

HIGHLIGHTS
Nav per share
E1.66
Nav per share up
↑ 30.5%
Investments valued at
E128.4 m
Dividend per share
4 cents

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
STATEMENT OF COMPREHENSIVE INCOME		
Interest income	2,939,702	3,212,213
Dividends received	7,488,254	9,836,000
Share based payment reversal	2,372,562	-
Operating expenses	(9,463,383)	(3,855,901)
OPERATING PROFIT	3,337,135	9,192,312
Unrealised gain on revaluation of investments	45,139,000	3,787,493
PROFIT BEFORE TAXATION	48,476,135	12,979,805
Taxation	1,794,012	(114,113)
PROFIT FOR THE PERIOD	50,270,147	12,865,692
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME	50,270,147	12,865,692

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
STATEMENT OF FINANCIAL POSITION		
ASSETS		
NON-CURRENT ASSETS		
Fair value through profit or loss:		
Investments	107,923,000	62,784,000
Deferred tax asset	1,794,012	-
	109,717,012	62,784,000
CURRENT ASSETS		
Tax asset	190,753	190,753
Loans and receivables	20,496,438	15,718,000
Cash and cash equivalents	63,350,865	64,123,921
	84,038,056	80,032,674
TOTAL ASSETS	193,755,068	142,816,674
EQUITY AND LIABILITIES		
EQUITY		
Share capital	119,416,685	119,416,685
Share based payment reserve	-	2,372,561
Retained earnings	66,282,610	20,492,095
TOTAL EQUITY	185,699,295	142,281,341
LIABILITIES		
Other payables	8,055,773	535,333
TOTAL LIABILITIES	8,055,773	535,333
TOTAL EQUITY AND LIABILITIES	193,755,068	142,816,674

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
STATEMENT OF CHANGES IN EQUITY		
SHARE CAPITAL		
Balance at the beginning of the period	1,119,908	850,000
Issue of shares	-	269,908
SHARE PREMIUM	118,296,777	118,296,777
Balance at the beginning of the period	118,296,777	82,515,897
Issue of shares	-	37,517,198
Issue costs	-	(1,736,318)
SHARE BASED PAYMENT RESERVE	2,372,561	1,341,560
Balance at the beginning of the period	2,372,561	1,341,560
Movement in share based payments	(2,372,561)	1,031,001
RETAINED INCOME	66,282,610	20,492,095
Balance at the beginning of the period	20,492,095	7,626,403
Dividends paid	(4,479,632)	-
Profit for the period	50,270,147	12,865,692
TOTAL EQUITY	185,699,295	142,281,341

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
STATEMENT OF CASH FLOWS		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	7,296,301	10,045,996
Purchase of investments	(20,000,000)	(25,000,000)
Proceeds on disposal of investment	16,410,275	11,604,426
NET CASH (USED IN)/GENERATED BY OPERATING ACTIVITIES	3,706,576	(3,349,577)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds on share issue	-	36,050,788
Dividends paid	(4,479,632)	-
Share buy back	-	-
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	(4,479,632)	36,050,788
TOTAL CASH MOVEMENT FOR THE PERIOD	(773,056)	32,701,211
Cash at the beginning of the period	64,123,921	31,422,710
TOTAL CASH AT END OF THE PERIOD	63,350,865	64,123,921

NOTES
1. STATEMENT OF COMPLIANCE

The financial results have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act of Swaziland. The basis for the preparation of the financial results is consistent with that applied in the preparation of the annual financial statements for the year ended 31 March 2014.

They have been audited by the auditors of the company.

2. HEADLINE EARNINGS
2.1 EARNINGS PER SHARE

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Earnings per share	0.45	0.15

2.2. NUMBER OF ORDINARY SHARES OF E0.01 EACH IN ISSUE

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Actual	111,990,797	111,990,797
Weighted average	111,990,797	91,747,705

3. INVESTMENTS

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Listed	22,985,000	22,985,000
Unlisted	84,938,000	39,799,000
	107,923,000	62,784,000

4. LOANS AND RECEIVABLES

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Loans	20,496,438	15,718,000
Other receivables	-	-

5. RELATED PARTY TRANSACTIONS

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Management and performance fees	8,789,036	2,370,982

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Interest income	1,714,456	1,859,605

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Arranger fees	-	855,000

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Placement fees	-	430,333

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Sponsoring broker fees	-	450,000

All related party transactions are made at terms equivalent to those prevailing in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any impairment of receivables relating to amounts owed by or investments in related parties during the period.

6. CASH GENERATED FROM OPERATIONS

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Profit before tax	48,476,135	12,979,805

Adjustments for:

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Unrealised gains on revaluation of investments	(45,139,000)	(3,787,493)

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Interest accrued	(1,188,716)	(732,030)

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Share based payments	(2,372,562)	1,031,001

Changes in working capital:

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Increase/(decrease) in other payables	7,520,442	535,333

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
Decrease/(increase) in other receivables	-	19,380

Figures in Emalangeni	Audited 6 months ended 30 September 2015	Audited 12 months ended 31 March 2015
	7,296,301	10,045,996

COMMENTARY
INTRODUCTION

The Board of Directors is pleased to report to shareholders on Greystone Partners Limited's ("Greystone" or the "Company") 30 September 2015 period end results. Greystone is an investment holding company, which looks to invest in businesses with underlying themes of strategic market positions and strong cash flows. Greystone has its roots in Swaziland, bringing a solid capital base and an investment and operational focus on growth, return on equity, capital allocation and sustainability.

Greystone aims to become a long term partner of choice for Swazi business owners looking to expand or exit. Greystone aims to develop and grow its underlying investments organically and with bolt on value enhancing acquisitions. Through its relationship with African Alliance Swaziland Limited ("African Alliance" or the "Manager"), the Company believes it holds all the credentials for sourcing investment opportunities and extracting value through proven entrepreneurial ability, together with alignment of underlying management.

Key highlights for the period ending 30 September 2015 have been:

- Greystone's reported Net Asset Value ("NAV") per share at 30 September 2015 is E1.66, which represents growth of 30.5% on the 30 March 2015 NAV per share of E1.27.
- A two year compound annual growth rate for reported NAV to 30 September 2015 of 23.6% per annum.

- A dividend of E0.04 paid to shareholders in August 2015.

- The investment portfolio has increased in value at the reporting date to E128.4 million, up from E78.5 million at 31 March 2015.

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

Reporting Date	Net Asset Value Per share	Period	% increase
30 September 2015	1.66	6 months	30.5%
31 March 2015	1.27	12 months	17.0%
31 March 2014	1.09	12 months	-0.9%

FINANCIAL REVIEW

During the period Greystone enhanced its net asset value, by 30.5% (2015: 17.0%). Total assets increased to E193.7 million from E142.8 million mainly as a result of the net increase in investments of E45.1 million and an increase in loans and receivables of E4.7 million.

Operating profit of E3.3 million (2015: 9.4 million) was down compared to the prior year. This was largely due to the income for the six month period from investments being E10.4 million compared to E13.0 million in the prior period. Investment income comprises of dividend income of E7.4 million (2015: 9.8 million) and interest income of E3.2 million (2015: 2.9 million). Dividend income comprises of dividend received from the Swaziland Royal Insurance Corporation ("SRIC") of E7.4 million and Orchard Insurance Limited of E13,254. During the reporting period, the share based payment of E2.3 million was reversed due to the change in the Manager's performance mechanism and the Manager no longer being entitled to receive ordinary equity in Greystone.

Operating expenses amounted to E9.4 million (2015: E3.8 million) and comprise of day-to-day operational expenses incurred to run Greystone, the Managers management fee and performance fee as well as deal specific and other non-recurring costs incurred.

INVESTMENT REVIEW

During the period in an effort to improve corporate governance, KPMG was engaged to perform the independent valuation of Greystone's unlisted investments. KPMG applied the market multiple methodologies in valuing SRIC's and Orchard Insurance Limited ("Orchard"). For SRIC's short term insurance business and Orchard, the price earnings multiple was the primary methodology. The methodology in undertaking the valuation of the long term insurance business of SRIC has been the market multiple methodologies using the embedded value. The respective applied multiples and the discounts to the observed peers is as follows:

Investment	Multiple Applied	Observed Peer Multiple	Discount to Peer multiple
SRIC - Short Term	8.7	12.4	-30.0%
SRIC - Long Term	0.8	1.2	-30.0%
Orchard	6.2	12.4	-50.0%

The investment portfolio ("Investment") comprise of Swaziland Royal Insurance Company E84.4 million (2015: E39.5 million), SBC Limited E22.9 million (2015: E22.9 million), Orchard Insurance Limited, E0.5 million (2014: E0.3 million), Swazispa Holdings ("Swazispa") E0.02 million (2014: E0.02 million) and two investments in Select Limited Promissory notes totalling E20.5 million. Movements in the investment portfolio in the reporting period consisted of a realisation of the Select Limited's medium term note ("Select MTN") for E16.4 million and an investment of E20.0 million in two Promissory notes with Select Limited ("Select PN"). The two Promissory notes are yielding 11.0% and 10.0% respectively.

The underlying Investment portfolio continues to perform well and is currently valued at E128.4 million (2014: E78.5 million), an increase of 63.6% from the prior year. The investment in SRIC remains the best performing from a returns perspective with an internal rate of return of 72.7% to date. The table below summarise the internal rate of returns for each of the investment in the reporting period.

Investment	Share- holding	Internal Rate of Return	Times Money Multiple	Holding Period	Realised / Unrealised
SRIC	6.5%	72.7%	4.3x	3.1 years	Unrealised
SBC Limited	6.1%	7.0%	1.3x	3.9 years	Unrealised
Orchard	10.0%	26.4%	2.7x	4.3 years	Unrealised
Swazispa	0.1%	-7.8%	0.7x	4.4 years	Unrealised
Select MTN	-	9.4%	1.1x	1.0 years	Realised
Select PN 1	-	11.4%	1.0x	0.4 years	Unrealised
Select PN 2	-	10.5%	1.0x	0.0 years	Unrealised

OUTLOOK

The 2015 calendar year has been a productive, return focused period for Greystone both in terms of acquisitions, capital management and growth of the underlying investments. During the year, the Manager has executed all legal agreements for a new investment of E39 million in the agri sector. The necessary regulatory approvals are being sought before executing on the transaction.

With its strong balance sheet, Greystone is well placed for new deals to complement its well positioned existing portfolio. The Manager is currently assessing transactions with a value in excess of E100 million.

FINANCIAL STATEMENTS

The financial statements for the 6 months ended 30 September 2015 have been audited by PriceWaterhouseCoopers.

ANNUAL GENERAL MEETING

The annual general meeting of the shareholders of Greystone Partners Limited will be held on or before 31 March 2016. Adequate notice will be given to all shareholders prior to the meeting.

CORPORATE GOVERNANCE

The directors and management of Greystone Partners Limited confirm their commitment to the principles of openness, integrity and accountability as advocated by sound principles of Corporate Governance contained in the King Reports.

By order of the Board

Greystone Partners Limited,

(Incorporated in Swaziland Reg. No. 74 of 2009)

Directors: AT Dlamini (Chairman), AMB de Castro, ML Dlamini,
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MANAGER

AUDITORS AND TRANSFER SECRETARIES


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STOCKBROKERS


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