



# 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/03/2015)  
Dated 17 March 2015  
(**"Rockcastle"** or **"the company"**)

18.8

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## LISTING PARTICULARS

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The definitions commencing on page 10 of these Listing Particulars have, to the extent appropriate, been used on this cover page.

At the company's Annual General Meeting held on 31 October 2014, the shareholders of Rockcastle authorised the issue of up to a further 495 291 850 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 495 291 850 additional ordinary shares of Rockcastle on the SEM and the JSE.

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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 495 291 850 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.

18.20,  
18.22(a) and  
18.22(i)

**This document does not constitute an invitation to any person to subscribe 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

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“Documents available for inspection” as set out in section five, paragraph 13 of these Listing Particulars.

The directors, whose names appear on page 13 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 17 March 2015.

Neither the LEC of the SEM 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 17 March 2015 for the listing of up to 495 291 850 additional Rockcastle shares on the Official List of the SEM.

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

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**Mauritian management company**



**South African corporate  
advisor and JSE Sponsor**



**Auditor**



**Mauritian corporate advisor**

**and legal advisor as to Mauritian law**



**Sponsor**



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**Date and place of incorporation of the company**

30 March 2012, Mauritius

Date of issue: 17 March 2015

## CORPORATE INFORMATION

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### 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

Mauritius

### Bankers

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

Ebene

Mauritius

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

### Company secretary

Intercontinental Trust Limited  
Level 3, Alexander House  
35 Cybercity, Ebene

Mauritius

### Mauritian management company

Intercontinental Trust Limited  
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)  
13<sup>th</sup> Floor

Rennie House

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

### Auditor

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

Port Louis

Mauritius

### SEM Sponsor

Capital Markets Brokers Limited  
Suite 1004, Level 1, Alexander House  
35 Cybercity, Ebene 72201  
Mauritius

### South African Corporate Advisor and JSE Sponsor

Java Capital (Proprietary) Limited  
(Registration number: 2002/031862/07)  
Redefine Place  
2 Arnold Road  
Rosebank, Johannesburg  
2196  
(PO Box 2087, Parklands, 2121)

South Africa

### Corporate advisor and legal advisor to Mauritian Law

C&A Law (Registered as a Law Firm in Mauritius)  
Suite 1005, Level 1, Alexander House  
35 Cybercity, Ebene 72201  
Mauritius

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## **IMPORTANT DATES AND TIMES**

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**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.**

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## INTRODUCTION TO ROCKCASTLE AND OVERVIEW

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The definitions commencing on page 10 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 and on the Alt<sup>x</sup> on 26 July 2012. 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 2014:
  - 1.3.1 On 2 October 2014, 64 200 000 Rockcastle shares were placed with investors.  
7 800 000 shares were placed at US\$1.83 per share through the company's Mauritian share register and 56 400 000 shares were placed at ZAR20.25 per share through the company's South African share register;
  - 1.3.2 The shareholders of Rockcastle authorised the issue of up to a further 400 000 000 shares at the annual general meeting of shareholders held on 31 October 2014;
  - 1.3.3 on 25 November 2014, Rockcastle migrated its listing from the Alt<sup>x</sup> of the JSE to the main board of the JSE; and
  - 1.3.4 on 23 February 2015, permission was granted by the LEC for the listing of up to 15 009 150 additional Rockcastle shares by way of a scrip dividend, which shares will be issued to Rockcastle shareholders on or about 23 March 2015.

### 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 7. Investments made by the company as at 30 June 2014 are set out in Annexure 8.

#### 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. These investments will be held directly, or via subsidiaries incorporated in various jurisdictions for the purposes of maximising the tax efficiencies of Rockcastle's investments, a critical consideration when investing globally.

Rockcastle receives regular distributions from its investments which it aggregates and pays over to investors as dividends on a semi-annual basis.

Rockcastle is able to enhance returns through gearing strategies. These strategies include interest bearing debt of varying maturities, and short strategies. Rockcastle may employ hedging strategies on both interest rates and currencies.

Further information on Rockcastle's investment strategy, process and operations is detailed in Annexure 7. Investments made by the company as at 30 June 2014 are set out in Annexure 8.

### **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.

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## DEFINITIONS

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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:

“AltX”	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” time;	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	the process whereby physical share certificates are replaced with electronic records
“dematerialisation”	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	the directors of the company as at the date of these Listing Particulars, further
“board of directors”	details of whom appear in <b>Annexure 3</b> 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 17 March 2015;
“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 17 March 2015, 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 <b>Annexure 3</b> ;
“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;

<b>“SA private placement”</b>	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;
<b>“SA transfer secretaries”</b>	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;
<b>“SEM”</b>	the Stock Exchange of Mauritius Limited established under the repealed Stock Exchange Act 1988 of Mauritius;
<b>“SEM Official Market”</b>	the Official List of the SEM;
<b>“SGD”</b>	Singapore Dollar;
<b>“SENS”</b>	the Stock Exchange News Service of the JSE;
<b>“shares” or “Rockcastle shares”</b>	ordinary no par value shares in the share capital of the company;
<b>“shareholder”</b>	a holder of shares;
<b>“South Africa” or “SA”</b>	the Republic of South Africa;
<b>“Strate”</b>	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;
<b>“targeted investors”</b>	those private clients, selected financial institutions and retail investors who have  been invited to participate in the Mauritian private placement;
<b>“US\$”</b>	United States Dollar; and
<b>“ZAR” or “Rand”</b>	South African Rand.



## Rockcastle Global Real Estate Company Limited

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

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### Directors of the company

Spiro Noussis\*  
Paul Pretorius#  
Nicholas Matulovich\*  
Mark Olivier#  
Rory Kirk#  
Andre van der Veer^  
Yan Chong Ng Cheng Hin#  
Andries de Lange^

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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

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### 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. 18.12
- 3.1.2 Rockcastle was listed on the SEM on 5 June 2012 and on the Alt<sup>x</sup> on 26 July 2012. Rockcastle transferred its listing on the Alt<sup>x</sup> 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 June each year.

### 4. INVESTMENT STRATEGY, PROCESS AND OPERATIONS

- 4.1 Global listed property counters have continued their strong recovery and many counters are now trading at a premium to their net asset values. This strong performance validates Rockcastle's investment strategy of investing in these high growth property stocks and is evidenced by the significant increase in net asset value from USD1.39 to USD1.50 as of the end of December 2014. The considerable premium to asset value of many listed securities supports the company's strategy of migrating from listed to direct property assets. 18.43(a)
- 4.2 Rockcastle's portfolio of listed property counters has performed well over the period and the portfolio continues to maintain a bias towards quality and high growth counters. The portfolio continues to be heavily focused towards retail. Distribution growth of many of the securities in the portfolio was ahead of forecast; however, this was offset by the depreciation of a number of currencies in which the company invested against the USD. Rockcastle's reporting currency is the USD, and the company policy is not to hedge its currency positions.

- 4.3 In an environment where low interest rates perdure, Real Estate Investment Trusts (“REIT’s”) will continue to perform well.
- 4.4 The Rockcastle management team continues to conduct physical inspections of the underlying properties held by our portfolio counters to accurately and objectively assess both their future growth prospects and their management capabilities. Rockcastle’s outperformance can be partially attributed to this strategy.
- 4.5 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.
- 4.6 Following the opening of Kafubu Mall in Ndola, Zambia, additional land has been purchased to accommodate future expansion.
- 4.7 Construction of Mukuba Mall in Kitwe, a 29 000m<sup>2</sup> regional mall, is progressing ahead of schedule and is due to open in April this year. The mall will be anchored by Game, Pick n Pay, Shoprite and Woolworths, and will include all major national retailers. Rockcastle will acquire its stake at a yield of 9.5%. In line with the long term strategy of investing in developments that have the capacity to achieve and maintain dominance, additional land has been acquired which will facilitate the expansion of the mall when this is required.
- 4.8 The third mall investment in Zambia, Cosmopolitan Mall in Lusaka, is under construction and will be opened in March 2016. The 25 800m<sup>2</sup> mall is 90% let and tenants include Shoprite, Game, Edgars, Mr Price and Woolworths. Rockcastle has a 50% share of the three Zambian malls.
- 4.9 Rockcastle’s strategy in Poland to invest in Polish retail assets is making progress and the first acquisition in Poland has been concluded. This transaction is a joint venture with an experienced Polish retail developer to construct a 16 500m<sup>2</sup> mall in the town of Tomaszow Mazowiecki situated 120km south of Warsaw. Rockcastle will hold an 85% stake in the development which is expected to yield 9.5% on completion, with a capital commitment of EUR 25 million. Construction is scheduled to commence in September 2015 and is to be completed by October 2016. The centre will be anchored by an international grocery operator and will include international fashion tenants.
- 4.10 Rockcastle has successfully completed its due diligence for the acquisition of a well-established mall with a GLA of 18 000m<sup>2</sup>. All salient terms pertaining to this transaction have been agreed with the vendor, but the transaction will only be concluded once a satisfactory VAT ruling has been obtained. This is standard for property transactions of this nature in Poland. The property will be acquired at a purchase price of EUR 52 million and a yield of 7.7%. The mall is anchored by an up market grocer and includes most international fashion retailers including Inditex.
- 4.11 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.
- 4.12 Rockcastle receives regular distributions from its investments which it aggregates and pays over to investors as dividends on a semi-annual basis.
- 4.13 An outline of Rockcastle’s investment strategy, process and operations as at the last practicable date is presented in **Annexure 7** 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 since its listing on the SEM and the JSE. The company's investments as at the 30 June 2014 are set out in **Annexure 8**.

## **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 6**.

## **7. EMPLOYEES**

Other than its executive directors, the company has two employees based in South Africa.

## **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.

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## **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.

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

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

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## **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 7.
- 1.2 The company will undertake placement(s) in Mauritius and / or South Africa for purposes of offering for subscription up to an additional 495 291 850 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.

18.29

Further information on Rockcastle's investment strategy, process and operations is detailed in Annexure 7.

### **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](http://www.stockexchangeofmauritius.com) for additional information.

4.2.3 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.

18.22(f)

#### **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.

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## SECTION THREE – RISK FACTORS AND RISK MANAGEMENT

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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	Shareholders

			mandates on a quarterly basis.	
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 analysis of the market and the identification of suitable investment opportunities.	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
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	Growth in distributable income	Non-compliance with regulatory requirements could	This risk is mitigated through the collaboration of the risk committee, the	Shareholders Financiers

operational, regulatory and other risks	Maintenance of the Rockcastle brand	lead to fines, penalties and censures.	executives, and Rockcastle's legal advisers and service providers in identifying and ensuring compliance with regulatory requirements.	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 certificates are obtained for all developments on completion.	Financiers Shareholders Employees
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 untenable.	Maintaining and growing a quality portfolio of assets  Growth in distributable income	Properties that have physically deteriorated will be untenable 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  Growth in distributable income	Rental income may be eroded due to new leases or renewals at lower rentals than previously achieved. Vacancies may not be let timeously thus reducing distributable income.	Asset and property managers closely monitor lease expiries and begin negotiations with tenants in advance of the expiry. All rentals are done at market related rates. Rockcastle actively markets all vacant space.	Tenants  Property managers  Shareholders  Employees  Co-owners

### 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.

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## **SECTION FOUR – STATEMENTS AND REPORTS REGULATING THE OFFER**

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### **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 495 291 850 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 2014, the date on which the financial information of the company set out in Annexure 4 was prepared.

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## SECTION FIVE – ADDITIONAL MATERIAL INFORMATION

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### 1. HISTORICAL FINANCIAL INFORMATION

The historical financial information of Rockcastle for the financial year ended 30 June 2014 is set out in **Annexure 4**. 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

Rockcastle has agreed to acquire an office building in Kingston-Upon-Thames in the United Kingdom to house its European office. The building has a GLA of 540m<sup>2</sup>, is currently fully tenanted and Rockcastle will occupy an 85m<sup>2</sup> section which will be available in early 2015. It is not Rockcastle's intention to invest in additional properties in the United Kingdom. Consistent with its strategy of migrating from indirect to direct property investments, Rockcastle is in negotiations to acquire a number of retail properties in Poland. The property is valued in excess of GBP 2 million.

Rockcastle's board has also agreed to acquire a 50% interest in Mukuba Mall on completion. This 29 000m<sup>2</sup> retail property is located in Kitwe, Zambia, and is anchored by Shoprite, Pick n Pay and Game and includes Edgars, OK Furnishers and a number of other South African retailers. Once again, the developer will retain a 50% interest in the development and will also provide property management services. The Mukuba Mall is scheduled to open in April 2015. The property will be purchased on completion at a yield of 9.5%.

Rockcastle has in principle agreed to acquire an interest in other retail developments in Zambia, details of which will be announced once the agreements have been finalised.

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 2014;
- condensed unaudited consolidated interim financial statements of the company for the three months ended 30 September 2014, released on 13 November 2014; and
- condensed unaudited consolidated interim financial statements of the company for the three months and the six months ended 31 December 2014, released on 10 February 2015.

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

### 4. DISPOSALS

No material immovable property, fixed assets, securities in subsidiaries or businesses have been disposed of by the company in the three years preceding the last practicable date nor are any of these to be disposed of in the first six months following listing.

## 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.

	<b>2014</b>		
	<b>% of issued shares</b>	<b>Number of shares</b>	<b>Loan balance USD</b>
Shares issued to directors and employees in terms of MIL	1,87%	13 215 000	17 000 000

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 2014. The loans are secured by 17 000 000 shares in Rockcastle with a fair value of USD 19.82 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 2014 are as follows:

	<b>Number of shares issued</b>	<b>Date of issue</b>	<b>Issue price USD per share</b>	<b>Employee asset as recorded in the financials USD</b>
Spiro Noussis	4 615 000	18 Feb 2014	1.33	6 138 000
Nick Matulovich	1 000 000	18 Dec 2013	1.3	1 300 000
	500 000	14 Jun 2013	1.35	135 000
Paul Pretorius	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.

2014				
<b>Bond shorts</b>	<b>Yield to maturity</b>	<b>Date of maturity</b>	<b>Fair value USD'000</b>	<b>Carrying amount USD'000</b>
Europe	0.28%	October 2017	6 918	6 918
USA	0.84%	November 2017	4 923	4 923
Canada	1.94%	June 2022	9 900	9 900
UK	2.18%	September 2022	32 100	32 100
USA	2.11%	November 2022	28 322	28 322
Europe	1.56%	February 2023	14 182	14 182
Australia	3.84%	April 2023	21 784	21 784
USA	2.53%	May 2023	56 766	56 766
Europe	2.17%	May 2023	28 162	28 162
Europe	1.61%	May 2023	70 730	70 730
Canada	12.49%	June 2023	35 628	35 628
USA	2.60%	February 2024	30 642	30 642
			<b>340 057</b>	<b>340 057</b>

Interest-bearing borrowings-short term	Nominal rate	interest	Maturity	Fair value USD	Carrying amount USD
USA	Federal Effective 0.575%	Funds Rate +	Less than one year	341 152	341 152
USA	Federal Effective 0.65%	Funds Rate +	Less than one year	280 396	280 396
Singapore	1-month Association of Banks in Singapore Swap + 0.5%		Less than one year	202 553	202 553
Canada	CABROVER 0.05%	+	Less than one year	110 942	110 942
Canada	1-month CDOR 0.6%	+	Less than one year	97 357	97 357
Europe	EUNIA + 0.625%		Less than one year	83 627	83 627
UK	Overnight SONIA + 0.625%	+	Less than one year	73 544	73 544
UK	1-month LIBOR 0.35%	+	Less than one year	72 625	72 625
Europe	1-month Euribor 0.35%	+	Less than one year	66 597	66 597
Australia	RBA overnight rate + 0.05%		Less than one year	57 141	57 141
Australia	1-month Australia Bank Bill + 0.5%		Less than one year	15 623	15 623
Interest-bearing borrowings (short-term)				1 401 557	1 401 557
Equity swap cash collateral				(1 125 661)	(1 125 661)
				275 896	275 896

## 6. CORPORATE GOVERNANCE

The company's corporate governance statement is set out in **Annexure 5**.

## 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**

Rockcastle has agreed to acquire an office building in Kingston-Upon-Thames in the United Kingdom to house its European office. The building has a GLA of 540m<sup>2</sup>, is currently fully tenanted and Rockcastle will occupy an 85m<sup>2</sup> section which will be available in early 2015. It is not Rockcastle's intention to invest in additional properties in the United Kingdom. Consistent with its strategy of migrating from indirect to direct property investments, Rockcastle is in negotiations to acquire a number of retail properties in Poland.

Rockcastle's board has also agreed to acquire a 50% interest in Mukuba Mall on completion. This 29 000m<sup>2</sup> retail property is located in Kitwe, Zambia, and is anchored by Shoprite, Pick n Pay and Game and includes Edgars, OK Furnishers and a number of other South African retailers. Once again, the developer will retain a 50% interest in the development and will also provide property management services. The Mukuba Mall is scheduled to open in April 2015.

Rockcastle has in principle agreed to acquire an interest in other retail developments in Zambia, details of which will be announced once the agreements have been finalised.

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

The 12,500m<sup>2</sup> GLA Kafubu Mall in Ndola, Zambia opened on 24 April 2014. The mall is anchored by Shoprite and includes Foschini, Mr Price, Truworths and a number of other South African retailers. The mall is the dominant shopping and leisure offering in the town and tenants report good trading conditions. Kafubu Mall was developed at a yield of 9.5% and the Company owns an effective 50% stake in the property.

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 31 March 2015:

13.1 the signed Listing Particulars;

13.2 the Constitution of the company; and

13.3 the annual financial statements for the financial year ended 30 June 2014.

SIGNED AT EBENE, MAURITIUS ON 17 MARCH 2015 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

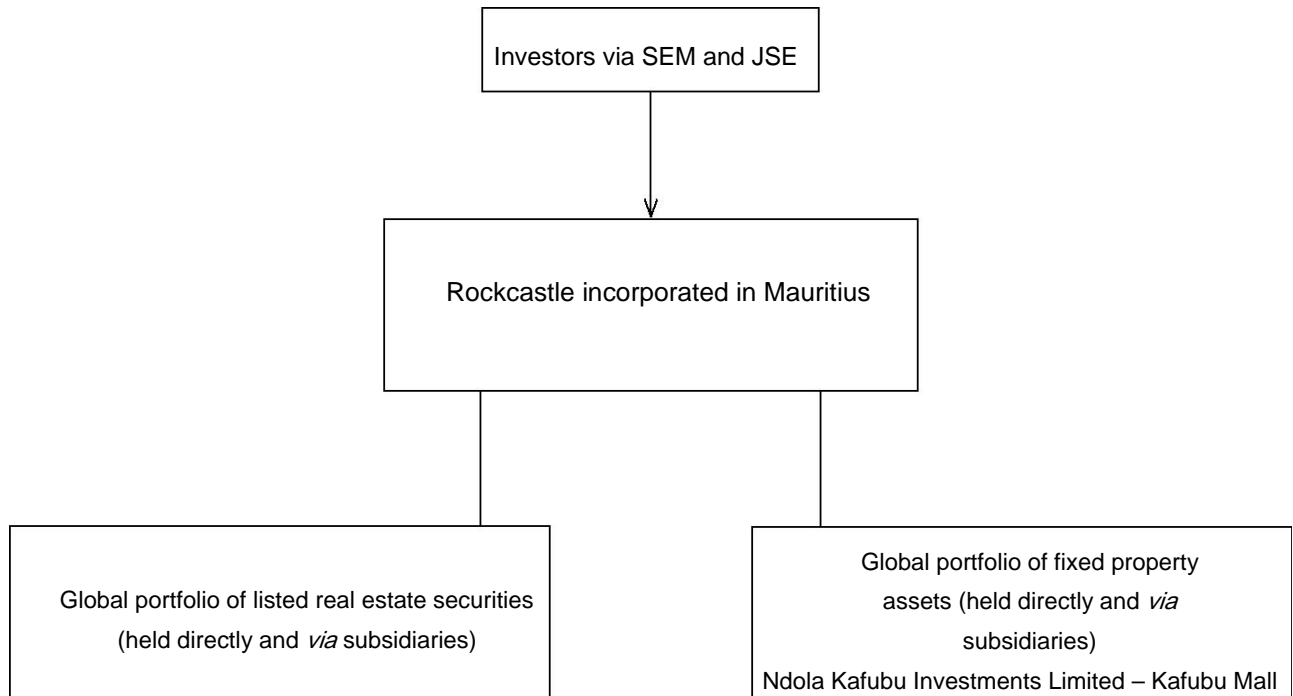


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## STRUCTURE

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The structure of the company is set out below:



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**SHARE CAPITAL AND SHAREHOLDING**


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**1. SHAREHOLDER SPREAD AND SUBSTANTIAL SHAREHOLDERS****Shareholder spread at 30 June 2014 in terms of the JSE Listings Requirements**

	<b>Number of share-holders</b>	<b>Number of shares held</b>	<b>Percentage of issued shares</b>
Public	1,721	206,932,307	29.3%
Non-public	3	479,255,000	67.9%
Directors and employees	26	19,312,693	2.7%
	<b>1,750</b>	<b>705,500,000</b>	<b>100,0%</b>

<b>Size of holding</b>	<b>Number of share-holders</b>	<b>Number of shares held</b>	<b>Percentage of issued shares</b>
Up to 2 500 shares	598	752,837	0.1%
2 501 to 5 000 shares	322	1,272,227	0.2%
5 001 to 10 000 shares	235	1,839,797	0.3%
10 001 to 50 000 shares	318	7,775,193	1.1%
50 001 to 100 000 shares	94	6,981,249	1.0%
100 001 to 1 000 000 shares	128	44,205,402	6.3%
1 001 000 to 3 500 000 shares	26	45,281,967	6.4%
More than 3 500 000 shares	29	597,391,328	84.74%
	<b>1,750</b>	<b>705,500,000</b>	<b>100,0%</b>

<b>Registered shareholders owning 5% or more of issued shares</b>	<b>Number of shares held</b>	<b>Percentage of issued shares</b>
Resilient Property Income Fund Limited	133,560,000	18.9%
Pangbourne Properties Limited	121,705,087	17.3%
Fortress Income 2 Proprietary Limited	84,745,000	12.0%
	<b>340,010,000</b>	<b>48.2%</b>

<b>Control of more than 5% of issued shares</b>	<b>Number of shares controlled</b>	<b>Percentage of issued shares</b>
Resilient Property Income Fund Limited	133,560,000	18.9%
Pangbourne Properties Limited	121,705,087	17.3%
Fortress Income 2 Proprietary Limited	84,745,000	12.0%
	<b>340,010,000</b>	<b>48.2%</b>

## 2. SHARES ISSUED

769 700 000 shares have been issued by the company since incorporation.

## 3. COMPANY'S STATED CAPITAL

The stated capital of the company as at 30 June 2014 was as follows:

18.30

	<b>Stated capital</b>
<i>Issued shares</i>	<b>USD'000</b>
705 500 000 ordinary no par value shares	871 154
<b>Total</b>	<b>871 154</b>

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

18.33

4.1 Subsequent to the issue of its Integrated Report for the year ended 30 June 2014:

4.1.1 On 2 October 2014, 64 200 000 Rockcastle shares were placed with investors. 7 800 000 shares were placed at US\$1.83 per share through the company's Mauritian share register and 56 400 000 shares were placed at ZAR20.25 per share through the company's South African share register.

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.

18.31(b)

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

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

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### 1. 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 directors of the company and executive management are set out below:

18.50

**Mark Olivier (46)**

*Independent non-executive chairman  
(British - residing in Mauritius)*

**CA (SA)**

*Date of appointment: 30 March 2012*

*Listed company directorships: 1*

Suite 114, 3rd Floor, Medine Mews, Chaussée St, Port Louis, Mauritius

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 the management buy-out of Natwest Markets' corporate finance business. Mark worked for BoE Limited where he served on the executive committee of the Group's international business. Mark also worked at KPMG (London) as a manager. Mark is the chairman of Trelidor, the largest physical barrier security business in South Africa, and is a non-executive director of the Dynasty Group of companies, which is managed by Macquarie and was the first-ever wholesale international vehicle established to invest in retail properties in China. Mark also manages one of the largest independent providers of care to adults with acute learning disabilities in the United Kingdom.

**Spiro Noussis (44)**

*Chief executive officer  
(South African – residing in London)*

**CA (SA)**

*Date of appointment: 14 May 2014*

*Listed company directorships: 2*

2nd Floor, Surrey House, 34 Eden Street, Kingston upon Thames, United Kingdom

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, an unlisted property fund focusing on retail and industrial property. He has been a non executive director of Resilient Property Income Fund Limited since August 2012.

**Andries de Lange (41)**

*Independent non-executive director  
(South African)*

**CA (SA), CFA**

*Date of appointment: 8 May 2013*

*Listed company directorships: 3*

4th Floor, Rivonia Village, Rivonia Boulevard, Rivonia, South Africa

After completing his articles, Andries joined the Industrial Development Corporation of South Africa Limited and then Nedbank Limited where he gained experience in debt finance, debt and equity restructurings and private equity. He then joined the Resilient group in 2004 and is a director of PFM and Resilient Property Income Fund Limited ("Resilient").

**Nick Matulovich (28)**

*Chief financial officer*

*(South African – residing in London)*

**CA (SA), MCom (Taxation) (Cum laude), BAccSci (Honours - Taxation)**

*Date of appointment: 14 May 2014*

*Listed company directorship: 1*

2nd Floor, Surrey House, 34 Eden Street, Kingston upon Thames, United Kingdom

Nick has been working for the Resilient group for over 3 years where he 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 listing and continues to have direct oversight over the financial function.

Nick previously worked for Ernst & Young and spent time in both audit as well as the Transaction Tax division which was one of the most successful and active M&A advisors in Africa.

**Rory Kirk (58)**

*Independent non-executive director*

*(Mauritian)*

**Bachelor of Social Science and Diploma in Business Management**

*Date of appointment: 30 March 2012*

*Listed company directorships: 1*

Suite 114, 3rd Floor, Medine Mews, Chaussée St, Port Louis, Mauritius

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 (40)**

*Non-independent non-executive director*

*(Mauritian)*

**BSc (Hons), MSc, ACA, TEP**

*Date of appointment: 30 March 2012*

*Listed company directorships: 2*

Suite 114, 3rd Floor, Medine Mews, Chaussée St, Port Louis, Mauritius

Yan is an executive director of Intercontinental Trust Limited. He oversees the Fund Administration operations and advises clients on all Fund related aspects including tax, regulatory matters, structuring, listings and their establishment in Mauritius. He is a board member of a number of Mauritian funds. He was previously employed by Baker Tilly Mauritius and Deloitte Luxembourg. He trained as a chartered accountant in London.

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

**Paul Pretorius (48)**

*Chief operating officer*

*(South African – residing in Mauritius)*

**Bsc (QS)**

*Date of appointment: 8 May 2013*

*Listed company directorships: 1*

Suite 114, 3rd Floor, Medine Mews, Chaussée St, Port Louis, Mauritius

Paul has in excess of 15 years' experience in direct property having worked as both as an asset manager as well as a property manager for various JSE listed property funds including the bulking up of Capital Property Fund and the turnaround of Pangbourne Properties. He is actively involved in Rockcastle's African initiatives. Paul was previously a professional quantity surveyor for Macintosh Latilla Carrier and Lang one of the large South African practices as well as for his own practice.

**Andre van der Veer (47)**

*Independent non-executive director*

(South African)

BPL(Hons), MPL (ECONOMICS AND BANKING)

*Date of appointment: 14 May 2014*

*Listed company directorship:1*

Suite 114, 3rd Floor, Medine Mews, Chaussée St, Port Louis, Mauritius

After completing a Masters degree in Banking and Economics during 1991, Andre joined Merchant Bank and later Rand 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 European, Scandinavian 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 glob-ally. 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**

18.53

<b>At 30 June 2014</b>	<b>Direct holding</b>	<b>Indirect holding</b>	<b>Total shares held</b>	<b>Percentage of issued shares</b>
Mark Olivier	-	190,000	190,000	*
Rory Kirk	1,000	-	1,000	*
Paul Pretorius	1,650,000	-	1 650 000	0.23%
Andries de Lange	-	3 259 510	3 259 510	0.46%
Spiro Nouis	4 615 000	306 508	4 921 508	0.65%
Nick Matulovich	1 201 352	99 290	1 300 642	0.18%
Andre van der Veer	10 750	68 000	78 750	*
	<b>7 478 102</b>	<b>3 923 308</b>	<b>11 401 410</b>	<b>1.52%</b>

\*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 6**.

**8. BORROWING POWERS**

As set out more fully in **Annexure 6**, 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 2014

### 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 2014 (paid by the company) USD
Mark Olivier (chairman of the board and the nomination committee) &#	20 000
Rory Kirk (chairman of the audit, remuneration committee and the social and ethics committee) \$@*^&	20 000
Andries de Lange \$&@	20 000
Alexandru Morar (2)	17 418
Yan Ng (chairman of the nomination committee) (1)	-
Andre van der Veer (chairman of the investment committee and risk committee) (3) \$#^	2 637

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

(2) Alexandru Morar resigned from the board on 14 May 2014

(3) Andre van der Veer was appointed to the board on 14 May 2014.\$ Member of the audit committee

^ Member of the risk committee

# Member of the investment committee

@ Member of the remuneration committee

& Member of the nomination committee

\*Member of the social and ethics committee

### 11.2 REMUNERATION OF EXECUTIVE DIRECTORS

	Remuneration (paid by the company) as at 30 June 2014 USD
Craig Hallowes (1)	125 823
Stephen Delpont (2)	86 443
Nick Matulovich (3)	7 527
Spiro Noussis (4)	51 371
Paul Pretorius	18 103

(1) Craig Hallowes resigned from the board on 14 May 2014

(2) Stephen Delpont resigned from the board on 14 May 2014

(3) Nick Matulovich was appointed to the board on 14 May 2014

(4) Spiro Noussis was appointed to the board on 14 May 2014

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

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## HISTORICAL FINANCIAL INFORMATION OF ROCKCASTLE

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The extracts from the audited consolidated financial statements of Rockcastle for the period ended 30 June 2014 as set out below falls under the responsibility of the board of Rockcastle. For more information, investors may refer to the below SENS announcement released to the market on 14 August 2014 relating to the summarised audited financial statements.

### "ROCKCASTLE GLOBAL REAL ESTATE COMPANY LIMITED SUMMARISED AUDITED CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30 June 2014

Incorporated in the Republic of Mauritius  
Reg no: 108869 CI/GBL  
ISIN: MU0364N00003  
Primary listing: SEM  
SEM code: Rock.N0000  
Secondary listing: JSE  
JSE code: ROC

#### DIRECTORS' COMMENTARY

##### 1. STRUCTURE AND LISTING

Rockcastle Global Real Estate Company Limited ("the company") was established on 30 March 2012 in Mauritius as a Category One Global Business License Company. The company and its subsidiaries ("Rockcastle" or "the group") have the primary objective of investing globally in listed real estate securities and direct property. Rockcastle has a primary listing on the Stock Exchange of Mauritius ("SEM") and a secondary listing on the Alternative Exchange ("AltX") of the Johannesburg Stock Exchange ("JSE"). Rockcastle is in the process of migrating its listing on the AltX to the main board of the JSE and will maintain two primary listings going forward. During the year, Rockcastle successfully raised USD475.4 million by the issue of 355.5 million shares through private placings.

##### 2. DISTRIBUTABLE EARNINGS

The board has declared a dividend of 4.18 USD cents per share for the six months ended 30 June 2014. Accordingly, total dividends declared for 2014 are 8.25 USD cents per share, an increase of 4.4% over the annualised dividends for the previous financial period. This is marginally ahead of the guidance of approximately 4%.

##### 3. COMMENTARY

Following the re-rating of the global listed property markets and most listed property counters now trading at a premium to net asset value, the group's strategy is to migrate 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.

#### *Listed security portfolio*

With interest rates declining following the financial crisis, interest rate-sensitive sectors such as Real Estate Investment Trusts ("REITs") outperformed equity markets. The board is of the opinion that the moderate pace of global economic growth will underpin real estate stock valuations in 2014/2015 countering rising interest

rate trends.

As a result of weaker economic activity, new supply of real estate has been limited to specific geographies and sectors. This demand and supply imbalance should translate into stable or rising rents and thus increased capital values. In this environment, expected increases in income and therefore distributions will more than offset the impact of increasing interest rates. In our view, this trend as well as effective stock selection based on geographies, sectors and business models will support the next stage of real estate value creation. Rockcastle maintained its investments in the developed markets of the USA, UK, Canada, Europe, Singapore, Hong Kong and Australia and continued to shift its focus from higher yielding investments to those with greater growth prospects. The net asset value per share increased from USD1.15 to USD1.39 for the 12 month period ended 30 June 2014. Rockcastle's relative overweight positions in Europe and the UK and successful stock selection contributed to this performance. Rockcastle attributes its successful stock selection to active interaction with management of the counters it invests in and site inspections and evaluations of the underlying physical assets. In excess of one hundred properties were visited in Western and Central Europe, the UK, Canada, the USA and Hong Kong. Management has observed that the distribution growth forecasts provided by counters in the portfolio are well ahead of growth achieved in the past. This promising trend together with a further shift in bias towards higher growth stocks bodes well for Rockcastle's growth in dividends for the 2015 financial year.

*Geographical profile by market value*

USA	40,1%
Canada	13,3%
Europe	12,3%
UK	9,1%
Singapore	12,3%
Hong Kong	5,0%
Australia	7,9%

*Sectoral profile by market value*

Office	2,9%
Retail	55,3%
Industrial	5,4%
Healthcare	8,5%
Hotel	5,8%
Residential	6,4%
Mortgage	3,3%
Other/Diversified	12,4%

The following table indicates the group's top 10 investment holdings by market value as at 30 June 2014:

<b>Company</b>	<b>Sector</b>	<b>Jurisdiction</b>	<b>Market value as at Jun 2014 (USD Million)</b>
Simon Property	Retail	USA	146.3
Unibail Rodamco	Retail	Europe	132.0
CapitaMall Trust	Retail	Singapore	107.5
Avalonbay Communities	Residential	USA	99.5
Ascendas REIT	Industrial	Singapore	84.7
The Link REIT	Retail	Hong Kong	78.0
Ventas Inc	Healthcare	USA	76.9
British Land	Other/Diversified	United Kingdom	71.9
Hammerson	Retail	United Kingdom	71.2
Hospitality Properties	Hotel	USA	66.9

### ***Direct property***

The 12,500m<sup>2</sup> GLA Kafubu Mall in Ndola, Zambia opened on 24 April 2014. The mall is anchored by Shoprite and includes Foschini, Mr Price, Truworths and a number of other South African retailers. The mall is the dominant shopping and leisure offering in the town and tenants report good trading conditions. Kafubu Mall was developed at a yield of 9.5%.

The development of the 29,000m<sup>2</sup> GLA Mukuba Mall in Kitwe, Zambia is proceeding well and beneficial occupation of tenants is scheduled to take place 3 months earlier than anticipated. As a result, the mall will open ahead of the initial projected opening date of April 2015 at a yield of 9.5%. Rockcastle has agreed to acquire a 50% interest in the 26,000m<sup>2</sup> GLA Cosmopolitan Mall in Lusaka, Zambia at a yield of 9.5%. The mall will be anchored by Game and Shoprite, and include Edcon, Foschini, Pepkor, Toys“R”Us and Innscor as tenants. The site for the mall is situated to the south of Lusaka on Kafue Road, the primary transport route between Zambia, South Africa, Botswana and Zimbabwe.

Rockcastle has agreed to acquire an office building in Kingston-Upon-Thames in the United Kingdom to house its European office. The building has a GLA of 540m<sup>2</sup>, is currently fully tenanted and Rockcastle will occupy an 85m<sup>2</sup> section which will be available in early 2015. It is not Rockcastle's intention to invest in additional properties in the United Kingdom.

Consistent with its strategy of migrating from indirect to direct property investments, Rockcastle is in negotiations to acquire a number of retail properties in Poland. Terms have been agreed pertaining to the acquisition of a 30,000m<sup>2</sup> GLA mall which dominates its catchment area and is tenanted predominantly by national and international retailers. The acquisition is subject inter alia to a due diligence which will be completed by mid-October 2014. The property is being acquired at a purchase price of approximately EUR53 million and a yield of 8%. The acquisition will be yield accretive.

## **4. CAPITAL STRUCTURE AND HEDGING**

In addition to its direct holdings in shares, Rockcastle utilises equity derivatives in its portfolio. Rockcastle also utilises interest rate swaps and bond shorts to hedge its interest rate and capital risks. The principal counter parties are Morgan Stanley and BoA Merrill Lynch. The group has not hedged its currency positions but continues to fund the purchase of counters in the currency in which that stock is denominated. Rockcastle's loan to value ratio was 38.3% as at 30 June 2014.

### ***Hedging***

	<b>Equivalent amount USD'000</b>	<b>Average swap rate</b>
<b>Interest rate swaps expiry (financial year)</b>		
Jun 2021	34 130	2.08%
Jun 2022	-	-
Jun 2023	-	-
Jun 2024	120 956	2.69%
Jun 2025	40 478	2.35%
	195 564	2.20%
	<b>Equivalent amount USD'000</b>	<b>Average rate</b>
<b>Bond short maturity profile (financial year)</b>		
Jun 2018	11 841	0.51%
Jun 2019	-	-
Jun 2020	-	-
Jun 2021	-	-
Jun 2022	9 900	1.94%
Jun 2023	287 674	2.23%
Jun 2024	30 642	2.60%
	340 057	2.20%

## 5. SUMMARY OF FINANCIAL PERFORMANCE

	<b>Jun 2014</b>	<b>Dec 2013</b>	<b>Jun 2013</b>	<b>Dec 2012</b>
Dividend /distribution per share	4.18USD cents	4.07USD cents	4.00USD cents	4.56USD cents*
Shares in issue	705 500 000	530 000 000	350 000 000	140 000 000
Net asset value per share	USD 1.39	USD 1.16	USD 1.15	USD 1.09
Loan to value ratio**	38.3%	42.3%	42.4%	35.9%

\* For the 7 month period to Dec 2012.

\*\* The loan to value ratio is calculated by dividing net interest-bearing borrowings by total assets.

## 6. OUTLOOK

Based on projections provided by the management of the counters in which Rockcastle invests and Rockcastle's projections for its direct property investments, the board forecasts growth in dividends of approximately 5% for the 2015 financial year.

The foregoing forecast statement and the forecasts underlying such statement are the responsibility of the board and have not been reviewed or reported on by the group's external auditors.

By order of the Board  
Intercontinental Trust Limited  
Company Secretary  
Mauritius - 12 August 2014

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<b>Audited Jun 2014 USD'000</b>	<b>Audited Jun 2013 USD'000</b>
<b>Non-current assets</b>	<b>1 587 451</b>	<b>693 644</b>
Listed security investments	1 565 259	689 257
Rockcastle management incentive loans	17 000	4 387
Investment in associate company	5 192	-
<b>Current assets</b>	<b>19 125</b>	<b>3 322</b>
Investment income receivable	6 934	3 127
Cash and cash equivalents	486	195
Trade and other receivables	3	-
Loans to development partners	11 702	-
<b>Total assets</b>	<b><u>1 606 576</u></b>	<b><u>696 966</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity attributable to equity holders</b>	<b>983 184</b>	<b>401 361</b>
Stated capital	871 154	409 771
Retained income/(loss)	131 714	(8 410)

Non-distributable reserves	(19 684)	-
<b>Total liabilities</b>	623 392	295 605
<b>Non-current liabilities</b>	340 057	66 970
Interest-bearing borrowings	340 057	66 970
<b>Current liabilities</b>	283 335	228 635
Trade and other payables	6 832	52
Interest-bearing borrowings	275 896	228 385
Income tax payable	607	198
<b>Total equity and liabilities</b>	<u>1 606 576</u>	<u>696 966</u>

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Audited for the year ended Jun 2014 USD'000</b>	<b>Audited for the 15 months ended Jun 2013 USD'000</b>
Dividends received from listed security investments	54 088	17 736
Income from associate	35	-
Fair value gain/(loss) on listed security investments	105 081	(11 056)
Foreign exchange gain/(loss)	6 915	(8 103)
Operating expenses	(1 327)	(553)
Listing expenses	-	(525)
<b>Profit/(loss) before net finance income</b>	164 792	(2 501)
<b>Net finance (costs)/income</b>	(22 174)	673
Finance income	753	2 638
Interest on Rockcastle management incentive loans	441	22
Unrealised fair value gain on bond shorts	-	2 616
Interest on development partner loan	312	-
Finance costs	(22 927)	(1 965)
Interest on borrowings	(9 667)	(1 965)
Unrealised fair value loss on interest rate derivatives	(4 667)	-
Unrealised fair value loss on bond shorts	(8 593)	-
<b>Profit/(loss) before income tax expense</b>	142 618	(1 828)
Income tax expense	(607)	(198)
<b>Profit/(loss) for the year/period attributable to equity holders</b>	142 011	(2 026)
<b>Total comprehensive income/(loss) for the year/period</b>	142 011	(2 026)
Weighted average number of shares in issue	478 682 693	113 956 558
Basic earnings/(loss) per share from continuing operations (USD cents)*	29,67	(1,78)
Headline earnings/(loss) per share from continuing operations (USD cents)*	29,67	(1,78)

\*Rockcastle has no dilutionary instruments in issue  
There are no reconciling items between basic earnings/(loss) and headline earnings/(loss)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<b>Audited</b>	<b>Stated capital USD'000</b>	<b>Retained income /(loss) USD'000</b>	<b>Non-distri- butable reserves USD'000</b>	<b>Total USD'000</b>
<b>Balance at 30 March 2012</b>	-	-	-	-
Transactions with equity holders	409 771	(6 384)	-	403 387
- Issue of shares	409 771			409 771
- Dividend declared (interim)		(6 384)		(6 384)
Total comprehensive loss for the period		(2 026)		(2 026)
<b>Balance at 30 June 2013</b>	409 771	(8 410)	-	401 361
Transactions with equity holders	461 383	(21 571)	-	439 812
- Issue of 90 million shares on 15 October 2013	118 232			118 232
- Issue of 90 million shares on 10 December 2013	116 975			116 975
- Issue of 175.5 million shares on 30 May 2014	240 176			240 176
- Reclassification of stated capital	(14 000)	14 000		-
- Distribution declared		(14 000)		(14 000)
- Dividends declared		(21 571)		(21 571)
Total comprehensive income for the year	-	142 011	-	142 011
Total profit for the year		142 011		142 011
Total other comprehensive income for the year		-		-
Transfer to non-distributable reserves		19 684	(19 684)	-
<b>Balance at 30 June 2014</b>	871 154	131 714	(19 684)	983 184

## SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	<b>Audited for the year ended Jun 2014 USD'000</b>	<b>Audited for the 15 months ended Jun 2013 USD'000</b>
Cash inflow from operating activities	41 952	11 641
Cash outflow from investing activities	(793 478)	(712 804)
Cash inflow from financing activities	751 817	701 358
<b>Increase in cash and cash equivalents</b>	<b>291</b>	<b>195</b>
Cash and cash equivalents at beginning of year/period	195	-
<b>Cash and cash equivalents at end of year/period</b>	<b>486</b>	<b>195</b>
Current accounts	486	195

**RECONCILIATION OF PROFIT/(LOSS) FOR THE YEAR/PERIOD TO HEADLINE EARNINGS AND DISTRIBUTABLE EARNINGS**

	<b>Unaudited for the year ended Jun 2014 USD'000</b>	<b>Unaudited for the 15 months ended Jun 2013 USD'000</b>
<b>Profit/(loss) for the year/period attributable to equity holders</b>	142 011	(2 026)
<b>Basic profit/(loss) for the year/period and headline earnings/(loss) for the year/period</b>	142 011	(2 026)
Foreign exchange (gain)/loss	(6 915)	8 103
Unrealised fair value loss/(gain) on bond shorts	8 593	(2 616)
Fair value (gain)/loss on listed security investments	(105 081)	11 056
Unrealised fair value loss on interest rate derivatives	4 667	-
Dividends received from listed security investments	(54 088)	(17 736)
Accrued income from listed securities investments	50 399	15 452
Adjustment to taxation for accrued income	56	95
Shares issued cum dividend	11 419	8 996
Listing expenses	-	525
Distributable earnings for the year/period	51 061	21 849
Less:	(51 061)	(20 384)
Interim dividend declared	(21 571)	(6 384)
Final dividend/distribution declared	(29 490)	(14 000)
Earnings not distributed	-	1 465
Number of shares entitled to dividend	705 500 000	350 000 000
Distributable earnings per share (USD cents)	8,25	8,98
Less (USD cents per share):	(8,25)	(8,56)
Interim dividend per share (USD cents) - declared	(4,07)	(4,56)
Final dividend per share (USD cents) - declared	(4,18)	(4,00)
<b>Distributable earnings per share not distributed (USD cents)</b>	-	0,42

**NOTES**

**1. PREPARATION, ACCOUNTING POLICIES AND AUDIT OPINION**

The summarised audited consolidated financial statements for the year ended 30 June 2014 have been prepared in accordance with the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the requirements of IAS 34: Interim Financial Reporting, the JSE Listings Requirements, the SEM Listing Rules and the requirements of the Mauritian Companies Act 2001.

The group is required to publish financial results for the year ended 30 June 2014 in terms of the Listing Rule 12.14 of the SEM. This report was compiled under the supervision of Nick Matulovich CA(SA), the chief financial officer.

This communiqué is issued pursuant to SEM Listing Rule 12.14 and section 88 of the Mauritian Securities Act 2005. The board accepts full responsibility for the accuracy of the information contained in these summarised audited consolidated financial statements. The directors are not aware of any matters or circumstances arising subsequent to the year ended 30 June 2014 that require any additional disclosure or adjustment to the financial statements. These summarised audited consolidated financial statements were approved by the board on 12 August 2014.

BDO & Co have issued their unmodified audit opinion on the group's financial statements for the year ended



30 June 2014. These summarised audited consolidated financial statements have been derived from the group financial statements and are, in all material respects, consistent with the group financial statements. A copy of their audit report is available for inspection at Rockcastle's registered address.

Copies of the summarised audited consolidated financial statements and the statement of direct and indirect interests of each officer of the company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request at Rockcastle's registered address.

Contact person: Mr Kesaven Moothoosamy

## 2. SEGMENTAL ANALYSIS

	<b>Audited Jun 2014 USD'000</b>	<b>Audited Jun 2013 USD'000</b>
<b>Total assets</b>		
Australia	125 174	52 824
Canada	209 459	90 125
Europe	193 275	135 869
United Kingdom	143 045	58 107
Hong Kong	79 592	33 866
Singapore	192 218	72 900
United States of America	629 916	248 888
Zambia	5 192	-
Corporate	28 705	4 387
<b>Total</b>	<b>1 606 576</b>	<b>696 966</b>

	<b>Audited for the year ended Jun 2014 USD'000</b>	<b>Audited for the 15 months ended Jun 2013 USD'000</b>
<b>Profit/(loss) before income tax expense</b>		
Australia	8 845	3 992
Canada	11 588	(3 609)
Europe	30 319	2 215
United Kingdom	21 544	1 217
Hong Kong	9 031	328
Singapore	6 371	(856)
United States of America	48 544	4 044
Zambia	35	-
Corporate	6 341	(9 159)
<b>Total</b>	<b>142 618</b>	<b>(1 828)</b>

## 3. PAYMENT OF FINAL DIVIDEND

The board has approved and notice is hereby given that a final cash dividend of 4,18 USD cents per share, being number 4 for Rockcastle, has been declared in respect of the six months ended 30 June 2014. The salient dates for the dividend are set out below:

Finalisation date (last day to announce exchange rate):	Friday, 22 August 2014
Last day to trade cum dividend (JSE):	Friday, 29 August 2014
Securities trade ex dividend (JSE):	Monday, 1 September 2014
Last day to trade cum dividend (SEM):	Tuesday, 2 September 2014
Securities trade ex dividend (SEM):	Wednesday, 3 September 2014
Record date (JSE and SEM):	Friday, 5 September 2014
Payment date:	Monday, 8 September 2014

No dematerialisation or rematerialisation of share certificates, nor transfer of shares between sub-registers in Mauritius and South Africa will take place between Monday, 1 September 2014 and Friday, 5 September 2014. Shareholders on the South African sub-register will receive dividends in South African Rand, based on the exchange rate to be obtained by the group on or before Friday, 22 August 2014. A further announcement in this regard will be made on or before Friday, 22 August 2014.

**Directors**

Mark Olivier (chairman); Spiro Noussis\*; Nick Matulovich\*; Andries de Lange; Rory Kirk; Andre van der Veer; Yan Ng; Paul Pretorius\* (*\*executive director*)

**Changes to the board of directors**

Stephen Delpont\*, Craig Hallowes\* and Alexandru Morar resigned from the board with effect from 14 May 2014. Andre van der Veer, Nick Matulovich\* and Spiro Noussis\* were appointed to the board with effect from 14 May 2014 (*\*executive director*)

**Company secretary**

Intercontinental Trust Limited

**Registered address**

Level 3, Alexander House, 35 Cybercity, Ebene, 72201, Mauritius

**Transfer secretary in South Africa**

Link Market Services South Africa Proprietary Limited

**JSE sponsor**

Java Capital

**SEM sponsor**

Capital Markets Brokers Limited

www.rockcastleglobalre.mu ”

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## EXTRACTS FROM THE INTEGRATED REPORT 2014 - CORPORATE GOVERNANCE STATEMENT

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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. 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 entity and has one subsidiary, namely Ndola Kafubu Investments Limited and an associate, namely Kafubu Mall Limited.

### 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. Five board meetings were called during the current year.

In 2014, 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 2014.

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 three 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:

- whether the director is a representative of a shareholder who has the ability to control or significantly influence management or the board;
- 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;
- 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;
- 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;
- 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;
- whether the director is a professional adviser to the company other than in the capacity as a director;
- 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
- 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 2014.

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 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.

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 2014 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 2014 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 forms 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 2014. The committee met five times during 2014.

#### **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 2014. The committee met twice during 2014.

#### **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 2014. The committee met three times during 2014.

#### **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 Nouis, Yan Ng and Rory Kirk.

The risk committee's responsibilities and duties are governed by a charter that was reviewed by the board in 2014. The committee met once during 2014.

#### **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.

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 2014. The committee met once during 2014.

#### **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.

#### **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 require 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.

## **SPECIAL RESOLUTIONS PASSED**

No special resolutions were passed during the current financial year.

## **COMMUNICATIONS WITH STAKEHOLDERS**

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

<b>Stakeholder</b>	<b>Communication</b>
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 Johannesburg and Cape Town.
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 property.



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.

## **SUSTAINABILITY**

Rockcastle considers the sustainability policies of its underlying investments including those dealing with social, ethical, safety, health and environmental issues. Rockcastle will develop detailed sustainability policies dealing with these issues when it holds direct property investments.

## **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 made no charitable or political donations during the period.

Related party transactions are set out in note 25 to the financial statements.

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 property."

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## **EXTRACTS FROM THE CONSTITUTION OF THE COMPANY**

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### **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 foregoing, 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 Transmittree, the company may only recognise the Transmittree as having any title to that share.

10.3.3.2 A Transmittree 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 Transmittrees 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 fill 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 fill 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 fill 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 fill 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.”

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## COMPANY STRATEGY, PROCESS AND OPERATIONS

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### OVERVIEW

18.35

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. These investments will be held directly, or via subsidiaries incorporated in various jurisdictions for the purposes of maximising the tax efficiencies of Rockcastle's investments, a critical consideration when investing globally in REITs.

Rockcastle employs aggressive and proactive asset management to acquire global real estate securities and to source, own, develop and build, operate and manage commercial property and where appropriate may provide transactional, financial and management level activities to the investments, whether in global listed securities or in direct properties, including formulating business strategy and execution, procurement, finance, marketing and related business level and project level management services.

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.



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**SCHEDULE OF INVESTMENTS**


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Listed security investment	Primary sector	Market value as at 30 June 2014	
		USD'000	18.36
<b>United States of America</b>			
Simon Property Group Incorporated	Retail	146 327	
Avalonbay Communities Incorporated	Residential	99 533	
Digital Realty Data Center Solutions	Other/Diversified	58 320	
Senior Housing Properties Trust	Healthcare	55 867	
Hospitality Properties Trust	Hotel	66 879	
MFA Financial Incorporated	Mortgage	50 902	
Kimco Realty Corporation	Retail	48 257	
Host Hotels & Resorts Incorporated	Hotel	24 211	
Ventas Incorporated	Healthcare	76 920	
		<b>627 216</b>	
<b>Europe</b>			
Unibail-Rodamco (Netherlands)	Retail	131 967	
Corio (Netherlands)	Retail	38 190	
Klepierre (France)	Retail	23 115	
		<b>193 272</b>	
<b>Canada</b>			
RioCan Real Estate Investment Trust	Retail	66 604	
First Capital Realty Incorporated	Retail	40 169	
H & R Real Estate Investment Trust	Other/Diversified	56 484	
Dundee Real Estate Investment Trust	Office	45 332	
		<b>208 589</b>	
<b>Singapore</b>			
CapitaMall Trust	Retail	107 517	
Ascendas Real Estate Investment Trust	Industrial	84 701	
		<b>192 218</b>	
<b>United Kingdom</b>			
Hammerson plc	Retail	71 189	
British Land Company plc	Other/Diversified	71 856	
		<b>143 045</b>	
<b>Australia</b>			
Westfield Group	Retail	48 257	

CFS Retail Property Trust	Retail	39 669
Growthpoint Properties Australia Limited	Other/Diversified	8 075
Scentre Group	Retail	26 910
		<hr/>
		<b>122 911</b>
		<hr/>
<b>Hong Kong</b>		
The Link Real Estate Investment Trust	Retail	78 008
		<hr/>
		<b>78 008</b>
		<hr/>
<b>Total listed securities investment balance</b>		<hr/>
		<b>1 565 259</b>
		<hr/>

