listing Particulars; and

4.2.3 there has been no amount payable by way of premium on any share issued by the company in the three years preceding the date of these Listing Particulars.

5 FOUNDERS AND MANAGEMENT SHARES

There are no deferred shares.

Shares held as at the listing date by founders and the directors of the company are set out in **Annexure 3**.

6 OPTIONS AND PREFERENTIAL RIGHTS

There are no preferential conversion, redemption and/or exchange rights in respect of any of the shares or other securities.

There are no contracts, arrangements or proposed contracts or arrangements whereby any option or preferential right of any kind was or is proposed to be given to any person to subscribe for or acquire any shares in the company.

7 FRACTIONS

No fractions of shares have been issued by the company.

DIRECTORS, EXECUTIVE MANAGEMENT, FOUNDERS, APPOINTMENT, QUALIFICATION, REMUNERATION AND BORROWING POWERS

FULL NAMES, NATIONALITIES, AGES, BUSINESS ADDRESSES, ROLES, QUALIFICATIONS, OCCUPATIONS AND EXPERIENCE OF EACH DIRECTOR

The full names (including former names, if applicable), nationalities, ages, business addresses, roles, term of office, qualifications and occupations of each of the current directors of the company and executive management are set out below:

Mark Olivier (47)
Independent non-executive chairman
(British - based in Mauritius)
CA (SA)
Date of appointment: 30 March 2012

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

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

Spiro Noussis (45)
Chief executive officer
(South African – based in the United Kingdom)
CA (SA)
Date of appointment: 14 May 2014

Spiro has experience in private equity and investment management. He has been involved in property since 2005 and was most recently a founding shareholder and managing director of Lodestone Properties Limited now known as Lodestone REIT Limited, a listed REIT focusing on retail and industrial property. He has been a non-executive director of Resilient Property Income Fund Limited ("Resilient") since August 2012.

Nick Matulovich (29)
Chief financial officer
(South African – based in the United Kingdom)
CA (SA), MCom (Taxation) (Cum laude), BAccSci (Honours - Taxation)
Date of appointment: 14 May 2014

Nick has been working for the Resilient group in late 2011 and has been actively involved in the group's new initiatives such as Resilient Africa in Nigeria and Rockcastle as well as overseeing the group's structuring considerations. He has been actively involved in the management of Rockcastle from its initial incorporation and continues to have direct oversight over the financial function.

Nick was previously employed by Ernst & Young and spent time in both audit as well as the Transaction Tax division, a division that was one of the most successful and active M&A advisory businesses in Africa, advising on transactions such as Wal-Mart Stores Inc.'s takeover of Massmart Holdings Ltd.

Karen Bodenstein (34)
Executive director
(Mauritian)
BCOM (Accounting Sciences)
Date of appointment: 5 November 2015

Karen completed her articles at BDO Spencer Steward in 2004 in South Africa and rose to the position of senior auditor, gaining invaluable experience in a wide variety of South African businesses.

She has 12 years' experience in the construction and development industry, having been closely involved in a number of property related companies working as the management accountant, including a leading Mauritian property development organisation and medium sized South African construction company. For the past 3 years she has been managing her own business providing consulting and accounting services to a range of Global Business Companies in Mauritius. She has been living in Mauritius since 2007.

Barry Stuhler (58)
Non-independent non-executive director
(South African)
BCOM, BACC, CA (SA)
Date of appointment: 23 September 2015

Barry is co-founder of Resilient Property Income Fund ("Resilient"). Barry relinquished his duties as executive director of Resilient to become managing director of Property Fund Managers ("PFM"), the asset manager of Capital Property Fund ("Capital") in 2004. He resigned as non-executive director of Resilient in February 2007.

Barry resigned as managing director of PFM to join the Pangbourne Properties Limited ("Pangbourne"), board as executive director on 17 October 2007 and was appointed managing director with effect from 1 March 2008. After the merger with Pangbourne, Barry was re-appointed as managing director of PFM. Barry continues to serve as the managing director of Capital Property Fund.

Rory Kirk (59)
Independent non-executive director
(Mauritian)
Bachelor of Social Science and Diploma in Business Management
Date of appointment: 30 March 2012

Rory is the founder and managing director of Frontière Finance, a Mauritian financial services business. Rory has many years of financial service, insurance and banking experience having been in this field since the early 1980s in a number of roles at a variety of institutions.

Yan Ng (41)
Non-independent non-executive director
(Mauritian)
BSc (Hons), MSc, ACA, TEP
Date of appointment: 30 March 2012

Yan is an executive director of Intercontinental Trust Limited. He specialises in the structuring and administration of investment funds and listed companies. He is a board member of a number of funds and listed companies in Mauritius. He was previously employed by Baker Tilly Mauritius and Deloitte in Luxembourg and was trained as a chartered accountant in London.

He is a member of the Institute of Chartered Accountants in England and Wales and of the Society of Trust and Estate Practitioners. He was the treasurer of the International Fiscal Association (Mauritian branch) and on the executive committee of the Association of the Trust and Management Companies in Mauritius. Yan graduated from the University of Mauritius with a degree in Management and achieved a Masters degree in Finance (MSc) from Lancaster University.

Andre van der Veer (48)
Independent non-executive director
(South African)
BPL(Hons), MPL (ECONOMICS AND BANKING)
Date of appointment: 14 May 2014

After completing a Masters degree in Banking and Economics during 1991, Andre joined FirstCorp Merchant Bank where he founded the agricultural commodities and derivatives trading group in 1995. He headed the trading, derivatives structuring and proprietary trading teams. Since 2003 he had been with the RMB Equity Global Markets team and gained experience in the UK, North America, Western Europe, Scandinavia as well as most markets in the Far East and Australia.

He became Head of RMB Equity proprietary trading desk in 2009 with a mandate to invest in debt and equity instruments globally. Andre founded Foxhole Capital during 2012 as a family office specialising in global real estate securities in the listed and private equity markets.

2. EXECUTIVE CHIEF FINANCIAL OFFICER

The audit committee has considered and satisfied itself that Nick Matulovich, being the executive chief financial officer of Rockcastle, has the appropriate experience and expertise to fulfil this role.

3. BENEFICIAL SHAREHOLDING OF DIRECTORS AND OFFICERS

At 30 June 2015	Direct holding	Indirect holding	Total shares held	Percentage of issued shares
Andre Van der Veer	10 959	69 326	80 285	*
Andries de Lange	-	6 121 844	6 121 844	0.72
Mark Olivier	-	190 000	190 000	*
Nick Matulovich	2 243 475	157 648	2 401 123	0.28
Paul Pretorius	2 160 125	-	2 160 125	0.25
Rory Kirk	1 020	-	1 020	*
Spiro Noussis	5 748 219	330 904	6 079 123	0.72
	10 163 798	**6 869 722**	**17 033 520**	**2.01%**

*Less than 0.1% of the issued shares.

4. DIRECTORS' INTERESTS IN TRANSACTIONS

The directors of the company had no beneficial interest in transactions entered into by the company:

- during the current financial year; or
- during the two preceding financial years; or
- during any earlier financial year and which may still be outstanding.

No amount has been paid to any director (or to any company in which he is interested (whether directly or indirectly) or of which he is a director or to any partnership, syndicate or other association of which he is a member) in the three years preceding the date of these Listing Particulars (whether in cash or securities or otherwise) by any person either to induce him to become or to qualify him as a director or otherwise for services rendered by him (or by the associated entity) in connection with the promotion or formation of the company.

5. **DIRECTORS' INTERESTS IN PROPERTY ACQUIRED OR TO BE ACQUIRED**

No director has 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 the company out of the proceeds of the capital raised or otherwise in the three years preceding the date of issue of these Listing Particulars and no amount has been paid during this period, or is proposed to be paid to any director.

6. **TERMS OF OFFICE**

None of the directors have entered into a service contract with the company. At each Annual General Meeting of shareholders, all the directors retire from office and may make themselves available for re-election, subject to all applicable laws and the provisions of the company's Constitution.

7. **CONSTITUTION**

The relevant extracts of the Constitution of the company providing for the appointment, qualification, retirement, remuneration and borrowing powers of the directors and the power enabling a director to vote on a proposal, arrangement or contract in which he is materially interested are set out in **Annexure 5**.

8. **BORROWING POWERS**

As set out more fully in **Annexure 5**, the borrowing powers of the company and its subsidiaries exercisable by the directors are unlimited and, accordingly, have not been exceeded since incorporation of the company.

9. **NO THIRD PARTY MANAGER**

Save for the appointment of ITL as company secretary to Rockcastle, no business of the company nor any of its subsidiaries nor any part thereof is managed or proposed to be managed by a third party under a contract or arrangement.

10. **EXISTING OR PROPOSED CONTRACTS (WHETHER WRITTEN OR ORAL) RELATING TO DIRECTORS' AND MANAGERIAL REMUNERATION, RESTRAINT PAYMENTS, ROYALTIES AND SECRETARIAL AND TECHNICAL FEES**

There are no existing or proposed contracts (whether written or oral) relating to directors or managerial remuneration, restraint payments, royalties or secretarial and technical fees.

11. DIRECTORS' EMOLUMENTS FOR FINANCIAL YEAR ENDED 30 JUNE 2015

11.1 REMUNERATION OF NON-EXECUTIVE DIRECTORS

Non-executive directors' remuneration consists of an annual fee. The non-executive directors' remuneration is approved by the remuneration committee and recommended to the board which proposes the fees for shareholder approval at the Annual General Meeting ("AGM").

	For services as a director for the year ended June 2015 (paid by the company) USD
Mark Olivier (chairman of the board and the nomination committee)	21 000
Rory Kirk (chairman of the audit, remuneration committee and the social and ethics committee)	21 000
Andries de Lange	21 000
Yan Ng (1)	-
Andre van der Veer (chairman of the investment committee and risk committee)	21 000

(1) Yan Ng's remuneration is incorporated into the fees paid by the company to Intercontinental Trust Limited, the company's company secretary.

The group did not pay any fees of benefits to directors other than the remuneration as disclosed in the tables above.

11.2 REMUNERATION OF EXECUTIVE DIRECTORS

	Remuneration (paid by the company) as at 30 June 2015 USD
Nick Matulovich	161 330
Spiro Noussis	406 250
Paul Pretorius	187 500

The company did not pay any fees, benefits or bonuses to directors other than the remuneration as disclosed in the tables above.

Remuneration for the top three earning employees had not been disclosed as the board does not consider it appropriate for privacy reasons.

CORPORATE GOVERNANCE REVIEW

The board endorses the code of corporate practices and conduct as set out in the Code of Corporate Governance for Mauritius ("the Code"). The disclosures included in this review are consistent with the requirements of the Code. The board of directors also endorses the code of corporate practices and conduct as set out in the King III report and confirms that the group is compliant with the provisions thereof. A register of all 75 King III principles and the extent of the company's compliance therewith is available on Rockcastle's website at www.rockcastleglobalre.mu. Independent consultants have been made available to members of the board to ensure that all directors are fully conversant with best practice and current thinking with regard to corporate governance.

HOLDING STRUCTURE

Rockcastle is the ultimate holding company of thirteen subsidiaries. Analysis of the Rockcastle group companies:

Companies		Country of incorporation	% capital shareholding	Reporting currency for local statutory purposes
Rockcastle Europe Limited	3) 4)	Mauritius	100%	USD
Rockcastle UK Property SPV Limited	2) 3)	Mauritius	100%	GBP
Rockcastle Global Real Estate Holdings BV	2) 9)	Netherlands	100%	EUR
ACE3 sp.zo.o	1) 2) 7) 8)	Poland	85%	PLN
Gontar sp.zo.o	1) 5)	Poland	100%	PLN
IGI Exclusive sp.zo.o	1) 2)	Poland	100%	PLN
Rockcastle Poland sp.zo.o	5)	Poland	100%	PLN
Pogoria Property sp.zo.o	5) 6)	Poland	100%	PLN
Karolinka Property sp.zo.o	5)	Poland	100%	PLN
Platan Property sp.zo.o	5)	Poland	100%	PLN
Monarda sp.zo.o	5)	Poland	90%	PLN
Park Handlowy Wolomin sp.zo.o	1) 6) 8)	Poland	100%	PLN
Rockcastle Global Real Estate Company UK Limited	1) 2)	United Kingdom	100%	GBP

1) Spiro Noussis was a director of this company.
2) Nick Matulovich was a director of this company.
3) Karen Bodenstein was a director of this company.
4) Intercontinental Nominees Limited was a director of this company.
5) Marta Kasperska was a director of this company.
6) Craig Boshard was a director of this company.
7) Henrik Moller was a director of this company.
8) Tomasz Szewczyk was a director of this company.
9) Maikel Wit was a director of this company.

COMPOSITION OF THE BOARD OF DIRECTORS

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

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

ROLE OF THE DIRECTORS

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

In 2015, the chairman with the assistance of the company secretary, led a formal review of the effectiveness of the board and its committees. Each director completed a detailed evaluation questionnaire and an analysis of the findings was presented to the board. There was agreement that the board was operating effectively. The results were positive and action plans were agreed upon where required.

BOARD CHARTER

In order to fulfil its duties, the board has adopted a charter setting out its responsibilities. The board reviewed this charter in 2015.

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

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

RESPONSIBILITIES OF THE BOARD

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

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

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

INDEPENDENCE OF THE DIRECTORS

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

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

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

- Rory Kirk (independent): Audit
- Andre van der Veer (independent): Investment
- Mark Olivier (independent): Nomination
- Rory Kirk (independent): Remuneration
- Andre van der Veer (independent): Risk
- Rory Kirk (independent): Social and ethics

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

The criteria used to assess the independence of the directors were as follows:

1. whether the director is a representative of a shareholder who has the ability to control or significantly influence management or the board;
2. whether the director has a direct or indirect interest in the company which exceeds 5% of the company's total number of shares in issue;
3. whether the director has a direct or indirect interest in the company which is less than 5% of the company's total number of shares in issue, but is material to the director's personal wealth;
4. whether the director has been employed by the company in any executive capacity, or appointed as the designated auditor or partner in the company's external audit firm, or senior legal adviser for the preceding financial year;
5. whether the director is a member of the immediate family of an individual who is or has during the preceding financial year been employed by the company in an executive capacity;
6. whether the director is a professional adviser to the company other than in the capacity as a director;
7. whether the director is free from any business or other relationship (contractual or statutory) which could be seen by an objective outsider to interfere materially with the director's capacity to act in an independent manner, such as being a director of a material customer or supplier to the company; and
8. whether the director receives remuneration contingent upon the performance of the company.

DIRECTORS' INTERESTS

A full list of directors' interests is maintained and directors certify that the list is correct at each board meeting.

Directors recuse themselves from any discussion and decision on matters in which they have a material financial interest.

AUDIT COMMITTEE

The primary role of the audit committee is to ensure the integrity of financial reporting and the audit process. In pursuing these objectives, the audit committee oversees relations with the external auditors. The committee also assists the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems and internal control processes, overseeing the preparation of accurate financial reports and statements in compliance with all applicable legal requirements and accounting standards, ensuring compliance with good governance practices and nomination of external auditors. The role of the audit committee has been codified in the audit committee charter which has been approved by the board. This charter has been aligned with the requirements of the Code and the Companies Act. The charter was reviewed by the board in 2015.

As at the end of the financial year, the audit committee comprised: Rory Kirk (chairman), Andries de Lange, Andre van der Veer and Mark Olivier, all of whom are independent non-executive directors. The chief executive officer, chief financial officer and company secretary attend the committee meetings as invitees. The committee members have unlimited access to all information, documents and explanations required in the discharge of their duties, as do the external auditors. As the chairman of the board is an independent non-executive director and has considerable financial expertise, the company deems it appropriate that he is a member of the audit committee.

The board, in consultation with the nomination committee, makes appointments to the committee to fill vacancies. The board has determined that the committee members have the skills and experience necessary to contribute meaningfully to the committee's deliberations. In addition, the chairman has the requisite experience in accounting and financial management.

The committee met four times during the financial period.

The audit committee has satisfied itself that no breakdown in accounting controls, procedures and systems has occurred during the period under review. In fulfilling its responsibility of monitoring the integrity of financial reports to shareholders, the audit committee has reviewed accounting principles, policies and practices adopted in the preparation of financial information and has examined documentation relating to the annual integrated report and quarterly financial reports. The clarity of disclosures included in the financial statements was reviewed by the audit committee, as was the basis for significant estimates and judgements. The audit committee is further satisfied that the chief financial officer, Nick Matulovich CA(SA), is sufficiently competent and that the finance function has adequate resources and sufficient expertise.

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

EXTERNAL AUDIT

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

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

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

- disclosure of the extent and nature of non-audit services;
- the prohibition of selected services; and
- prior approval by the audit committee of non-audit services.

Other safeguards encapsulated in the policy include:

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

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

The audit committee considered information pertaining to the balance between fees for audit and non-audit work for the company for 2015 and concluded that the nature and extent of non-audit fees do not present a threat to the external auditors' independence. Furthermore, after reviewing a report from the external auditors on all their relationships with the company that might reasonably have a bearing on the external auditors' independence and the audit engagement partner and staff's objectivity, and the related safeguards and procedures, the committee has concluded that the external auditors' independence was not impaired. The audit committee approved the external auditors' terms of engagement, scope of work, the annual audit and the applicable levels of materiality. Based on written reports submitted, the committee reviewed, with the external auditors, the findings of their work and confirmed that all significant matters had been satisfactorily resolved. The committee determined that the 2015 audit was completed without any restriction on its scope.

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

INTERNAL AUDIT

The company does not have a formalised internal audit department. The audit committee continually examines the appropriateness of utilising independent internal auditors to periodically review activities of the company.

ETHICAL PERFORMANCE

The board of directors form the core of the values and ethics subscribed to by the company through its various committees. These values and ethics are sustained by the directors' standing and reputation in the business community and their belief in free and fair dealings in utmost good faith and respect for laws and regulations.

Rockcastle has a code of ethics communicated to all staff. The code of ethics stipulates, among other things, that all stakeholders are expected to act in good faith, that bribery in any form is not tolerated, all conflicts of interest need to be declared and that compliance with all legislation is of utmost importance. The code of ethics is reviewed by the social and ethics committee on an annual basis.

The board is not aware of any transgressions of the code of ethics during the period.

No issues of non-compliance, fines or prosecutions have been levied against Rockcastle.

INTERNAL FINANCIAL AND OPERATING CONTROLS

A framework of financial reporting, internal and operating controls has been established by the board to ensure reasonable assurance as to accurate and timely reporting of business information, safeguarding of company assets, compliance with laws and regulations, financial information and general operation. The board reviewed and was satisfied with the effectiveness of the internal financial and operating controls, the process of risk management and the monitoring of legal governance compliance within the company.

INVESTMENT COMMITTEE

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

As at the end of the financial year, the investment committee comprised: Andre van der Veer (chairman), Mark Olivier and Spiro Noussis.

The investment committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2015.

NOMINATION COMMITTEE

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

As at the end of the financial year, the nomination committee comprised: Mark Olivier (chairman), Andries de Lange and Rory Kirk.

The nomination committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2015.

REMUNERATION COMMITTEE

The remuneration committee is mandated by the board to set the remuneration and incentivisation of all employees, including executive directors. In addition, the remuneration committee recommends directors' fees payable to non-executive directors and members of board subcommittees.

As at the end of the financial year, the remuneration committee comprised: Rory Kirk (chairman), Andries de Lange and Mark Olivier.

The remuneration committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2015.

RISK COMMITTEE

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

As at the end of the financial year, the risk committee comprised: Andre van der Veer (chairman), Spiro Noussis, Yan Ng and Rory Kirk.

The risk committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2015.

SOCIAL AND ETHICS COMMITTEE

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

As at the end of the financial year, the social and ethics committee comprised: Rory Kirk (chairman), Yan Ng and Paul Pretorius.

The social and ethics committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2015.

COMPANY SECRETARY

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

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

- ITL is one of the largest management companies in Mauritius and the provision of company secretarial functions is within the ordinary course of its business.
- ITL is paid a market-related fee for these services by the company which is governed by a service level agreement between Rockcastle and ITL.
- ITL itself is not a director of Rockcastle.

- Yan Ng is an executive director of ITL and his position as executive director does not involve oversight over the day to day company secretarial functions undertaken by ITL for Rockcastle.
- Yan Ng is not the point of contact between Rockcastle and ITL pertaining to company secretarial matters. In addition, no correspondence pertaining to company secretarial matters is sent to him unless it involves the business of the non-executive directors of Rockcastle and other non-executives are also included.
- Yan Ng is not responsible for the engagement between Rockcastle and ITL from ITL's perspective.
- The board undertakes an evaluation of the company secretary on an annual basis and has concluded that they are sufficiently independent and have the requisite qualifications, experience and competence to fulfil the role of company secretary.

INFORMATION TECHNOLOGY ("IT") GOVERNANCE

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

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

DEALING IN SECURITIES BY THE DIRECTORS

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

MATERIAL CLAUSES OF THE CONSTITUTION

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

SHAREHOLDERS AGREEMENTS

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

COMMUNICATIONS WITH STAKEHOLDERS

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

Stakeholder	Communication
Shareholders	Rockcastle is committed to providing shareholders with timely access to applicable information. Communication with its shareholders is open, honest and transparent. Shareholders are provided with information via circulars and integrated and interim reports. Additional information is provided on Rockcastle's website, via SENS announcements and press releases.
Analysts	Rockcastle holds semi-annual results presentations in South Africa and is introducing presentations in Mauritius for the year ended 30 June 2015.
Financiers	Rockcastle meets with its financiers on a regular basis to discuss its requirements and theirs. Information is provided through analyst presentations, road shows, integrated reports and interim reporting.

Tenants	Rockcastle strives to form mutually beneficial business relationships with its tenants. Rockcastle's asset managers and property managers meet with the tenants on a regular basis and conduct regular site visits to Rockcastle's properties.
Government	Rockcastle endeavours to have mutually beneficial relationships with government, its departments and parastatals. Rockcastle engages with local authorities both directly and via its property managers and external consultants regarding utility issues, rates clearances, zoning, etc.
Business partners	Rockcastle maintains professional working relationships with its business partners at the same time as fostering a culture of teamwork. Rockcastle ensures that all of its business partners fully understand its performance standards and requirements. Rockcastle's business partners include the property managers and both Rockcastle's asset managers and senior management meet with the property managers on a regular basis.
Communities and environment	Rockcastle is committed to being a good corporate citizen and frequently evaluates the impact of its projects and developments on society and the environment.
Suppliers	Rockcastle maintains professional working relationships with all of its suppliers and ensures that its suppliers understand Rockcastle's performance standards and requirements. Where possible, Rockcastle will have service level agreements or terms of reference for its relationships with suppliers, which include performance expectations.

DIVIDEND POLICY

The company has a semi-annual distribution policy as set out in the initial listing particulars.

MISCELLANEOUS ITEMS

The company does not have an employee share option scheme.

The company and its subsidiaries made no charitable or political donations during the year.

There is no third party management agreement between third parties and the company in the period under review besides those property management agreements that relate to the day-to-day property management of Rockcastle's properties.

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

EXTRACTS FROM THE CONSTITUTION OF THE COMPANY

4. **CAPITAL**

"4.1 Subject to the provisions of the Stock Exchange of Mauritius Listing Rules ("**SEM Rules**"), the Listings Requirements ("Listings Requirements") of the Johannesburg Stock Exchange ("**JSE**") or the requirements of any other exchange on which the company is listed and pursuant to Section 52 of the Mauritian Companies Act, 2001 (Act 15 of 2001) as amended ("**Companies Act 2001**"), the board may only issue unissued shares where shares of that particular class are listed and/or grant options if such shares have first been offered to existing Members in proportion to their shareholding on such terms and in accordance with such procedures as the board may determine, unless such shares are issued for the acquisition of assets by the company. Notwithstanding the aforegoing, members in a general meeting may authorise the directors to issue unissued securities, and/or grant options to subscribe for unissued securities, as the directors in their discretion deem fit, provided that the corporate action(s) to which any such issue or grant of options relates, has/have to the extent required been approved by the JSE and the SEM."

4.3 The company may by way of special resolution from time to time and in accordance with the Companies Act 2001:

4.3.1 create any class of shares;

4.3.2 increase or decrease the number of shares of any class of the company's shares;

4.3.3 consolidate and reduce the number of the company's shares of any class;

4.3.4 subdivide its shares of any class by increasing the number of its issued shares of that class without an increase of its capital;

4.3.5 change the name of the company;

4.3.6 convert one class of shares into one or more other classes, save where a right of conversion attaches to the class of shares created; or

4.3.7 subject to paragraph 14.6, vary any preference rights, limitations or other terms attaching to any class of shares."

"4.4 The shares shall unless otherwise stated be fully paid up when issued and rank *pari passu* in all respects as amongst themselves including as to participation in the profits of the company."

10. **TRANSFER OF SHARES**

"10.1 Shares of the company shall be freely transferable and each Member may transfer, without payment of any fee or other charges, all or any of his shares by instrument of transfer in writing."

"10.3 In respect of shares which are listed on the Stock Exchange of Mauritius or on the JSE or on any other securities exchange, where such shares are held in certificated form, the holder of such shares shall prior to effecting a transfer, cause such shares to be dematerialised. All listed shares transferred must be conducted in accordance with the SEM Rules or the JSE Listing Requirements or such other applicable securities exchange rules. Such shares shall be freely transferable and each holder of such share may transfer all or any of its shares which have been fully paid.

10.3.1 *Transmission of shares*

10.3.3.1 If title to a share passes to a Transmittee, the company may only recognise the Transmittee as having any title to that share.

10.3.3.2 A Transmittee who produces such evidence of entitlement to shares as the directors may properly require:

may, subject to the provisions of this Constitution, choose either to become the holder of those shares or to have them transferred to another person; and

subject to the provisions of this Constitution, and pending any transfer of the shares to another person, will have the same rights as the holder had.

10.3.2 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares."

12. **DIRECTORS**

"12.1 **Number**

12.1.1 Subject to any subsequent amendment to change the number of directors, the number of the directors shall not be less than four. If the number falls below four the remaining directors shall as soon as possible and in any event not later than three months from the date the number of directors falls below the minimum fi ll the vacancy or call a general meeting to fill the vacancy. After the expiry of the three month period the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of Members.

12.1.2 Any director appointed under paragraph 12.1.1 to fill a vacancy shall hold office only until the next following annual meeting and shall then retire but shall be eligible for appointment at that meeting.

12.2 **Qualification**

No director shall be required to hold shares in the company to qualify him for an appointment."

"12.4 **Retirement of directors**

12.4.1 Life directorships are not permissible.

12.4.2 At each Annual Meeting of Shareholders, all the directors shall retire from office and may make themselves available for re-election.

12.4.3 The company at the meeting at which a director retires under any provision of this Constitution may by ordinary resolution fi ll the office being vacated by electing thereto the retiring director or some other person eligible for appointment. In default the retiring director shall be deemed to have been re-elected except in any of the following cases:

12.4.3.1 where at such meeting it is expressly resolved not to fi ll such office or a resolution for the re-election of such director is put to the meeting and lost;

12.4.3.2 where such director has given notice in writing to the company that he is unwilling to be re-elected;

12.4.3.3 where such director has attained any retiring age applicable to him as director."

"12.5 **Remuneration of directors**

12.5.1 The remuneration of directors shall be determined by the Remuneration Committee.

12.5.2 The board may determine the terms of any service contract with a managing director or other executive director.

12.5.3 The directors may be paid all travelling, hotel and other expenses properly incurred by them in attending any meetings of the board or in connection with the business of the company.

12.5.4 If by arrangement with the board any director shall perform or render any special duties or services outside his ordinary duties as a director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether, by way of salary, commission, participation in profits or otherwise) as the Remuneration Committee may from time to time determine.

12.5.5 A director shall not vote on any contract or arrangement or any other proposal in which he or his associates have a material interest nor shall he be counted in the quorum present at the meeting.

12.5.6 Where a director or his associates has a material interest in any contract or arrangement or any other proposal, the chairperson shall request such director to recuse himself from the discussions unless the director is requested to provide specific input."

12.6 **Proceedings of directors**

12.6.1 *Chairperson*

12.6.1.1 The directors may elect one of their number as chairperson of the board and determine the period for which he is to hold office.

12.6.1.2 Where at a meeting of the board the chairperson is not present within 15 minutes after the time appointed for the commencement of the meeting, the directors present may choose one of their number to be chairperson of the meeting.

12.6.2 *Notice of meeting*

12.6.2.1 A director or, if requested by a director to do so, an employee of the company, may convene a meeting of the board by giving notice in accordance with this paragraph.

12.6.2.2 A notice of a meeting of the board shall be sent to every director and the notice shall include the date, time, and place of the meeting and the matters to be discussed.

12.6.2.3 Any meeting at which the business of the meeting is to appoint a director whether as an additional director or to fi ll a casual vacancy shall be called by at least 30 business days' notice.

12.6.2.4 An irregularity in the notice of a meeting is waived where all directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or where all directors entitled to receive notice of the meeting agree to the waiver.

12.6.3 *Methods of holding meetings*

12.6.3.1 The board or any committee thereof may meet at such times and in such manner and places as the board may determine to be necessary or desirable.

12.6.3.2 A director shall be deemed to be present at a meeting of the board if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

12.6.4 *Alternate directors*

A director may by a written instrument appoint an alternate who need not be a director and an alternate is entitled to attend meetings in the absence of the director who appointed him and to vote or consent in the place of the director.

12.6.5 Voting

12.6.5.1 Every director has one vote.

12.6.5.2 The chairperson shall not have a casting vote.

12.6.5.3 A resolution of the board is passed if it is agreed to by all directors present without dissent or if a majority of the votes cast are in favour of it.

12.6.5.4 A director present at a meeting of the board is presumed to have agreed to, and to have voted in favour of, a resolution of the board unless he expressly dissents from or votes against the resolution at the meeting.

12.6.6 Minutes

The board shall ensure that minutes are kept of all proceedings at meetings of the board.

12.6.7 Resolution in writing

12.6.7.1 A resolution in writing, signed by all directors then entitled to receive notice of a board meeting, is as valid and effective as if it had been passed at a meeting of the board duly convened and held.

12.6.7.2 Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form each signed or assented to by one or more directors.

12.6.7.3 A copy of any such resolution must be entered in the minute book of board proceedings.

12.6.8 *Directors may delegate*

12.6.8.1 Subject to this Constitution, the directors may delegate powers which are conferred on them: 12.6.8.1.1 to such person or committee;
12.6.8.1.2 by such means (including by power of attorney); 12.6.8.1.3 to such an extent;
12.6.8.1.4 in relation to such matters or territories; and 12.6.8.1.5 on such terms and conditions;
as they think fit.

12.6.8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

12.6.8.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

12.6.9 *Committees*

12.6.9.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Constitution which govern the taking of decisions by directors.

12.6.9.2 The directors may not make rules including rules of procedure for all or any committees, which are inconsistent with this Constitution."

13. POWERS AND DUTIES OF DIRECTORS

"13.1 **Borrowing powers**

The directors may exercise all powers of the company to borrow or raise or secure the payment of money or the performances or satisfaction by the company of any obligation or liability and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue mortgages, charges, bonds, notes and other securities and other instrument whether outright or as security, for any debt liability or obligation of the company or of any third party. In addition, such power shall be exercised, in compliance with Section 143 of the Companies Act 2001.

13.2 **Overseas seal and branch registers**

13.2.1 The company may exercise the powers conferred by the Companies Act 2001 with regard to having an official seal for use abroad, and those powers shall be vested in the directors.

13.2.2 The company may exercise the powers conferred by the Companies Act 2001 relating to the keeping of branch registers and the directors may (subject to the provisions of that section) make and vary such regulations as they think fit regarding the keeping of any such branch register.

13.3 **Management of company**

The business of the company shall be managed by the directors in Mauritius who may pay all expenses incurred in promoting or registering the company and who may exercise all such powers of the company as are not, by the Companies Act 2001 or by this Constitution, required to be exercised by the company in general meeting, subject, nevertheless, to the provisions of this Constitution and to the provisions of the Companies Act 2001.

13.4 **Indemnity**

Subject to the provisions of the Companies Act 2001, and any other statute for the time being in force, every director or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to, or be incurred by the company in the execution of his office, or in relation thereto.

13.5 **Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

13.5.1 meetings of directors or committees of directors;

13.5.2 General Meetings, or

13.5.3 separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company."

16. **DIVIDENDS AND RESERVES**

"16.1 **Declaration of dividends**

16.1.1 Subject to the SEM Rules and the JSE Listings Requirements, or the requirements of any other exchange on which the company is listed, the company in general meeting of Members may declare dividends but may not declare a larger dividend than that declared by the directors and no dividend shall be declared and paid except out of retained earnings and unless the directors determine that immediately after the payment of the dividend:

16.1.1.1 the company will be able to satisfy the solvency test in accordance with Section 6 of the Companies Act 2001; and

16.1.1.2 the realisable value of the assets of the company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital.

16.1.2 Dividends may be declared and paid in money, shares or other property."

16.2 **Interim dividends**

The directors may from time to time pay to the Members such interim dividends as appear to the directors to be justified by the surplus of the company.

16.3 **Entitlement to dividends**

16.3.1 Any dividend must be payable to members registered as at a date subsequent to the date of declaration thereof or the date of confirmation of the dividend, whichever is the later.

16.3.2 If several persons are registered as joint holders of any share, any of them may give effectual receipt for any dividend or other monies payable on or in respect of the share."

COMPANY STRATEGY, PROCESS AND OPERATIONS

OVERVIEW

Initially, Rockcastle invests in listed real estate securities in selected developed jurisdictions including Canada, New Zealand, Australia, Singapore, France, the Netherlands, Hong Kong, the United States and the United Kingdom. It is the board's view that the real estate investment vehicles established and listed in these jurisdictions have attractive yields and fundamentally sound property portfolios that represent attractive investment opportunities.

The management of Rockcastle adopts a macro-assessment, or top-down, and a micro-assessment, or bottom-up, analytical approach to investing. This involves assessing the macro-economic environment of the jurisdictions in which it intends investing. This macro-assessment includes (but is in no way limited to):

- the maturity of the REIT industry;
- the legislation governing the REITs;
- the growth prospects in real estate;
- yields;
- long-bond rates;
- consumer price index, or inflation;
- relative currency strength; and
- the prospects for the jurisdiction, including GDP growth.

The micro-assessment includes (but is in no way limited to):

- analysing individual companies or counters in a watch list, which is analysed and reviewed regularly;
- an analysis of counter performance over various metric periods;
- an understanding of the management team, their business philosophy, the areas of competence, and their experience and record of growth; and
- a fundamental analysis of the financial statements of the company, a review of the investments of the company and a review of analyst reports concerning the company.

SHAREHOLDERS

Rockcastle strives to deliver both capital and distribution growth to shareholders by investing in global real estate assets and companies with competitive yields that have the prospect of capital growth. In doing so, Rockcastle undertakes to manage its assets in a responsible manner.

INVESTMENTS

The Rockcastle management team employs opportunistic and pro-active asset management strategies to enable it to investigate potential investments in global real estate securities, unlisted and over-the-counter real estate securities, other instruments derived from such real estate securities and direct property assets. Management is constantly investigating potential investments that will provide sustainable, long-term growth that exceeds industry norms.

Rockcastle's aim is to build a global company with exposure to international property companies across the globe, and to invest in direct property with sustainable growth prospects. The board has set mandates for investments in specific markets where potential growth is considered to be both attractive and sustainable. The company balances its investment decisions by considering the risks and returns of the underlying properties, whether directly or through a listed real estate company, as well as the macro-economic conditions in the specific markets in which the properties are located. Rockcastle's medium-term objective is to have a portfolio with an equal composition of direct property to listed securities. The direct property portfolio (including investments under development) comprised 5% of total assets, as at 30 June 2015 which was a considerable increase from less than 1% of total assets in 2014 considering the total asset base increased by 45% in the 2015 financial year.

A stringent approval process is in place for properties to be acquired or developed with minimum letting and anchor tenant requirements. Rockcastle's investment committee, who are all experienced in the property sector, approve the company's acquisitions, redevelopments and disposals and receive updates on these at each meeting.

Rockcastle's aim is to grow and diversify its direct property portfolio and, as at 30 June 2015, there has been significant progress in this regard with the acquisition of a property in London, one existing shopping centre and one ongoing development in Poland and two shopping centres, as well as one ongoing development, in Zambia. Rockcastle had a total of 4 direct property assets as at 30 June 2015 (excluding projects in development).

PROPERTIES

The day-to-day management of Rockcastle's properties has been outsourced to property managers, Heriot Property Management (for the Zambian properties) and Ganya Investments (for the Polish retail centre), who have the requisite experience and presence in the countries in which the properties are located. Rockcastle also have experienced and dedicated in-house asset managers who are responsible for overseeing the properties, the performance of the properties and managing the tenant relationships. The asset managers report directly to the chief executive officer. Rockcastle is constantly assessing opportunities for upgrades, refurbishments, extensions and redevelopments of the properties.

TENANTS

Rockcastle's management team fosters long-term relationships with all its tenants, recognising that there is an important symbiotic relationship between their success and the company's success.

Rockcastle assess the tenant mix of its properties on an ongoing basis and relocate tenants where the tenant's trading and the property's performance can be improved.

BUSINESS FUNDING

Rockcastle manages its financing costs and concentration risk by utilising more than one major source of financing and by utilising instruments that facilitate hedging of exposure against interest rate risk. In addition, the company ensures that the currencies of its investments largely match those of the currencies of the underlying funding. Rockcastle utilises in-country financing where sources of funding exist and the terms are in line with the company's funding strategy.

BUSINESS PARTNERS

Rockcastle has relationships with global financial institutions with best-of-breed operating platforms reducing both operational and counterparty credit risk.

Rockcastle enters into developments with reputable partners with whom it shares values and goals, and who are well-established in the markets in which they operate.

CO-OWNERS

Rockcastle co-owns a number of properties with a select group of partners. Aside from formalising the relationships through contracts, the company builds enduring relationships with its partners. These relationships allow the company to leverage off the specific skills and experience of its partners all of whom have proven track records in the property industry.

EMPLOYEES

Rockcastle's employees are as intrinsic to its business as its properties thus the company aims to attract and retain motivated, high-calibre executives and employees whose interests are aligned with the interests of shareholders.

Employees are encouraged to attend job and industry related training.

Rockcastle's strategy is to grow and develop its employees such that when there is a job opening existing staff can be promoted rather than hiring externally.

SUSTAINABILITY

Rockcastle aims to improve the sustainability of its properties by investigating new technologies and options to reduce energy and water consumption.

SCHEDULE OF INVESTMENTS

Listed security investments***	Primary sector	Valuation as at 30 June 2015 USD'000	Valuation as at 30 June 2014 USD'000
Australia			
Westfield Group	Retail	69,837	48,257
CFS Retail Property Trust	Retail	-	39,669
Growthpoint Properties Australia Limited	Other/Diversified	-	8,075
Scentre Group	Retail	-	26,910
		69,837	122,911
Canada			
RioCan Real Estate Investment Trust	Retail	33,255	66,604
First Capital Realty Incorporated	Retail	25,183	40,169
H & R Real Estate Investment Trust	Other/Diversified	46,318	56,484
Dundee Real Estate Investment Trust	Office	-	45,332
		104,756	208,589
Europe			
New Europe Property Investments plc	Retail	42,722	-
Unibail-Rodamco	Retail	166,025	131,967
Corio	Retail	-	38,190
Klepierre	Retail	-	23,115
		208,747	193,272
Great Britain			
Hammerson plc	Retail	367,694	71,189
British Land Company plc	Other/Diversified	-	71,856
		367,694	143,045

Hong Kong			
The Link Real Estate Investment Trust	Retail	89,837	78,008
		89,837	78,008
Singapore			
CapitaMall Trust	Retail	109,872	107,517
Ascendas Real Estate Investment Trust	Industrial	85,632	84,701
		195,504	192,218
United States of America			
Avalonbay Communities Incorporated	Residential	153,475	99,533
Digital Realty Data Center Solutions	Other/Diversified	71,681	58,320
Hospitality Properties Trust	Hotel	53,317	66,879
Host Hotels & Resorts Incorporated	Hotel	108,073	24,211
Kimco Realty Corporation	Retail	47,334	48,257
MFA Financial Incorporated	Mortgage	38,058	50,902
Prologis Incorporated	Industrial	161,385	-
Senior Housing Properties Trust	Healthcare	44,753	55,867
Simon Property Group Incorporated	Retail	288,943	146,327
Ventas Incorporated	Healthcare	158,330	76,920
		1,125,349	627,216

DIRECT PROPERTY INVESTMENTS***
As at 30 June 2015

No	Property Name	Primary use	Location	Acquisition date	Va-cancy	Gross lettable area (m2)	Purchase price USD'000	Valuation USD'000
1	Rockcastle House Address: 1 Wheatfield Way, Kingston Upon Thames, London, KT1 2TU, United Kingdom	Com-mercial/ offices	UK	Nov 2014	0.0%	585	3 300	3 300
2	Kafubu Mall Address: Corner of President Avenue and Nkana Road, Ndola, Zambia	Retail	Zambia	24 Apr 2014	0.0%	11 859	11 257	22 514
3	Mukuba Mall Address: Parklands, Chiwala Avenue, Copperbelt Province, Kitwe, Zambia	Retail	Zambia	23 Apr 2015	0.0%	28 235	34 331	68 661
4	Solaris Shopping Centre Address: plac Kopernika 16, 45-040 Opole, Poland	Retail	Poland	12 Mar 2015	0.2%	18 000	58 190	58 190
	Total direct property investment					**58 679**	**107 078**	**152 665**
5	Tomaszow Gallery Address: Barlickiego street, Tomaszow Mazowieki	Devel-opment	Poland	*	n/a	n/a	7 436**	7 436
	Total developments						**7 436**	**7 436**
	Total						**114 514**	**160 101**

* Acquired through ACE3 sp.z.o.o

**Purchase price includes capitalised costs to date

***Please refer to Section 1: paragraph 4 and Section 5: paragraphs 4, 10 and 11 for changes to listed security and direct property investments since 30 June 2015.

Annexure 8

ACCOUNTANT'S REPORT

ROCKCASTLE GLOBAL REAL ESTATE COMPANY LIMITED

ACCOUNTANT'S REPORT

BDO

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10, Frère Félix de Valois Street
Port Louis, Mauritius
P.O. Box 799

Grp/0295/nr

March 9, 2016

The Board of Directors
Rockcastle Global Real Estate Company Limited
Level 3, Alexander House
35 Cybercity
EBENE

Dear Sirs

Accountants' Report

We report on the financial information set out on pages 1 to 23. This report is required by the Listing Rules and is given for the purpose of complying with chapters 8.8 and 12.6 of the Listing Rules and for no other purpose. This financial information has been prepared for inclusion in the Listing Particulars of Rockcastle Global Real Estate Company Limited on the basis of accounting policies set out on pages 8 to 21.

Basis of preparation

The financial information is based on the following:

- Unaudited abridged financial statements of Rockcastle Global Real Estate Company Limited for the six months ended 31 December 2015.
- Audited financial statements of Rockcastle Global Real Estate Company Limited for the years ended 30 June 2015 and 2014 and period ended 30 June 2013.

Responsibilities

The directors of Rockcastle Global Real Estate Company Limited are responsible for preparing the financial information on the basis of preparation set out on page 8 and in accordance with International Financial Reporting Standards.

It is our responsibility to form an opinion on the financial information except for the abridged financial statements for the six months ended 31 December 2015 included in the Listing Particulars and to report our opinion to you.

Basis of opinion

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information except for the abridged financial statements for the period ended 31 December 2015. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement. We have not audited nor reviewed the abridged financial statements for the six months ended 31 December 2015.

Statement of Independence

We are the statutory auditors of Rockcastle Global Real Estate Company Limited.

During the years ended 30 June 2015 and 2014 and period ended 30 June 2013, we have not been an associate, as defined in the Listing Rules, of any directors or of any shareholders holding more that 5% of the issued share capital of Rockcastle Global Real Estate Company Limited.

Opinion

In our opinion, the financial information relating to years ended 30 June 2015 and 2014 and period ended 30 June 2013 gives, for the purpose of the Listing Particulars of Rockcastle Global Real Estate Company Limited, gives a true and fair view of the results of Rockcastle Global Real Estate Company Limited for the periods mentioned above and have been properly prepared in accordance with the Companies Act 2001 and International Financial Reporting Standards.

BDO & Co

Chartered Accountants

ROCKCASTLE GLOBAL REAL ESTATE COMPANY LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2015 AND 2014 AND PERIOD ENDED 30 JUNE 2013

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		
	30 June 2015	30 June 2014	30 June 2013
	USD'000	USD'000	USD'000
ASSETS			
Non-current assets			
Investment property	58,708	-	-
Straight-lining of rental revenue adjustment	415	-	-
Investment property under development	7,436	-	-
Listed security investments	2,161,724	1,565,259	689,257
Investments in and loans to joint ventures	41,727	5,192	-
Rockcastle management incentive loans	25,129	17,000	4,387
	2,295,139	1,587,451	693,644
Current assets			
Investment income receivable	7,589	6,934	3,127
Trade and other receivables	15,410	3	-
Loans to development partners	5,332	11,702	-
Cash and cash equivalents	3,035	486	195
	31,366	19,125	3,322
TOTAL ASSETS	2,326,505	1,606,576	696,966
EQUITY AND LIABILITIES			
Total equity attributable to equity holders			
Stated capital	1,180,670	871,154	409,771
Retained income/(loss)	183,601	131,714	(8,410)
Non-distributable reserves	(123,947)	(19,684)	-
Currency translation reserve	804	-	-
	1,241,128	983,184	401,361
Non-current liabilities			
Interest-bearing borrowings	16,614	340,057	66,970
Current liabilities			
Trade and other payables	4,966	6,832	52
Interest-bearing borrowings	1,063,777	275,896	228,385
Income tax payable	20	607	198
	1,068,763	283,335	228,635
TOTAL EQUITY AND LIABILITIES	2,326,505	1,606,576	696,966

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP		
	Year ended 30 June 2015	Year ended 30 June 2014	Period ended 30 June 2013
	USD'000	USD'000	USD'000
Recoveries and contractual rental revenue	2,240	-	-
Straight-lining of rental revenue adjustment	415	-	-
Rental revenue	2,655	-	-
Property operating expenses	(663)	-	
Net rental and related revenue	1,992	-	-
Dividends received from listed security investments	77,931	54,088	17,736
Income from joint ventures	5,892	35	-
Fair value gain/(loss) on investment property and listed security investments	20,727	105,081	(11,056)
Foreign exchange (loss)/gain	(77,935)	6,915	(8,103)
Operating expenses	(2,994)	(1,327)	(553)
Listing expenses	-	-	(525)
Profit/(Loss) before net finance (costs)/income	25,613	164,792	(2,501)
Interest received on Rockcastle management incentive loans	1,149	441	22
Fair value (loss)/gain on bond shorts	(11,421)	(8,593)	2,616
Interest received on development partner loans	1,214	312	-
Interest on borrowings	(11,913)	(9,667)	(1,965)
Capitalised interest	179	-	-
Fair value gain/(loss) on interest rate derivatives	5,331	(4,667)	-
Net finance (costs)/income	(15,461)	(22,174)	673
Profit/(Loss) before income tax expense	10,152	142,618	(1,828)
Income tax expense	(20)	(607)	(198)
Profit/(loss) for the year/period attributable to equity holders of the company	10,132	142,011	(2,026)
Other comprehensive income net of tax			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations - subsidiaries	2,461	-	-
Exchange differences on translation of foreign operations - joint ventures	(1,657)	-	-
	804	-	-
Total comprehensive income/(loss) for the year/period attributable to equity holders of the company	10,936	142,011	(2,026)
Weighted average number of shares in issue	772,800,853	478,682,693	113,956,558
Basic earnings/(loss) per share from continuing operations (USD cents)	1.31	29.67	(1.78)
Headline earnings/(loss) per share from continuing operations (USD cents)	0.69	29.67	(1.78)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	THE GROUP				
	Stated capital	Retained income/(loss)	Non-Distributable Reserves	Currency translation Reserve	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
Balance as at 30 March 2012	-	-	-	-	-
Transactions with equity holders					
Issue of shares	409,771	-	-	-	409,771
Dividends declared (interim)	-	(6,384)	-	-	(6,384)
	409,771	(6,384)	-	-	403,387
Total comprehensive loss for the period	-	(2,026)			(2,026)
Balance as at 30 June 2013	**409,771**	**(8,410)**	-	-	**401,361**
Transactions with equity holders					
Issue of shares	475,383	-	-	-	475,383
Reclassification of stated capital	(14,000)	14,000	-	-	-
Distributions declared	-	(14,000)	-	-	(14,000)
Dividends declared	-	(21,571)	-	-	(21,571)
	461,383	(21,571)	-	-	439,812
Total comprehensive income for the year	-	142,011	-	-	142,011
Transfer to non-distributable reserves	-	19,684	(19,684)	-	-
Balances as at 30 June 2014	**871,154**	**131,714**	**(19,684)**	-	**983,184**
Transactions with equity holders					
Issue of shares	277,242	-	-	-	277,242
Dividends declared	32,274	(62,508)	-	-	(30,234)
	309,516	(62,508)	-	-	247,008
Total comprehensive income for the year	-	10,132	-	804	10,936
Transfer to non-distributable reserves	-	104,263	(104,263)	-	-
Balance as at 30 June 2015	**1,180,670**	**183,601**	**(123,947)**	**804**	**1,241,128**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	THE GROUP Unaudited 31 December 2015 USD'000
ASSETS	
Non-current assets	
Investment property	355,743
Straight-lining of rental revenue adjustment	625
Investment property under development	26,653
Listed security investments	1,870,971
Rockcastle management incentive loans	33,713
	2,287,705
Current assets	
Trade and other receivables	77,342
Loans to development partners	11,757
Cash and cash equivalents	6,110
	95,209
TOTAL ASSETS	2,382,914
EQUITY AND LIABILITIES	
Total equity attributable to equity holders	
Stated capital	1,312,080
Retained income/(loss)	251,232
Non-distributable reserves	(147,414)
Currency translation reserve	3,877
	1,419,775
Non-current liabilities	
Interest-bearing borrowings	37,853
Current liabilities	
Trade and other payables	5,914
Interest-bearing borrowings	919,093
Income tax payable	279
	925,286
TOTAL EQUITY AND LIABILITIES	2,382,914

	THE GROUP Unaudited Six months ended 31 December 2015 USD'000
Recoveries and contractual rental revenue	5,404
Straight-lining of rental revenue adjustment	625
Rental revenue	6,029
Property operating expenses	(1,410)
Net rental and related revenue	4,619
Dividends received from listed security investments	32,730
Income from joint ventures	609
Fair value gain on investment property and listed security investments	63,076
Foreign exchange gain	1,225
Operating expenses	(1,305)
Profit before net finance costs	100,954
Interest received	1,402
Interest on borrowings	(10,294)
Capitalised interest	524
Fair value adjustment on interest rate derivatives	(10,276)
Net finance costs	(18,644)
Profit before income tax expense	82,310
Income tax expense	(279)
Profit for the period attributable to equity holders of the company	82,031
Other comprehensive income net of tax	
Items that may be reclassified to profit or loss	
Exchange differences on translation of foreign operations	3,073
Total comprehensive income for the period attributable to equity holders of the company	85,104
Weighted average number of shares in issue	866,949,489
Basic earnings per share from continuing operations (USD cents)	9.46
Headline earnings per share from continuing operations (USD cents)	9.54

Rockcastle has no dilutionary instruments in issue.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital	Retained income	Non-Distributable Reserves	Currency Translation Reserve	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
Balance as at 01 July 2015	1,180,670	183,601	(123,947)	804	1,241,128
Profit for the period	-	82,031	-	-	82,031
Shares issued and cum distribution portion on issue during the period	94,783	3,378	-	-	98,161
Dividends declared	36,627	(39,588)	-	-	(2,961)
Transfer to non-distributable reserves	-	23,467	(23,467)	-	-
Reclassification of exchange differences on sale of investments in joint ventures	-	(1,657)	-	-	(1,657)
Exchange differences on translation of foreign operations	-	-	-	3,073	3,073
Balance as at 31 December 2015	1,312,080	251,232	(147,414)	3,877	1,419,775

STATEMENTS OF INDEBTEDNESS

	THE GROUP		
	30 June 2015	30 June 2014	30 June 2013
	USD'000	USD'000	USD'000
Interest-bearing borrowings			
Within one year	1,063,777	275,896	228,385
After one year and before two years	-	-	-
After two years and before five years	16,614	11,841	11,353
After five years	-	328,216	55,617
	1,080,391	**615,953**	**295,355**

PRINCIPAL ACCOUNTING POLICIES

1. Basis of preparation

Basis of measurement

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

Statement of compliance

The consolidated and separate financial statements of the group are prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations committee of the IASB. The consolidated and separate financial statements comply with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and with the Mauritian Companies Act 2001.

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

Functional and presentation currency

The functional currency of Rockcastle is the United States Dollar ("USD"), and the group has elected to present its financial statements in USD, being the denomination of the issued stated capital of the group, rounded to the nearest thousand (USD'000) unless otherwise indicated.

2. Use of estimates and judgements

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

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

3. Basis of consolidation

Subsidiaries

The consolidated annual financial statements incorporate the annual financial statements of the company and entities controlled by the company and its subsidiaries. Control is achieved when the company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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

When the company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

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

The results of subsidiaries are included from the date control was acquired up to the date control ceased. The purchase method of accounting has been adopted to account for the cost of the acquisition of the investments. Cost comprises the fair value of any assets transferred, liabilities or obligations assumed and issued equity instruments and excludes transaction costs.

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

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

Foreign subsidiaries

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

3. Basis of consolidation (cont'd)

Investment in associates and joint ventures

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated into these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the group's share of losses of an associate or a joint venture exceeds the group's interest in that associate or joint venture, the group discontinues recognising its share of further losses.

An investment in an associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

Transactions eliminated on consolidation

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

Transactions in foreign currency

The results of foreign entities are translated as follows:

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

4. Investment property

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

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

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

Immediately prior to disposal of investment property the investment property is revalued to the net sales proceeds and such revaluation is recognised in profit or loss during the period in which it occurs.

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

Investment property under development

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

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

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

5. Financial instruments

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

Subsequent to initial recognition, these instruments are measured as follows:

5.1 Financial assets

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

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

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

Cash and cash equivalents - Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purposes of the statements of cash flows. Cash and cash equivalents are carried at amortised cost.

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

For trade receivables and investment income receivable, receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

5.1 Financial assets (cont'd)

Impairment of financial assets (cont'd)
For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit characteristics.

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

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

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

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

5.2 Financial liabilities

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

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

5.2 Financial liabilities (cont'd)

Other financial liabilities - All other financial liabilities, with the exception of derivatives, are accounted for at amortised cost using the effective interest method.

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

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

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

Effective interest method - The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset, or, where appropriate, a shorter period.

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

5.3 Derivative financial instruments

The group enters into a variety of derivative financial instruments to gain exposure to property securities and to hedge its interest rate risk arising from financing activities.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to the fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship. The group designates certain derivatives as either hedges of the fair value of recognised assets and liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges) or hedges of net investments in foreign operations.

The fair value of hedging derivatives is classified as a non-current asset or a non-current liability if the remaining maturity of the hedge relationship is more than twelve months and as a current asset or current liability if the remaining maturity of the hedge relationship is less than twelve months.

Derivatives not designated into an effective hedge relationship or not qualifying in terms of hedge accounting rules are classified as a current asset or current liability. The fair value of derivatives is the estimated amount that the group would receive or pay to terminate the derivative at the reporting date, taking into account current interest and exchange rates and the current creditworthiness of the swap counter parties.

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

6. Provisions and contingent liabilities

Provisions are recognised when a present legal or constructive obligation exists as a result of past events, for which it is probable that an outflow of economic benefits will occur and where a reliable estimate of the amount of the obligation can be made. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market "assessments of the time value of money and where appropriate, the risks specific to the obligation."

The group discloses a contingent liability when it has a possible obligation arising from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group.

7. Stated capital

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

8. Employee benefits

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

9. Revenue, investment income and expenses

Revenue
Revenue is recognised when it can be reliably measured and it is probable that the economic benefits will flow to the entity. Revenue is recognised at the fair value of the consideration received or receivable.

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

Other revenues earned by the group are recognised on the following bases:
- Dividend income - when the shareholder's right to receive payment is established.
- Interest income - on a time-proportion basis using the effective interest method.

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

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

10. Finance income and finance costs

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

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

11. Tax

Current tax comprises tax payable calculated on the basis of the expected taxable income for the period, using the tax rates and laws enacted or substantively enacted at the reporting date, and any adjustment of tax payable in respect of previous years. Deferred tax is recognised for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, except to the extent that the deferred tax liability arises from:

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

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

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

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

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured at fair value, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

12. Translation of foreign currencies

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

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

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

13. Dividends to shareholders

A dividend to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividend is declared.

14. Operating segments

A segment is a distinguishable component of the group that is engaged in providing services (business segment) or in providing services within a particular economic environment (geographic segment), which is subject to risks and returns that are different from those of other segments. The group's primary segment is based on geographic segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the board. The board reviews the group's internal reporting in order to assess performance. Management has determined the operating segments based on these reports.

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

15. Related parties

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

16. Earnings per share

The group presents basic and diluted earnings per share. It also presents headline and diluted headline earnings per share. Basic earnings or loss per share is calculated by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares in issue during the year. Headline earnings or loss per share is calculated by dividing headline earnings or loss by the weighted average number of shares in issue during the year.

Diluted earnings or loss per share is calculated by dividing profit or loss for the year attributable to equity holders by the weighted average number of shares in issue, adjusted for the potential dilutive impact of outstanding share options.

Diluted headline earnings or loss per share is calculated by dividing headline earnings or loss by the weighted average number of shares in issue, adjusted for the potential dilutive impact of outstanding share options acquired.

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

17. Distributable earnings per share

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

18. Non-distributable earnings

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

19. Standards and Interpretations

19.1 Standards, Amendments to published Standards and Interpretations effective in the reporting year

Amendments to IAS 32, 'Offsetting Financial Assets and Financial Liabilities', clarify the requirements relating to the offset of financial assets and financial liabilities. The amendment is not expected to have any impact on the company's financial statements.

Amendments to IFRS 10, IFRS 12 and IAS 27, 'Investment Entities', define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment entities. As the company is not an investment entity, the standard has no impact on the financial statements.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what obligating event that gives rise to pay a levy and when should a liability be recognised. The company is not subject to levies so the interpretation has no impact on the financial statements.

Amendments to IAS 36, 'Recoverable Amount Disclosures for Non- financial Assets', remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated. The amendment has no impact on the financial statements.

Amendments to IAS 39, 'Novation of Derivatives and Continuation of Hedge Accounting', provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness. The amendment has no impact on the financial statements.

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) applies to contributions from employees or third parties to defined benefit plans and clarifies the treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

19. Standards and Interpretations (cont'd)

19.1 Standards, Amendments to published Standards and Interpretations effective in the reporting year (cont'd)

The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example employee contributions that are calculated according to a fixed percentage of salary. Entities with plans that require contributions that vary with service will be required to recognise the benefit of those contributions over employee's working lives. The amendment has no impact on the financial statements.

Annual Improvements 2010-2012 Cycle

- IFRS 2, 'Share based payments' amendment is amended to clarify the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'. The amendment has no impact on the financial statements.

- IFRS 3, 'Business combinations' is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or equity, on the basis of the definitions in IAS 32, 'Financial instruments: Presentation'. It also clarifies that all non-equity contingent consideration is measured at fair value at each reporting date, with changes in value recognised in profit and loss. The amendment has no impact on the financial statements.

- IFRS 8, 'Operating segments' is amended to require disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported. The amendment has no impact on the financial statements.

- IFRS 13 (Amendment), 'Fair Value Measurement' clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has no impact on the financial statements.

- IAS 16,'Property, plant and equipment' and IAS 38,'Intangible Assets' are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. The amendment has no impact on the financial statements.

- IAS 24,'Related party disclosures' is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required. The amendment has no impact on the financial statements.

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

19. Standards and Interpretations (cont'd)

19.1 Standards, Amendments to published Standards and Interpretations effective in the reporting year (cont'd)

Annual Improvements 2011-2013 Cycle

- IFRS 1, 'First-time Adoption of International Financial Reporting Standards' is amended to clarify in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first IFRS financial statements. The amendment has no impact on the financial statements, since the company is an existing IFRS preparer.

- IFRS 3,'Business combinations' is amended to clarify that IFRS 3 does not apply to the accounting for the formation of any joint venture under IFRS 11. The amendment has no impact on the financial statements.

- IFRS 13,'Fair value measurement' is amended to clarify that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39 or IFRS 9. The amendment has no impact on the financial statements.

- IAS 40,'Investment property' is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive. IAS 40 assists users to distinguish between investment property and owner-occupied property. Preparers also need to consider the guidance in IFRS 3 to determine whether the acquisition of an investment property is a business combination. The amendment has no impact on the financial statements.

19.2 Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2015 or later periods, but which the company has not early adopted.

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

- IFRS 9 Financial Instruments
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
- IFRS 14 Regulatory Deferral Accounts
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
- IFRS 15 Revenue from Contracts with Customers
- Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
- Equity Method in Separate Financial Statements (Amendments to IAS 27)

PRINCIPAL ACCOUNTING POLICIES (CONT'D)

19.2 Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

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- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)
- Disclosure Initiative (Amendments to IAS 1)

SUBSEQUENT EVENTS

The main significant events subsequent to 30 June 2015 are as follows:

(i) During December 2015, the Group acquired Karolinka, Platan and Pogoria shopping centres for a combined purchase price of approximately EUR270million.

(ii) The group disposed of investments in Kitwe Mukuba Investments Ltd and Ndola Kafubu Investments Ltd, entities which own a 50% interest (classified as Joint Ventures previously) in Mukuba and Kafubu Malls respectively, in December 2015 to Delta Africa Property Holdings Limited ("Delta") for combined proceeds of USD21.6million. A further USD2.5million is currently outstanding by way of vendor financing to Delta.

(iii) The directors approved the declaration of an interim cash dividend for the six months ended 31 December 2015 of 4.6310 US$ cents per share with the election to receive a scrip dividend by way of an issue of 2.167 new Rockcastle shares (of the same class as existing shares) for every 100 Rockcastle shares held on the record date, being 4 March 2016 credited as fully paid-up at an issue price of 2.13 US$ per share or a cash dividend of 4.6310 US$ cents per share.

(iv) The directors approved the declaration of a final cash dividend of 4.42 US$ cents per share with the election to receive a scrip dividend by way of an issue of 2.096 new Rockcastle shares (of the same class as existing shares) for every 100 Rockcastle shares held on the record date, being 25 September 2015 credited as fully paid-up at an issue price of 2.11 US$ per share or a cash dividend of 4.42 US$ cents per share.

(v) The group has changed its financial year-end from 30 June to 31 December in order to better align the group with the reporting deadlines of investors on the market in which the group operates. The change in year-end will not affect Rockcastle's distribution period which will continue to be for the six months ending 30 June and 31 December.

(vi) Rockcastle secured a EUR 34.8 m 5 year facility with ING Bank to replace shareholder loan financing in Gontar sp.zo.o (Polish subsidiary entity) for the purchase of Solaris shopping centre with a bank loan.

(vii) In October 2015, a public-private partnership agreement was successfully concluded with the City of Opole securing the adjoining site to Solaris Shopping Centre to enable the extension of the centre by approximately 8 000m2 GLA and the construction of an underground basement parking.

(viii) Rockcastle retains its right to purchase a 50%, interest in the 26 000m2 GLA Cosmopolitan Mall being developed in Southern Lusaka, Zambia at a yield of 9.5% and is scheduled to open in March 2016. Negotiations for the disposal of this interest are currently ongoing and a decision in this regard will be made in due course.

(ix) The Galeria Wolomin development, located in the City of Wolomin 30km outside Warsaw, is currently under construction and is scheduled to be completed in October 2016. The completed development cost will be EUR46.6 million at a budgeted initial yield of 7.6%.

DIVIDENDS PAID TO SHAREHOLDERS

	THE GROUP		
	30 June 2015	30 June 2014	30 June 2013
	USD'000	USD'000	USD'000
Dividends payable at the beginning of the year	-	-	-
Distributions paid during the year*	-	(14,000)	-
Dividends declared during the year*	(62,508)	(21,571)	(6,384)
Shares issued in lieu of cash dividends	32,274	-	-
	(30,234)	(35,571)	(6,384)

** The dividends/distribution declared/paid during the years relate to:*

(i) the 2015 financial year final dividend of 4.28 USD cents per share paid in March 2015. Shareholders were given the option to either receive a cash dividend or 1.95 new Rockcastle shares for every 100 Rockcastle shares held by the shareholder at the record date. There were 769,700,000 shares in issue that received the dividend.

(ii) the 2014 financial year final dividend of 4.18 USD cents per share paid in September 2014. There were 705,500,000 shares in issue that received the dividend.

(iii) the 2013 financial period final distribution of 4.00 USD cents per share paid in October 2013. There were 350,000,000 shares in issue that received the distribution.

(iv) the 2014 financial year interim dividend of 4.07 USD cents per share paid in March 2014. There were 530,000,000 shares in issue that received the dividend.