



Maris

INVESTING IN GROWTH IN AFRICA



EQUATOR ENERGY, KENYA

Annual Report 2018

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		DATE APPOINTED
DIRECTORS	Charles George Barrington Tryon	07 August 2014
	Marc Jan Albert Beuls	08 September 2014
	David John Morrison	24 September 2014
	Nicholas Eustace Haddon Ferguson	25 September 2014
	Iwan Sebastiaan Meister	04 November 2014
	Raju K Shaulis	01 December 2014
	Henry Awele Obi	04 December 2015
	Harris Harjan	28 April 2017
	Harry Sutherland	28 April 2017
ADMINISTRATOR AND SECRETARY	CrossInvest Global Management Services Limited Suite 011 Grand Baie Business Park Grand Baie 30510 Republic of Mauritius	
REGISTERED OFFICE	c/o CrossInvest Global Management Services Limited Suite 011 Grand Baie Business Park Grand Baie 30510 Republic of Mauritius	
AUDITORS	Grant Thornton Ebene Tower 52 Cybercity Ebene 72201 Republic of Mauritius	
BANKER (MAURITIUS)	Barclays Bank Mauritius Limited Standard Bank (Mauritius) Limited	



EQUATORIA TEAK COMPANY, SOUTH SUDAN



EQUATOR ENERGY, SOUTH SUDAN



KAREBE GOLD MINING LIMITED, KENYA



TATEPA, TANZANIA

2018 saw Maris continue to perform satisfactorily and broadly in line with the expectations to which I referred this time last year. It is a mark of the competence and experience of the Maris' management team in navigating the political and economic environment in East Africa that one can consider a year that witnessed continued turbulence in Zimbabwe, a less than helpful business environment in Tanzania and, in the last few weeks, unimaginable natural calamities in Mozambique, created by weather events on a biblical scale, as relatively uneventful at the operating level.



One of the major challenges for 2018, which continues into the current year, has been fund raising, which has absorbed excessive time and effort by members of the management team. Notwithstanding that several British ministers seem to have rediscovered Africa in the past year, many investors seem to be heading in the opposite direction following the problems of 2015 and 2016. This retreat has been exacerbated by the messy collapse of the Abraaj Group taking with it into a black hole considerable sums of cash provided by the Development Finance Institutions of the major economies. This combination of events is giving rise to a pipeline of opportunities that is probably stronger than at any point in Maris' history and it is frustrating for all concerned to be obliged to do no more than go window-shopping at present. That said, at the time of writing, and as reported in more depth in the CEO's review later in this report, we feel that we are, at last, close to a first closing and the outlook for a second closing later in the year is guardedly encouraging.

In the context of the geographical and sector spread of Maris, the company has achieved much on limited financial resources, but to provide additional fuel for some of the current holdings and to capitalise on the range of new opportunities, it is of utmost importance that the group can complete a financing in the next few months.

David Morrison

The group performed well in 2018 though we saw a somewhat muted increase in NAV during the year. Revenues were up 11.4% at USD47.6m and EBITDA by 7.2% to USD10.5m at the operating company level on the back of very strong performance from the Agriculture and Forestry division and good performance from the Mining division. Whilst our Property and Business Services divisions did not generate substantial contributions to the earnings profile of the group, they contributed well to overall NAV growth and free cash-flow.

The NAV of the group increased to USD94.1m and our NAV based share price increased marginally to USD1.04 driven by notable increases in the valuation of more recent investments Equator Energy and ALP of 51% and 93% respectively. This reinforces the point that Maris has a demonstrable track record in generating good returns from new investments that are often developed from a start-up phase in house.

The top holding company of the group generated a Net Profit of USD1.1m for YE 2018 versus USD9.8m for 2017. This difference is largely due to lower gains in valuation in 2018 compared to those seen in 2017. The free cash-flow remitted by the operating companies to the top holding company increased to USD4.1m in 2018 versus USD3.5m in 2017.

Maris' valuation is complex; we have four separate divisions and 16 companies within the group that are almost entirely unique from each other. Our Property division, for example, represents 37% of our NAV and yet contributes only 14% of the group's earnings. Equatoria Teak Company is valued at USD9.6m in its entirety despite generating USD3.6m in EBITDA in 2018. Furthermore, any new investment, particularly in an early stage venture such as our industrial logistics investment, ALP, is held at cost and often generates negative EBITDA for the first 1-2 years providing a drag on performance overall. Maris is very much the sum of its parts, and its valuation should be considered on a long-term basis with these points in mind.

A number of our investments, particularly in the Property Services division see rapid capital appreciation in the initial phases when we book the development profit; after that the valuation is largely based of the rental income or yield. These property assets must deliver strong yields to justify their place in the portfolio, or else we look to dispose of them in favour of greater returns elsewhere.

Our strongest 5 performers:

UNDERLYING ASSET / TRADING NAME	COUNTRY OF OPERATION	EFFECTIVE % SHAREHOLDING OF UNDERLYING ASSET	FAIR VALUE (USD '000s)	% INCREASE IN VALUE	COMMENTS
Karebe Gold Mining Limited	Kenya	80%	16,000	0%	Good dividend yield
Venice Mine Complex	Zimbabwe	90%	14,140	0%	Still in development phase
Africa Logistics Properties	Kenya	13%	10,585	93%	Still in development phase
Quirimbas Support Services	Mozambique	100%	8,050	0%	Should start yielding in '19
Mulitani	Mozambique	100%	7,550	0%	Good dividend yield



On the subject of valuation, we believe that the infrastructure we have in place in systems and people, our geographic footprint, our substantial experience in investing in and growing businesses in sub Saharan Africa and other developing markets, and our contact base makes for a very valuable asset in itself, which is not accounted for in our numbers. During the past year, we received two tentative approaches from third parties with substantial assets in Africa, but with poor management teams. In both cases, we did not feel the marriage would have been appropriate, but this should reassure our shareholders that there is additional value beyond the portfolio embedded in Maris' team, brand and IP.

DISPOSALS

The group saw the sale of two subsidiaries during the year. Tatepa PLC's subsidiary, Kyimbila Tea Packing Limited, trading under the name Chai Tausi, was sold to an East African Group for an enterprise value of about USD1m. Despite the business being unprofitable and with substantial liabilities, the buyer recognized the value of the Chai Tausi brand in the Tanzania market; we view this as a victory by the Tatepa board and ourselves.

Separately in February 2018 we completed the disposal of Untu Holdings Limited, the microfinance business in Zimbabwe (IRR of 19.4%). In hindsight the timing could not have been better since Maris received the consideration in hard USD just before the availability of forex in the country dried up in the course of 2018.

ACQUISITIONS

During 2018 we did not make any new acquisitions. The group did invest USD4m in follow on capital: USD2.9m went into ALP during the year and a further USD435k into Equator Energy. The remaining USD782k were smaller commitments into four other businesses.

PERFORMANCE

Performance across African markets was generally poor with the S&P Africa Frontier market index falling 15.6% in 2018 and the S&P All Africa Index ex SA falling 21.8% over the same period.

The African Venture Capital Association (AVCA) Index of Fund returns ex South Africa to Q3 2018 recorded a 4.5% return, which could be crudely annualized to 6%. Whilst a far cry from an exciting net return to investors, this appears to be improving. The general industry consensus is that the going is hard and long term returns are sub 10% on an annualized basis. It does, however, appear that there may be an uptick in performance in the wider industry.

Maris saw NAV growth of only 1.5% during the year. Whilst this may lag the industry on a short-term basis, we have seen a 20% increase in NAV over the past 3 years versus 4.5% for the industry ex South Africa (Africa Venture Capital Association, 2018).

OUTLOOK FOR SUB SAHARAN AFRICA

GDP growth in Sub Saharan Africa increased to 2.7% in 2018 up from 2.4% in 2017 (World Bank.) When one excludes the disproportionately large economies of Nigeria and South Africa, GDP growth was an encouraging 4.7% in 2018. This is forecast to increase to 5.4% in 2019 reaffirming that SSA is bouncing back after a period of slow growth.

Whilst the ability of governments to service their debt is of increasing concern, we believe this should present opportunities for the group as local currencies are put under pressure. Mozambique may well buck the trend with substantial investment from the oil and gas majors into the country. Standard Bank believes that the total investment into the development of the gas fields in Mozambique in the next decade could be in excess of USD100bn. We have awaited this investment for some time and at long last we are seeing convincing signs. Occupancy is up at MMO and Kaia Village in Pemba and there is a buzz in the country with oil and gas companies and service companies mobilizing personnel.

Zimbabwe and Angola are perhaps the counterweights to Mozambique where both countries are seeing low growth largely constrained by forex shortages. Angola is likely to see a recovery in 2019 backed by a stronger oil price, Zimbabwe's fate rests firmly in the hands of its lackluster government and its inability to generate forex and stimulate the economy.

CAPITAL RAISE

Our capital raise has been a prolonged process. Its pace has been driven by investors who have in turn faced external challenges. Abraaj Capital, the largest private equity investor in emerging markets began to unravel in 2018, as a consequence of what has been widely reported as “financial irregularities” which sent shock waves through the African private equity industry. Most substantial investors in African private equity were embroiled in the scandal which diverted resources to tackle a crime that has ultimately resulted in the arrest of two of the senior management on securities fraud charges in the US. The result has been a huge distraction for investors that has consumed resources and slowed the rate at which many investors can engage and invest in new transactions, such as Maris’ capital raise.

This said, we appear poised for a first close in June and a second close in Q4 at our target of USD50m well supported by FMO and other existing and new investors. With a strong pipeline of new investments, we are very keen to close the transaction and move forward towards the next stage in Maris’ development.

We will be holding our annual shareholders presentation at Prince Philip House, 3 Carlton Terrace in London on 6th June at 6.00pm. We look forward to seeing you there.

Charlie Tryon

\$94m NAV

+1.5% vs. 2017

+14% vs. 2016

\$10.5m EBITDA

(Operating Companies)

+8% vs. 2017

\$3.4m NET PROFIT

(Attributable to Maris Shareholders)

+40% vs. 2017

\$4.1m CASH

(From Operating Companies)

+18% vs. 2017

8

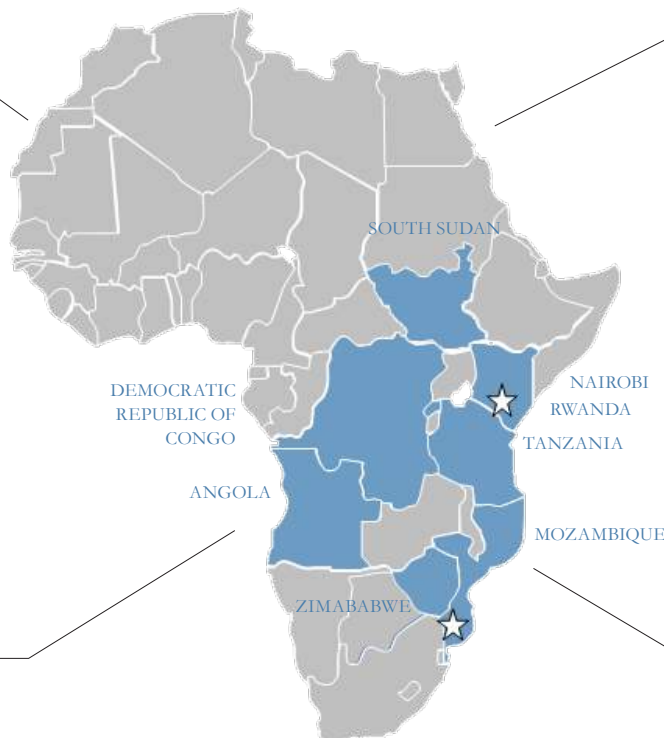
8 COUNTRIES

In East and Southern Africa

4

4 DIVISIONS

Property services
Business services
Mining
Agriculture and Forestry



☆ Maris Offices

18

18 COMPANIES

Contained within 4 key strategic divisions.

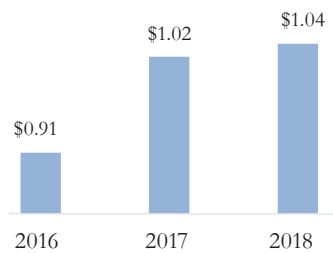
2,631

2,631 PEOPLE

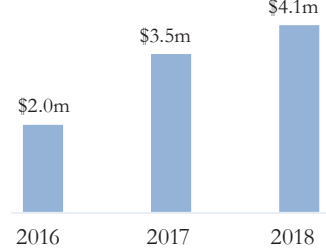
Maris companies employ 2,631 people who operate to our health and safety and ethical standards.

OVERVIEW	2016	2017	2018
NAV (USDm)	82.4	92.8	94.1
NAV/Share (USD)	0.91	1.02	1.04
Changes In NAV / Share Y-O-Y		12.1%	1.5%
Cash From Operating Companies (USDm)	2.0	3.5	4.1
Cash Generated As % Of NAV	2.4%	3.8%	4.4%
Group Costs (USDm)	2.4	2.3	2.4
Group Costs As % Of NAV	3.0%	2.5%	2.6%
Group Costs Changes Y-O-Y		-6.0%	5.6%

NAV/share 2016-2018

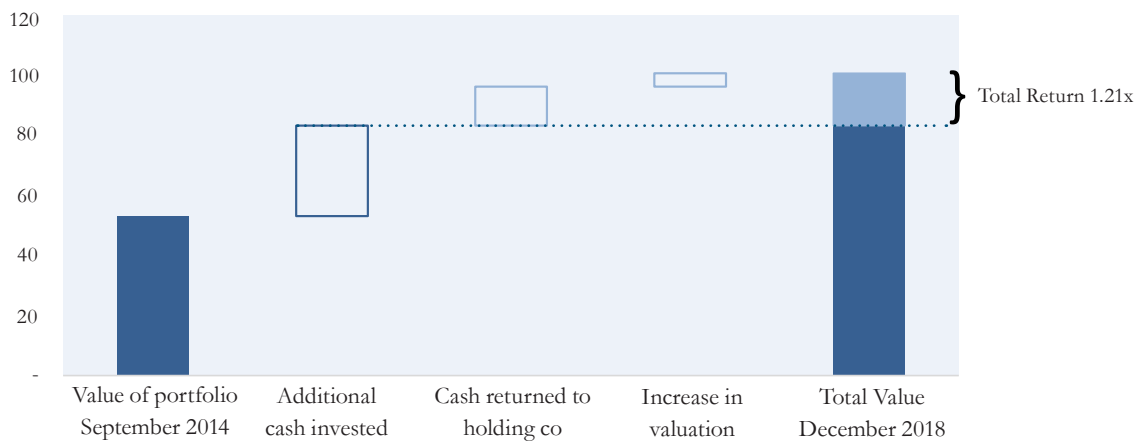


Cash Remitted to HoldCo 2016-2018



Total Investments Return to Maris Holding Company

USDm

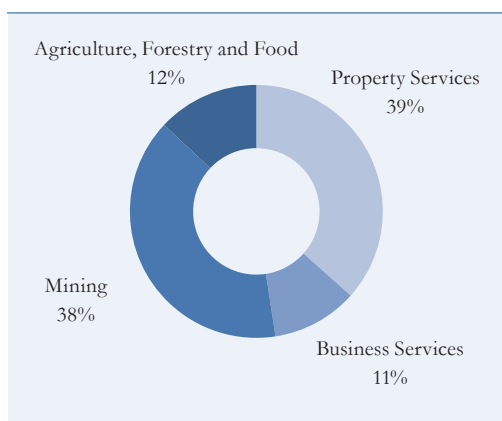


INVESTMENT PERFORMANCE (USDm)	Initial Valuation (December 2014)	Additional cash invested	Cash returned to Holding Co	Increase / Decrease in valuation	Total Value (December 2018) (excl. HoldingCo)	Total Investment Return
All divisions (excl. Group holding costs & cash)	53.0	30.1	12.9	4.5	87.8	1.21x
Property Services	16.6	14.2	3.5	2.9	34.1	1.22x
Business Services	12.0	5.8	1.7	-8.1	9.5	0.63x
Mining	14.9	8.1	4.8	10.5	33.5	1.67x
Agriculture & Forestry	9.5	2.1	3.0	-0.8	10.7	1.19x

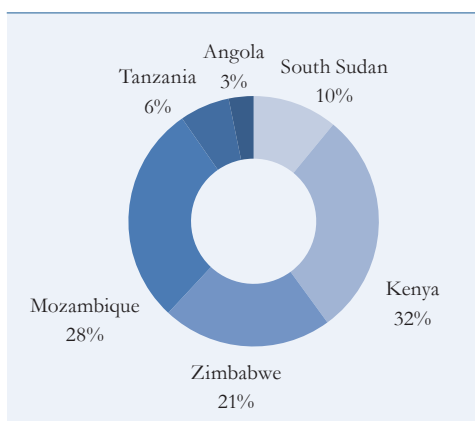
Note: the Total Shareholders Returns above are calculated before subtracting any group holding costs

VALUATION OVERVIEW (USD)	2016	2017	2018	2017-2018 change %
Value of Investment in OpCo's	74.6m	84.2m	87.8m	4.2%
Cash at Maris Ltd.	7.4m	5.0m	3.1m	
Other assets	0.8m	4.0m	6.3m	
Liabilities	-0.6m	-0.4m	-3.1m	
NAV	82.4m	92.8m	94.1m	1.5%
NAV/Share	0.910	1.021	1.035	1.5%

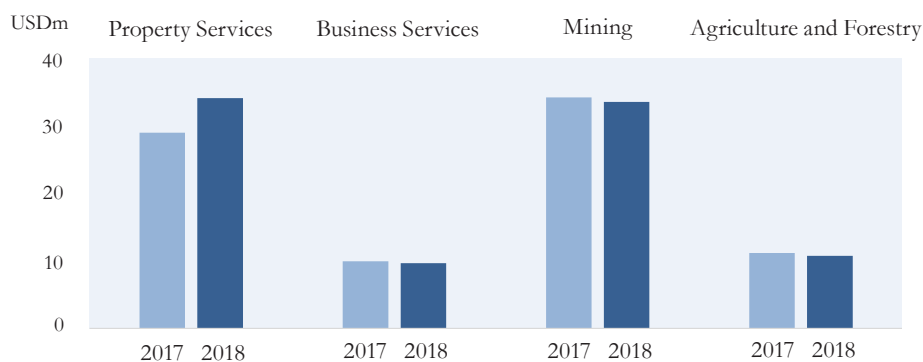
MARIS VALUATION BY DIVISION



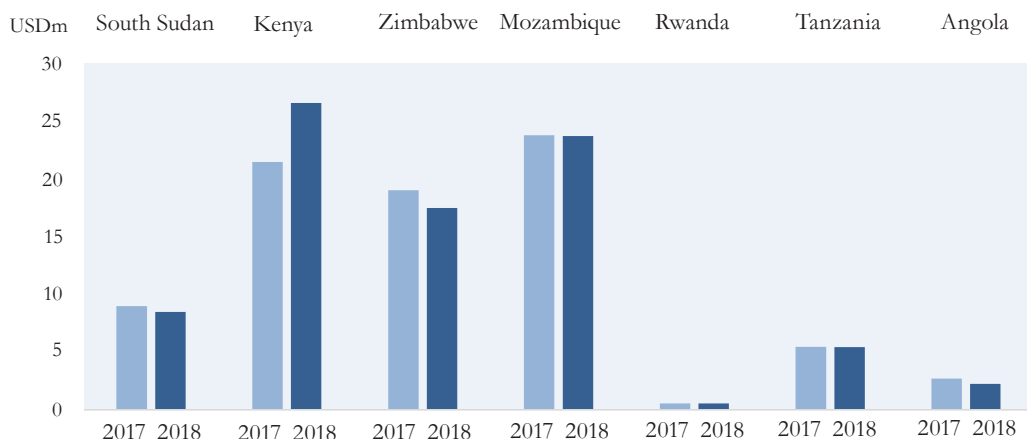
MARIS VALUATION BY COUNTRY



VALUATION BY DIVISION 2017 vs 2018



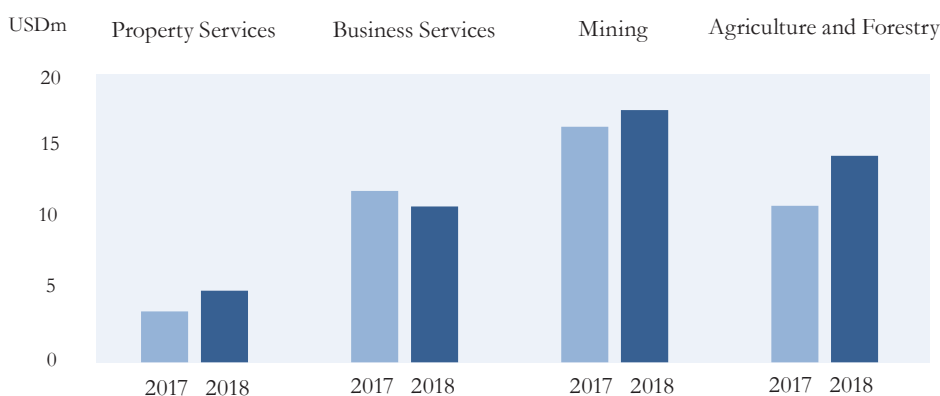
VALUATION BY COUNTRY 2017 vs 2018



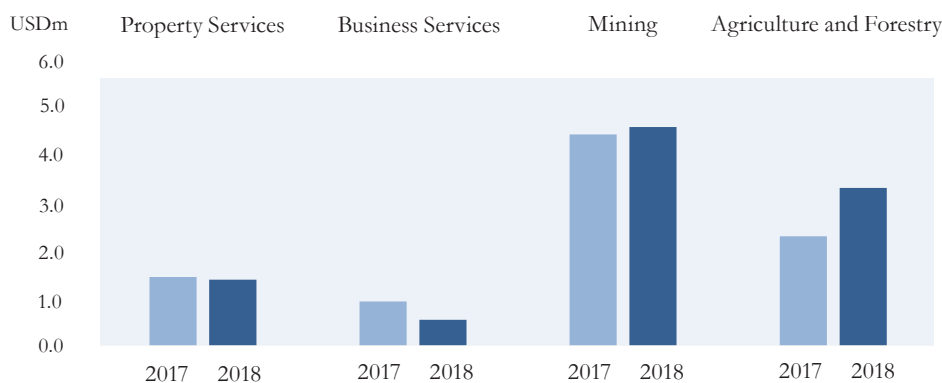
DIVISION OPERATING PERFORMANCE

DIVISION PERFORMANCE (USDm)	Property Services (2018)	Business Services (2018)	Mining (2018)	Agriculture & Forestry (2018)	Total (2018)	Total (2017)	% Change (2018/2017)
Revenues	5.1	10.8	17.4	14.3	47.6	42.8	11.4%
EBITDA	1.5	0.6	4.9	3.5	10.5	9.8	7.3%
Profit from operations	0.9	0.0	3.1	3.2	7.2	5.9	21.7%
Cash remitted to Holding Company	0.8	1.0	0.5	1.8	4.1	3.5	17.8%

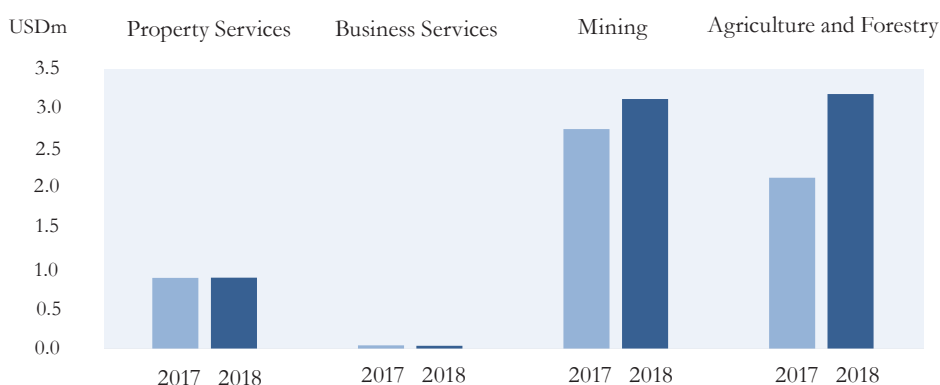
REVENUES BY DIVISION 2017 vs 2018



EBITDA BY DIVISION 2017 vs 2018



NET PROFIT BY DIVISION 2017 vs 2018





COMMONER MINE, ZIMBABWE



EQIATORIA TEAK COMPANY, SOUTH SUDAN



TATEPA, TANZANIA



MOZAMBIQUE MANAGED OFFICES, MOZAMBIQUE

OVERVIEW

CORPORATE ACCOMODATION

MULITANI (100%)

Tete, Mozambique

70 rooms

KAIA VILLAGE (QSS) (100%)

Pemba, Mozambique

50 rooms

ACACIA VILLAGE (54%)

Juba, South Sudan

39 rooms

SERVICED OFFICES

MOZAMBIQUE MANAGED

OFFICES (MMO) (75%)

Maputo, Mozambique

2000 Sqm

INDUSTRIAL WAREHOUSING

OSS MOZAMBIQUE (100%)

Tete, Nacala, Pemba

Mozambique

4,500Sqm

AFRICA LOGISTICS PROPERTIES (ALP) (13%)

Nairobi, Kenya

Completed 52,381Sqm at site 1

Planned 100,000Sqm at site 2

() indicates Maris equity stake

The division reported a good increase in revenues but only a very modest profit growth. This was due to a combination of factors: delay in the LNG projects in Mozambique, construction costs at ALP and low activity at Acacia Village in Juba. However there have been some significant improvements in the later part of 2018: following announcements from Anadarko and Exxon Mobil activity picked up in Maputo and Palma (and in Q1 2019 in Pemba too); ALP properties started generating revenues in October 2018 and Acacia Village EBITDA increased 24% in the second half of 2018 compared to the first half.

Overall the division returned USD0.8m of free-cash-flow to the Group holding company; Maris also issued a USD2m minibond (oversubscribed) secured by Mulitani's assets. Concurrently USD3.1m has been invested in new projects (primarily ALP).

For 2019, we expect significant improvement from the Mozambique Properties as the LNG projects boost activities in Maputo, Pemba and Palma further. ALP should also turn to profit (before interest and tax) as occupancy at its warehouses increases. Finally in South Sudan, if conditions remain stable, Acacia Village should continue to improve its performance.

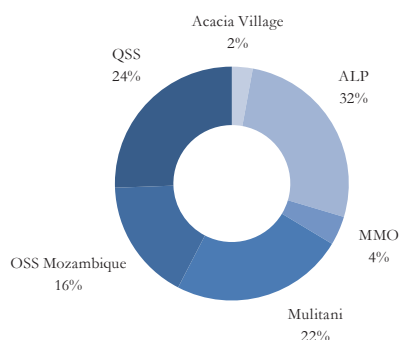
HIGHLIGHTS

- ALP: In September 2018 ALP completed the first phase of its development in the north of Nairobi consisting of 30,000sqm of warehousing and office space. This area is now 82% leased out on long term contracts. In Q2 2019 ALP will complete the phase two on the same site delivering a further 20,000sqm of warehousing space (the largest grade-A facility in Kenya).
- Mozambique Properties: Mulitani continued to run at full occupancy and to generate free-cash flow for the Group. MMO (managed offices) saw its EBITDA grow 23% year-on-year, a trend that continued into Q1 2019. On the downside, Kaia Village and OSS (warehouses) struggled with low occupancy; there are however some positive signs with Q1 2019 revenues increasing sharply at Kaia Village.

Key financial indicators - Property Services

USDm	2017	2018	% Change
Revenues	3.7	5.1	38.6%
EBITDA	1.6	1.5	-3.9%
Net Profit	0.9	0.9	0.2%

Percentage of NAV by business - Property Services



Key Figures - Property Services 2018

Cash remitted to Group holding company	USD0.8m
Cash invested (gross)	USD3.1m
Gross Lettable Area (Warehouse)	57,000 SQM
# of employees & contractors	374
# of countries covered	4

OVERVIEW

MAQUINAS E TRACTORES DE ANGOLA (MTA) (50%)

Exclusive JCB machinery dealership
Angola

MACHINES AND TRACTORS TANZANIA (MTT) (50%)

Exclusive JCB, Kaeser, Parker machinery dealership
Tanzania

MACHINES AND TRACTORS RWANDA (MTR) (50%)

Exclusive JCB, Kaeser, Parker machinery dealership
Rwanda

EQUATOR DRILLING (80%)

Mining drilling services
Mozambique, Kenya and DRC

EQUATOR ENERGY (70%)

Renewable Energy Solutions
Kenya, South Sudan, Zimbabwe

() indicates Maris equity stake

On a combined basis, the division recorded a 9% drop in revenues compared to 2017 and net profit dropped 10%. While MT Group reported lower revenues and profit compared to 2017, Equator Energy doubled its profit (albeit from a small base) and Equator Drilling reduced its losses by 70% compared to 2017.

The MT Group's lacklustre results are due to two factors: firstly in Angola management took the conscious decision to reduce the trading in local commodities (like tyres, lubricants, used machines) as the prices became too volatile. Secondly, in Tanzania the sales of machines to smaller contractors dropped drastically and these individual sales have been only partially replaced by bulkier purchases by larger construction companies working on government infrastructure projects. On the positive side, the MT Group has started distributing additional brands (like Case New Holland tractors, Schwing Stetter cement mixers and forklifts). In addition, several key processes (like procurement and trade finance) are now shared across all the operating units in order to reduce costs. We believe the fundamental structure of the MT Group is appropriate, but the business needs to dramatically increase the array of products and services it offers across an expanded market.

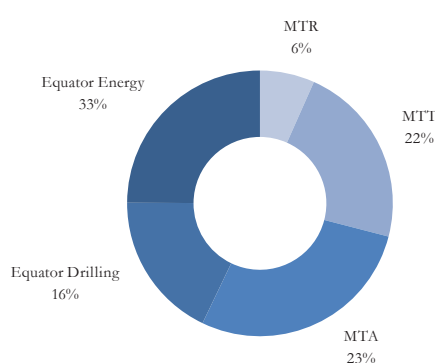
In 2018, our renewable energy venture Equator Energy has doubled its installed power base to 2 mW and is expected to more than double this again in 2019. The growth is being financed via commercial long-term debt. In addition to commercial and industrial sector, the pipeline now includes also some utility-scale projects. Equator Energy will be one of the main recipients of the proceedings from the Maris capital raise.

Finally Equator Drilling shifted its focus to the Democratic Republic of Congo where exploration activities linked to battery technology are more intense. As a result Equator Drilling doubled its revenues and massively reduced its losses compared to 2017. While these developments are encouraging, this remains an extremely volatile sector and we are obviously not satisfied with the performance; we will continue looking for ways to reduce Maris exposure.

HIGHLIGHTS

- MT Group: despite subdued profits, progress has been made in simplifying the group management structure and adding new brands.
- Equator Energy: installed solar power capacity doubled compared to 2017 and is expected to double again in 2019.
- Equator Drilling: the shift towards the DRC has started to bear fruits; this company however remains on the watchlist.

Percentage of NAV by business - Business Services



Key financial indicators - Business Services

USDm	2017	2018	% Change
Revenues	11.9	10.8	-8.9%
EBITDA	1.0	0.6	-41.0%
Net Profit	0.1	0.0	-10.3%

Key Figures - Business Services 2018

Cash remitted to Group holding company	USD1.0m
Cash invested (gross)	USD0.5m
Units of equipment sold (by MT)	100
Renewable energy	1.9MW solar power installed, additional 2.2MW under installation and or negotiation
# of employees & contractors	95
# of countries covered	7

OVERVIEW

KAREBE GOLD MINING LIMITED (KGMI) (80%)

Kenya

COMMONER MINE (80%)

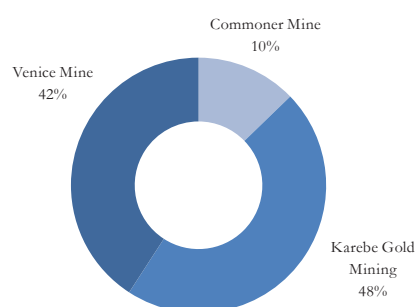
Zimbabwe

VENICE MINE COMPLEX (VMC) (90%)

Zimbabwe

() indicates Maris equity stake

Percentage of NAV by business - Mining



The Mining division posted a USD4.9m EBITDA (+3% vs. 2017) and a USD3.1m Net Profit (+14% vs. 2017); the cash remitted to the holding company has been USD0.5m (with an additional USD0.6m delivered in January 2019).

From an operational perspective, good progress has been made; at Karebe Mine in Kenya gold grades increased substantially compared to 2017 thanks to the new Rock Corry Mine. At Venice Mine in Zimbabwe underground activity is increasing and complimenting production from the tailings operation.

However, these operational successes have been partially overshadowed by political events. In the period leading up to the Zimbabwean elections in July 2018, the availability of USD through commercial banks became problematic and eventually dried up completely. The market started attributing two different values to “electronic dollars” (aka RTG\$) not backed by forex reserves and “real” cash USD. The informal exchange rate fluctuated between 2 to 5 RTG\$ to 1 USD and eventually in February 2019 the duality between RTG\$ and USD was officially recognized by the Zimbabwe Government. In this challenging context many contractors and suppliers became unreliable and this led our decision to reduce activity at Commoner Mine to a bare minimum production. On the other hand, the larger Venice Mine can count on greater internal capabilities, and ramped up its gold production by 11%.

At the same time Karebe Mine continued to experience interference by local politicians; we continued to counter that with legal and PR means and with the support of the local community.

HIGHLIGHTS

- Karebe Mine: gold produced increased by 7% y-o-y thanks to much improved grades (over 18 g/t) extracted from the more recent Rock Corry Mine.
- Venice Mine: amidst the turmoil of the Zimbabwe economy, Venice Mine proved to be the right type of business to own. As a commodity exporter, Venice has been able to access USD cash and fund the expansion of its underground operations. There are now two separate shafts in operation and the portion of higher-grade ore is increasing every month.

Key financial indicators - Mining

USDm	2017	2018	% Change
Revenues	16.3	17.4	7.0%
EBITDA	4.7	4.9	3.5%
Net Profit	2.7	3.1	13.6%

Key Figures - Mining 2018

Cash remitted to Group holding company	USD0.5m
Cash invested (gross)	USD0.4m
Gold produced	12,720 oz
Renewable energy	0.5 MW solar power system installed at Venice Mine
# of employees & contractors	660
# of countries covered	2

OVERVIEW

EQUATORIA TEAK COMPANY (ETC) (85%)

Forestry
South Sudan

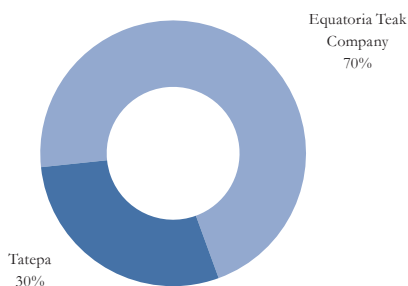
TATEPA (18%)*

Tea, Avocados
Tanzania

() indicates Maris equity stake

* Convertible loan in place. On conversion Maris' equity stake increases to approximately 67%

Percentage of NAV by business - Agriculture, Forestry and Food



The Agriculture and Forestry division has been the star performer of 2018, with revenues and net profit up 31% and 49% respectively compared to 2017. These results have allowed the division to remit USD1.8m in free cash-flow to Maris holding company.

Our forestry operations in the western part of South Sudan delivered an outstanding performance; ETC and its sister company GETC shipped more than 15,000cbm of teak, a 14% increase, and due to the superior quality of the timber ETC was also able to increase prices. These excellent results required intense commitment on the part of ETC/GETC's management; the company had to invest in improving the roads through which the timber is transported, a new transporter and transhipping point has been established in DRC and for the first time ETC managed the supply chain all the way to India to improve margins. In parallel to harvesting, we are also diligently replanting new trees to ensure the future of our operations: to-date we have replanted (or coppiced) more than 2.4m trees.

In Tanzania, at Tatepa Plc, volumes of tea and avocado exported increased sharply. In the fiscal year to 30 September 2018, tea production increased by 28% compared to the previous fiscal year while avocados shipped increased by 159%. This excellent operating performance has been slightly dampened by a drop in international tea and avocado prices. However Tatepa managed to post a profit for the fiscal year compared to a loss in the fiscal year ended September 2017. In a separate development Tatepa Plc disposed of its unprofitable retail tea distribution business "Chai Tausi" with the transaction closing in early 2019.

HIGHLIGHTS

- ETC/GETC: record volumes of timber sold enabled the company to generate USD1.8m in dividends to Maris. Also in an effort to increase value added, ETC has established a subsidiary in Kenya to market wood flooring, furniture and other products.
- Tatepa: tea exports (from Tatepa's own estate and ~12,000 out-growers) generated an increase in revenues of 53%.
- Tatepa: avocado revenues increased 129%.

Key financial indicators - Agriculture and Forestry

USDm	2017	2018	% Change
Revenues	10.9	14.3	31.2%
EBITDA	2.5	3.5	44.0%
Net Profit	2.1	3.2	48.8%

Key Figures - Agriculture and Forestry 2018

Cash remitted to Group holding company	USD1.8m
Cash invested (gross)	USD0.2m
Farmed area (tea and avocado)	376 ha
# of outgrowers (tea and avocado)	12,000 tea outgrowers and 3,500 avocado outgrowers
Replanted / Coppiced area (forestry)	1,800 Ha >2.4 million trees
Renewable energy	160 Kw solar power system installed at ETC
# of employees & contractors	1,482
# of countries covered	2



AFRICA LOGISTICS PROPERTIES, KENYA



EQUATORIA TEAK PRODUCTS, KENYA



ACACIA VILLAGE, SOUTH SUDAN

The Company relies on the following governance structure.

BOARD COMPOSITION

The Board comprises nine Directors, made up of one executive Director, six non-executive Directors and two Mauritius resident Directors.

Henry Obi is the independent Director.

Directors are appointed for three years terms renewable (except for current Directors whose initial appointments are for five years)

BOARD DELEGATION

The Board has delegated specific responsibilities to Board Committees notably the Audit, Risk and Valuation Committee, the Remuneration Committee and the Nominations Committee. Terms of Reference have been established for each of these committees.

BOARD AND COMMITTEE FRAMEWORK

- a) The Audit Committee has responsibility for reporting, risk management, health and safety, environmental and social impact, and valuations of the group's holdings. Significant risks are kept under review via a risk register and appropriate controls are sanctioned as appropriate.
- b) The Remuneration Committee is responsible for setting the Remuneration Policy for the Company and for overseeing performance reviews.
- c) The Nominations Committee is responsible for the structure and composition of the Board.

COMPANY'S ADMINISTRATOR

The Company's Administrator in Mauritius is CrossInvest Global Management Services Limited ("Crossinvest"). The resident directors representing Crossinvest are Harry Sutherland and Harris Harjan.

RELATIONS WITH SHAREHOLDERS

Quarterly Reports are sent to all shareholders and the Company publishes an Annual Report. The Annual General Meeting of Shareholders (AGM) is held in Mauritius each year. In addition, the Company's results and strategy are presented to the shareholders at a meeting held each year in London.

ANNUAL GENERAL MEETING 2018

The AGM will be held in June 2019 at the Company's offices:

c/o CrossInvest Global Management Services Ltd,
Suite 011,
Grand Baie Business Park,
Avenue Geranium and Reservoir Road,
Grand Baie ,
Republic of Mauritius.

Notice of the meeting and proxy forms will be circulated in advance of the meeting.

RESULTS AND STRATEGY PRESENTATION TO SHAREHOLDERS

The presentation will be held on 6th June 2019 at 6.00 pm in London.

SHARE TRADING WINDOW

Pursuant to Clause 16 of the Company's Shareholders Agreement, Maris facilitates an annual share-trading window ("matched bargain process") during which it endeavours on a best effort basis to find prospective sellers and purchasers of Company's shares amongst its existing shareholders and third parties. The specific instructions are issued by Crossinvest.

KEY

- A Audit Committee
- R Remuneration Committee
- N Nominations Committee

DAVID MORRISON R, N

Chairman, Maris Limited

CEO, Prospect Investment Management

David Morrison is the founder and chief executive of Prospect Investment Management, a venture capital advisory firm that acts on behalf of a small group of investors. Prior to founding Prospect in 1999, he had spent several years as a partner of Abingworth Management.

CHARLIE TRYON

Maris Chief Executive Officer

Charlie Tryon co-founded Maris in 2009 and has driven its growth and transition from a successful private equity fund to a Company. He is a Director of Maris Limited and oversees group operations from East Africa. Prior to Maris Charlie developed a successful portfolio of venture businesses in Afghanistan and East Africa.

MARC BEULS R, N

Remuneration Committee Chairman,
ex-CEO, Millicom

Marc Beuls is a private investor in start-up and emerging market companies. He was the President and CEO of Millicom International Cellular, a leading emerging market telecommunications operator for more than 16 years.

NICHOLAS FERGUSON A, N

Audit Committee Chairman,
Chairman, Savills Plc

Nicholas Ferguson CBE is Chairman of Savills Plc. He was previously Chairman of Sky Plc. Prior to that he was Chairman of SVG Capital and prior to that Chairman of Schroder Ventures. He is the founder of the Kilfinan Group.

HARRIS HARJAN

Haris Harjun is the CEO of CrossInvest Global Management Services. With an MSC in Banking & Finance, BA in Law & Management & a Member of the Institute of Chartered Secretaries & Administrators, Harris co-founded Crossinvest in 2010, sits on the boards of a wide range of businesses in Africa and is based in Mauritius.

IWAN MEISTER A, N

Iwan Meister is a former investment officer of FMO. Prior to FMO Iwan was responsible for credit ratings, modeling and portfolio management at ABNAMRO. Prior to this Iwan worked at a microfinance institution in Lima, Peru.

HENRY OBI A, N

COO, Helios Partners

Henry Obi is the Chief Operating Officer of Helios Investment Partners LLP, an investment firm making private equity investments exclusively in Sub-Saharan Africa.

RAJU SHAULIS R, N

CADG

Raju Shaulis is President and co-founder of Central Asian Development Group (CADG). Founded in 2002 CADG is a company focused on implementing donor-funded economic development programs and civil engineering projects in developing countries in Central Asia and Africa.

HARRY SUTHERLAND

Harry Sutherland is the Chairman of Crossinvest Global Management Services. Harry co-founded Crossinvest in 2010 and is also Chairman of the Harland Capital Group which he established in 1997. He specialises in advising, developing & funding businesses in Africa. Prior to this he worked for ten years in a variety of management and project development roles for Lonrho Plc across the continent.



CHARLIE TRYON
CHIEF EXECUTIVE OFFICER

Charlie Tryon co-founded Maris and is a Director of Maris Limited. He oversees the group from East Africa. Prior to Maris, Charlie developed a successful portfolio of venture businesses in Afghanistan and East Africa.



ENRICO NORA
CHIEF FINANCIAL OFFICER

Enrico Nora is the group CFO and joined Maris in 2015 from Equity Bank. He was previously CFO and COO of DoCoMo intertouch pte. Ltd in Singapore and spent eleven years with Hewlett Packard.



ANDREW FIMISTER
OPERATIONS DIRECTOR

Andrew Fimister co-founded Maris and has been responsible for the development of businesses in Angola and Mozambique. He oversees wider group operations from Nairobi.



JOHANNES GUNNELL
COMMERCIAL DIRECTOR

Johannes Gunnell joined Maris in 2010 following seven years at UBS. He was previously acting CFO for Maris and now drives new business development from the London office.

INTRODUCTION

The past year can be marked as the year in which the Maris Group has changed its approach to Environmental, Social and Governance (ESG). Although portfolio companies were already requested to report annually on ESG before 2018, and elements of what we now call the Environmental and Social Management System (ESMS) were implemented in most of the companies, in 2018 we hired a Group E&S Officer and developed an ESMS at the Group level, with company specific elements for the Mining and Agriculture & Forestry divisions which are considered high risk sectors. It is our vision to have the management of ESG risks and opportunities integrated in all our existing operations within the next 2 years and to use this integrated approach for each new investment from inception.

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

2018 was an important year for Maris in the development of its ESMS, with over one hundred procedural and policy documents created for the holding company and its portfolio companies, as well as all of the related necessary actions and procedures required to make the implementation effective, including:

- E&S being monitored and reviewed directly by the Maris Board and considered an integrated part of operations by all levels of management
- Changed attitudes towards E&S throughout the organisation and its portfolio companies
- A comprehensive, lean and practical (in line with our SME reality), IFC and ISO-aligned Environmental and Social Management System (ESMS) being developed, consisting of 126 elements across the organisation and its portfolio companies. 54% of the elements were implemented in 2018
- Increased in-house E&S capacity that is being strengthened through continuous training. 14 employees within the Group were trained on the ESMS in 2018
- Improved oversight of potential E&S risks in each operational company and a clear understanding of gaps between national and international requirements
- More effective management of E&S risks throughout the organisation and its portfolio companies
- A marked reduction of Lost Time Incidents achieved in the second half of the year
- Continued progress towards uniformity of E&S standards throughout the organisation

2017: Translating the Maris Group ESMS baseline that was established during the E&S audit (undertaken on behalf of CDC in Q1 2017) into performance tables:



2018: Translating the progress made in improving the Maris Group ESMS to the end of 2018 into performance tables:



LOOKING AHEAD

Good progress was made in the past year, particularly in terms of development and implementation of the ESMS within the high risk portfolio companies. The Agriculture & Forestry division has adopted the ESMS fully and we expect to see concrete results over the next year. In 2019 we will focus on finalizing the implementation of the mine specific procedures and aligning the reporting of the Mining division to the Maris Group reporting requirements. The portfolio companies will to a great extent adopt the Maris Group procedures but we will also assess their need for company specific procedures that will help improve their E&S performance. Another priority will be expanding and improving our ESG reporting using our new data collection tool.



JOBS (2018)

2,631 Portfolio company jobs

94% National employees



MAN HOURS (2018)

4,000,766



GENDER BALANCE

24% female workers



TAXES AND ROYALTIES

(2018)

USD7.1m



WAGES (2018)

USD10.4m



COMMUNITY CONTRIBUTIONS (2018)

USD0.7m



OUTGROWERS SUPPORTED

> 14,000 farmers

OUR PEOPLE

In 2018 Maris companies employed 2,631 individuals in 18 different companies operating in 8 different countries. A total of 4,000,766 man hours were undertaken by the Group. We believe in sustainable HR by recruiting the majority of our workforce from the area in which we operate and offering permanent positions. 94% of our workforce are national employees, 58% are permanent employees and 24% are women. This means an increase of 4% in permanent employees and 12% in female employees compared to 2017.

OUR ENVIRONMENT

Maris companies operate in some of the world's least developed markets and its more environmentally sensitive areas. The countries in which our companies operate do not always have an environmental framework that is considered sufficient to mitigate environmental risks and monitor environmental performance. Maris therefore adheres to IFC performance standards and requests its companies to implement the necessary procedures to mitigate environmental risks.

OUR COMMUNITIES

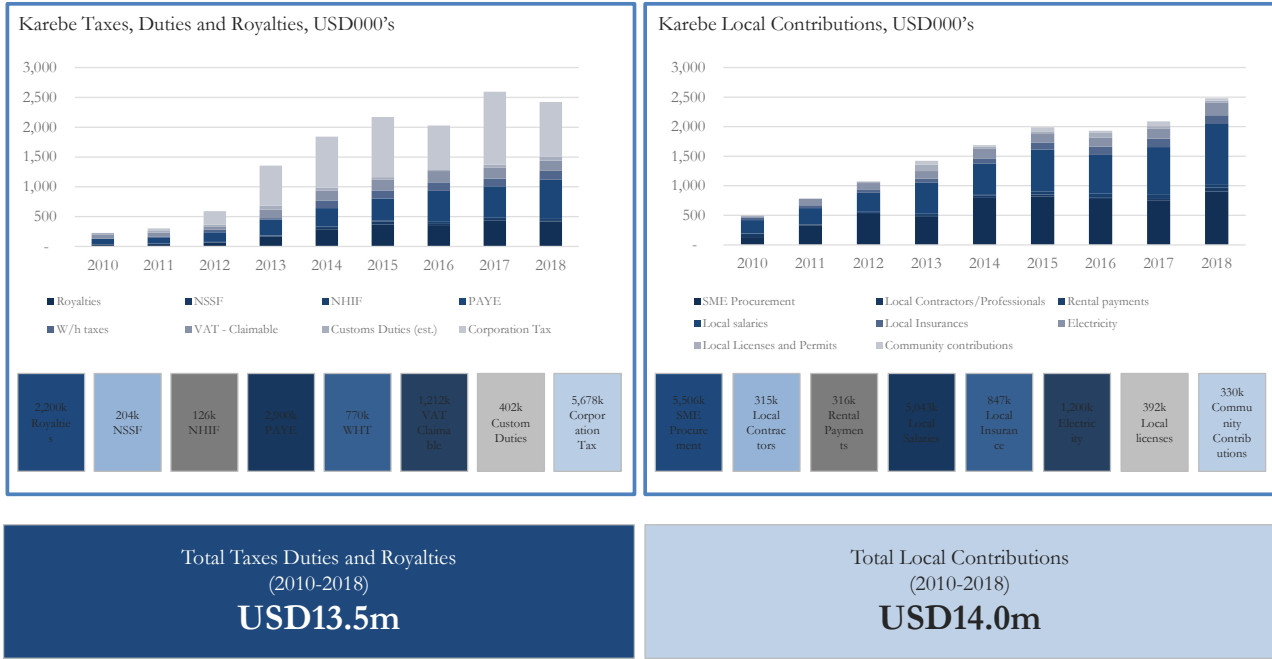
USD695,097 was spent on community programs in 2018, 90% more than in 2017. The majority of the projects focus on improving the infrastructure of our communities and training programs. As occurred in 2017, in 2018 99% of the community programs are undertaken by the Mining and Agriculture and Forestry divisions which is in line with our philosophy to create socio-economic development in the most rural and least developed areas. The main contributor was Wakulima Tea Company of the Tatepa Group which provided extension and training activities to the tea farmers of Rungwe District, hired an additional 10 Extension Officers with support from the AGDEVCO SDU program and rehabilitated two communal farms to be used as training locations for the tea farmers in the Mwakaleli and Katumba area. Furthermore, USD10,421,998 was paid to our staff members in wages. This includes social security taxes. In addition to that Maris companies contributed to the economic development of its host countries with corporate taxes and royalties of USD7,119,453.

LOOKING AHEAD

All Maris portfolio companies are requested to submit a completed ESG data collection tool each month starting in January 2019. The data collection tool includes environmental, social and governance KPIs such as energy consumption, number of employees, incidents and grievances received. The aim of the monthly reporting is to create more awareness within the portfolio companies about their ESG performance and to allow Maris to have an overview and understanding of the Group's impact at all times. We furthermore aim to measure the economic impact of each portfolio company.

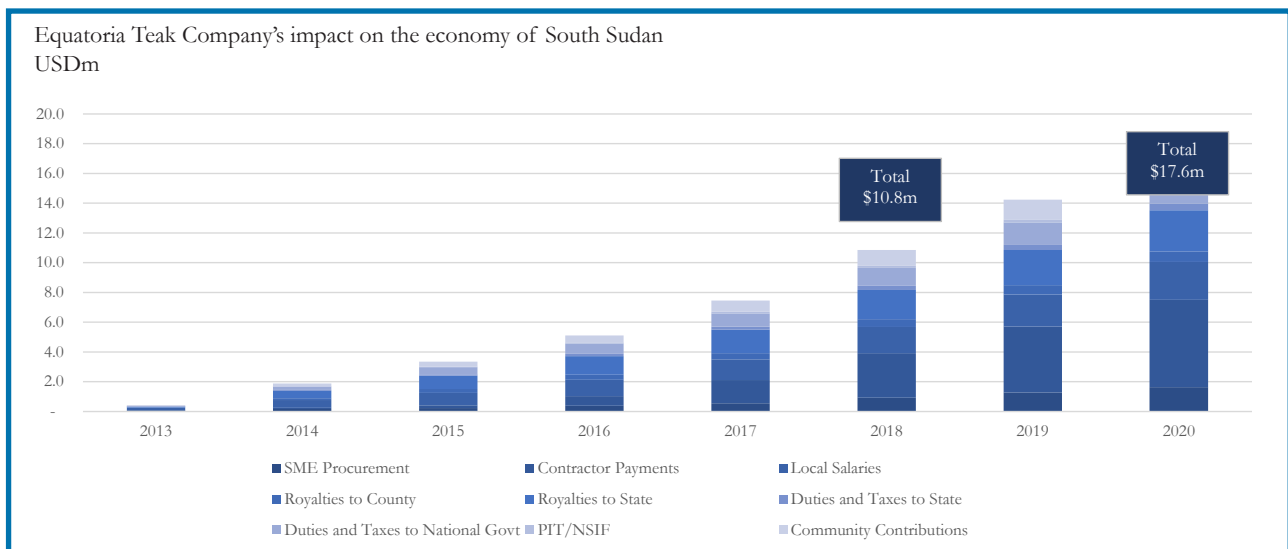
KAREBE ECONOMIC IMPACT

Karebe has contributed **USD27.5m** to the Kenyan economy in the period 2010-2018.

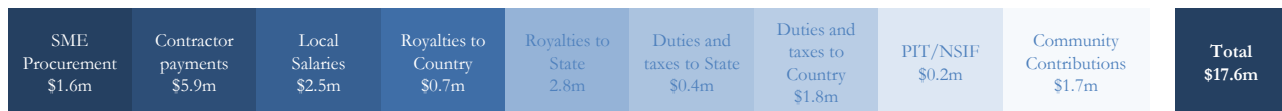


EQUATORIA TEAK COMPANY ECONOMIC IMPACT

Equatoria Teak Company has contributed **USD10.8m** to the South Sudanese economy in the period 2013-2018 and this is forecast to reach **USD17.6m** in 2020.



Total Impact by 2020





MTAKARA PRIMARY SCHOOL, EQUATORIA TEAK COMPANY, SOUTH SUDAN



EQUATORIA TEAK COMPANY, SOUTH SUDAN



VENICE MINE COMPLEX, ZIMBABWE

COMMENTARY OF THE DIRECTORS

The directors present their report and the audited consolidated financial statements of Maris Limited, the “Company” and its subsidiaries, collectively referred to as the “Group” for the financial year ended 31 December 2018.

The Company classifies its subsidiaries at fair value through profit or loss since it meets the definition of an investment entity as per the requirements of IFRS 10, “Consolidated Financial Statements” except for four subsidiaries namely Maris Kenya Limited, Maris Advisors UK Limited, Maris Mozambique Limitada and Industrial Support Services Limited. These four subsidiaries provide investment-related services to support the Company’s investment activities and therefore they do not qualify to be measured at fair value through profit or loss under the conditions attached to investment entities and have therefore been consolidated in accordance with IFRS 10, “Consolidated Financial Statements”.

PRINCIPAL ACTIVITY

The principal activities of the Group are:

- to achieve long-term value creation, cash generation and income through starting, developing and investing in companies that demonstrate the potential for significant growth domestically and regionally within Africa; and
- to offer accounting, administrative and procurement services to group companies and other businesses in Africa.

RESULTS

The results for the year are shown in the consolidated statement of comprehensive income and related notes.

DIRECTORS

The present membership of the Board is set out on page 19.

STATEMENT OF DIRECTORS’ RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare consolidated financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Group and the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the consolidated financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Group’s ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

AUDITORS

The auditors, Grant Thornton, have indicated their willingness to continue in office until the next Annual Meeting.

CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (D) OF THE MAURITIUS COMPANIES ACT 2001

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of MARIS LIMITED under the Mauritius Companies Act 2001 for the financial year ended 31 December 2018.



for CrossInvest Global Management Services Ltd
Company Secretary

REGISTERED OFFICE

Suite 011, Grand Baie Business Park
Avenue Geranium and Reservoir Road
Grand Baie
Republic of Mauritius

19 April 2019

Date

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Maris Limited, the “Company” and its subsidiaries, together referred to as the “Group”, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2018 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON (“OTHER INFORMATION”)

Management is responsible for the Other Information. The Other Information comprises mainly of information included under the Corporate Data, Commentary of the Directors, Chairman's Report and Chief Executive Officer's Report sections, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act 2001, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company and its subsidiaries other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

OTHER MATTER

Our report is made solely to the members of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinion we have formed.



Grant Thornton

Grant Thornton
Chartered Accountants



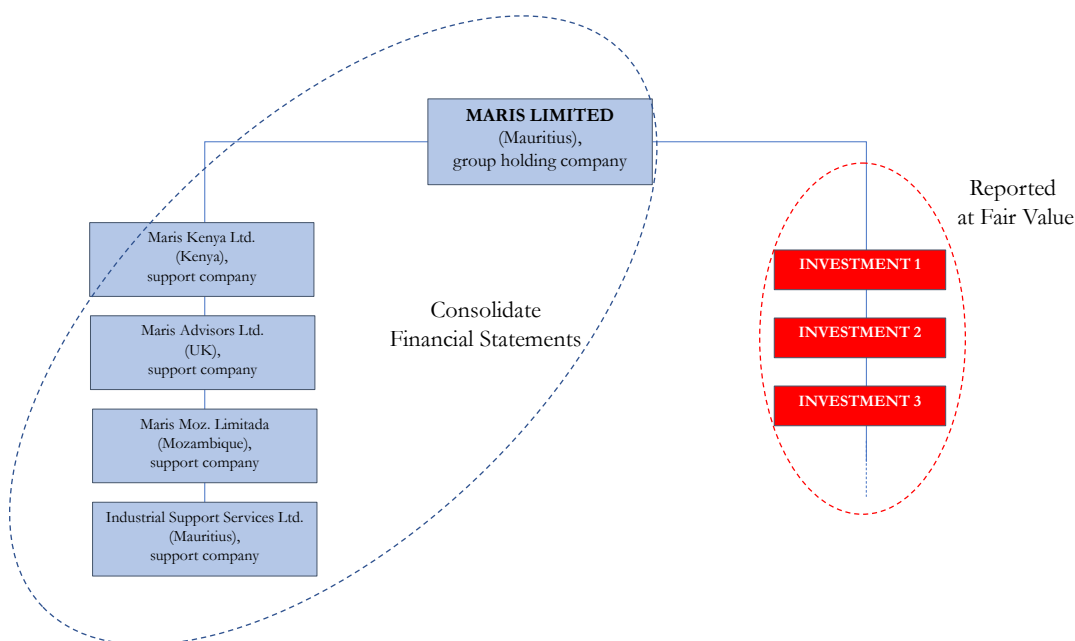
Y NUBEE, FCCA
Licensed by FRC

Date: 19 APR 2019

Ebene 72201, Republic of Mauritius

Maris Limited (“the Company”) meets the definition of “Investment Entity” as defined under IFRS 10. This means that the Company is expected to prepare its audited Financial Statements as follows:

- a) Financial investments in operating companies (i.e. the core of Maris mission) are reported at fair value on the balance sheet and any changes in fair value are reported through the profit & loss statement;
- b) Support Companies (i.e. Maris Kenya Ltd., Maris Advisors UK Ltd., Maris Mozambique Limitada and Industrial Support Services Limited), which provide administrative services to other group entities, are reported in consolidated statements together with the group holding company, Maris Limited.



As mentioned, the Support Companies, together with Maris Limited itself, provide administrative services (such as accounting, HR support, provision of directors and others) to other group entities and to external clients. The Support Companies are remunerated on an arm’s-length basis by the entities receiving the services.

On the other hand, the costs of managing the portfolio of existing investments and creating new ones are reported as costs pertaining to Maris Ltd. and are not re-charged.

CONSOLIDATED FINANCIAL STATEMENT

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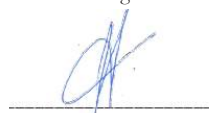
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Notes	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
ASSETS					
Non-current					
Plant and equipment	8	26,546	27,056	-	-
Investment in subsidiaries	9	-	-	5,091	5,091
Financial assets at fair value through profit or loss	10	87,768,370	84,234,894	87,768,370	84,234,894
Loans to related parties	11	2,809,920	930,219	2,809,920	930,219
Total Non-current assets		90,604,836	85,192,169	90,583,381	85,170,204
Current					
Current tax assets	24	17,868	702	10,476	-
Other investments	12	117,243	119,844	117,243	119,844
Loan to related parties	11	285,000	-	285,000	-
Receivables	13	3,051,790	2,915,268	2,872,585	2,582,247
Cash and cash equivalents	14	3,102,551	4,978,717	2,574,371	4,261,845
Current assets		6,574,452	8,014,531	5,859,675	6,963,936
TOTAL ASSETS		97,179,288	93,206,700	96,443,056	92,134,140
EQUITY AND LIABILITIES					
Equity					
Stated capital	15	90,150,888	90,150,888	90,150,888	90,150,888
Retained earnings		3,432,852	2,305,346	2,861,142	1,501,438
Share option reserve	16	485,356	257,778	485,356	257,778
Translation reserves		51,798	55,517	-	-
Total equity		94,120,894	92,769,529	93,497,386	91,910,104
Liabilities					
Non-current liabilities					
Borrowings	17	529,793	-	500,000	-
Non-convertible bond	18	2,017,670	-	2,017,670	-
Total non-current liabilities		2,547,463	-	2,517,670	-
Current liabilities					
Payables	19	509,870	418,605	428,000	224,036
Current tax liabilities	24	1,061	18,566	-	-
Total current liabilities		510,931	437,171	428,000	224,036
Total liabilities		3,058,394	437,171	2,945,670	224,036
TOTAL EQUITY AND LIABILITIES		97,179,288	93,206,700	96,443,056	92,134,140

The consolidated financial statements have been approved by the Board of Directors on 19th April 2019 and signed on its behalf by



Charlie Tryon



Harris Harjan

The notes on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENT

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2018

	Notes	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
INCOME					
Dividends	10	3,167,286	5,087,083	3,167,286	5,087,083
Service fees		-	176,676	-	176,676
Interest on loans to related parties		208,133	29,307	198,556	29,307
Interest income on other investments		5,063	4,160	5,063	4,160
Other income		-	231,269	-	179,000
TOTAL INCOME		3,380,482	5,528,495	3,370,905	5,476,226
EXPENDITURE					
Regional management costs	20	-	-	1,050,000	1,800,000
Direct staff costs		1,157,867	915,206	527,558	469,342
Other expenses	22	151,427	114,173	43,386	80,328
Directors' fees	23	216,844	270,588	216,844	270,588
Professional fees	21	286,368	303,849	149,486	185,753
Travel and miscellaneous expenses		205,208	107,873	57,110	7,641
Regional office costs		246,634	344,950	5,075	1,075
LTIP shares expenses	16	227,578	230,000	227,578	230,000
TOTAL EXPENDITURE		2,491,926	2,286,639	2,277,037	3,044,727
OPERATING PROFIT					
		888,556	3,241,856	1,093,868	2,431,499
Net foreign exchange (losses)/gains		(22,727)	(33,490)	(6,083)	5,962
Impairment of goodwill	26	-	(4,310)	-	-
Bargain purchase	26	-	77,685	-	-
Finance (costs)/income		(123,115)	24	(123,115)	-
Fair value gains on financial assets at fair value through profit or loss (net)		434,598	6,507,908	434,598	6,507,908
PROFIT BEFORE TAX		1,177,312	9,789,673	1,399,268	8,945,369
Tax expense	24	(49,806)	(32,398)	(39,564)	-
PROFIT FOR THE YEAR		1,127,506	9,757,275	1,359,704	8,945,369

The notes on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2018 (CONTINUED)

	Notes	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified subsequently to profit or loss		-	-	-	-
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(3,719)	53,458	-	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		(3,719)	53,458	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,123,787	9,810,733	1,359,704	8,945,369

The notes on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

THE GROUP	Stated capital (USD)	Retained earnings/ Accumulated losses (USD)	Share option reserve (USD)	Translation reserve (USD)	Total (USD)
AT 01 JANUARY 2018	90,150,888	2,305,346	257,778	55,517	92,769,529
Employee share incentive (Note 16)	-	-	227,578	-	227,578
Transactions with the shareholders	-	-	227,578	-	227,578
Profit for the year	-	1,127,506	-	-	1,127,506
Other comprehensive income: Exchange differences	-	-	-	(3,719)	(3,719)
Total comprehensive income for the year	-	1,127,506	-	(3,719)	1,123,787
AT 31 DECEMBER 2018	90,150,888	3,432,852	485,356	51,798	94,120,894
AT 01 JANUARY 2017	89,776,088	(7,451,929)	27,778	2,059	82,353,996
Employee share incentive (Note 16)	-	-	230,000	-	230,000
Issue of shares (Note 15)	374,800	-	-	-	374,800
Transactions with the shareholders	374,800	-	230,000	-	604,800
Profit for the year	-	9,757,275	-	-	9,757,275
Other comprehensive income: Exchange differences	-	-	-	53,458	53,458
Total comprehensive income for the year	-	9,757,275	-	53,458	9,810,733
AT 31 DECEMBER 2017	90,150,888	2,305,346	257,778	55,517	92,769,529

The notes on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENT

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

THE COMPANY	Stated capital (USD)	Retained earnings (USD)	Share option reserve (USD)	Total (USD)
AT 01 JANUARY 2018	90,150,888	1,501,438	257,778	91,910,104
Employee share incentive (Note 16)	-	-	227,578	227,578
Transactions with the shareholders	-	-	227,578	227,578
Profit for the year	-	1,359,704	-	1,359,704
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	1,359,704	-	1,359,704
AT 31 DECEMBER 2018	90,150,888	2,861,142	485,356	93,497,386

AT 01 JANUARY 2017	89,776,088	(7,443,931)	27,778	82,359,935
Employee share incentive (Note 16)	-	-	230,000	230,000
Issue of shares (Note 15)	374,800	-	-	374,800
Transactions with the shareholders	374,800	-	230,000	604,800
Profit for the year	-	8,945,369	-	8,945,369
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	8,945,369	-	8,945,369
AT 31 DECEMBER 2017	90,150,888	1,501,438	257,778	91,910,104

The notes on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENT

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
OPERATING ACTIVITIES				
Profit before tax	1,177,312	9,789,673	1,399,268	8,945,369
Adjustments for:				
Dividend income	(3,167,286)	(5,087,083)	(3,167,286)	(5,087,083)
Interest income	(213,196)	(33,467)	(203,619)	(33,467)
Interest expense	123,115	-	123,115	-
Foreign exchange losses/(gains)	22,727	33,490	6,083	(5,962)
Fair value gains on financial assets at fair value through profit or loss	(434,598)	(6,507,908)	(434,598)	(6,507,908)
Depreciation	9,345	9,581	-	-
Bargain purchase	-	(77,685)	-	-
LTIP share expenses	227,578	230,000	227,578	230,000
Impairment loss	-	4,310	-	-
	(2,255,003)	(1,639,089)	(2,049,459)	(2,459,051)
Net Change In Working Capital:				
Change in receivables	344,264	(201,810)	190,448	(97,293)
Change in payables	91,265	(434,073)	203,964	(346,902)
Total changes in working capital	435,529	(635,883)	394,412	(444,195)
Cash used in operations	(1,819,474)	(2,274,972)	(1,655,047)	(2,903,246)
Income tax paid	(84,469)	(15,584)	(50,040)	-
Interest received	5,063	4,160	5,063	4,160
Interest paid	(93,132)	-	(93,132)	-
Dividend income	2,686,500	3,321,001	2,686,500	3,321,001
NET CASH FROM OPERATING ACTIVITIES	694,488	1,034,605	893,344	421,915
INVESTING ACTIVITIES				
Acquisition of financial assets at fair value through profit or loss	(3,948,270)	(3,246,510)	(3,948,270)	(3,246,510)
Disposal of financial assets at fair value through profit or loss	850,000	-	850,000	-
Loans to related parties	(1,956,019)	(746,917)	(1,956,019)	(746,917)
Acquisition of held-to-maturity investments	(120,440)	(119,364)	(120,440)	(119,364)
Maturity of held-to-maturity investments	117,375	119,322	117,375	119,322
Acquisition of plant and equipment	(8,912)	(15,800)	-	-
NET CASH USED IN INVESTING ACTIVITIES	(5,066,266)	(4,009,269)	(5,057,354)	(3,993,469)

The notes on the following pages form an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENT

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

	The Group		The Company	
	2018	2017	2018	2017
	USD	USD	USD	USD
FINANCING ACTIVITIES				
Proceeds from issue of ordinary shares	-	374,800	-	374,800
Proceeds from issue of non-convertible bond	1,987,687	-	1,987,687	-
Loan from related parties	529,793	-	500,000	-
Net cash from financing activities	2,517,480	374,800	2,487,687	374,800
Net change in cash and cash equivalents	(1,854,298)	(2,599,864)	(1,676,323)	(3,196,754)
Cash and cash equivalents, at start of the year	4,978,717	7,475,699	4,261,845	7,445,794
Exchange differences on cash and cash equivalents	(21,868)	102,882	(11,151)	12,805
Cash and cash equivalents, at end of the year	3,102,551	4,978,717	2,574,371	4,261,845
Cash and cash equivalents made up of:				
Cash at bank (Note 14)	3,102,551	4,978,717	2,574,371	4,261,845

The notes on the following pages form an integral part of these consolidated financial statements.

For reconciliation of liabilities arising from the financing activities, refer to Note 25.

1. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

Maris Limited, the “Company”, was incorporated in the Republic of Mauritius on 27 June 2014 as a public company with liability limited by shares and holds a Category 1 Global Business Licence issued by the Financial Services Commission. The Company’s registered office is Suite 011, Grand Baie Business Park, Avenue Geranium and Reservoir Road, Grand Baie, Republic of Mauritius.

The Company and its subsidiaries are collectively referred to as the “Group”.

The principal activities of the Group are:

- to achieve long-term value creation, cash generation and income through starting, developing and investing in companies that demonstrate the potential for significant growth domestically and regionally within Africa; and
- to offer accounting, administrative and procurement services to group companies and other businesses.

The consolidated financial statements of the Group have been prepared in accordance with IFRS as issued by International Accounting Standards Board (“IASB”).

2. BASIS OF PREPARATION

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on a historical cost basis, except for financial assets designated at fair value through profit or loss which are remeasured at fair value.

The consolidated financial statements are presented in United States Dollars (“USD”) and all values are rounded to the nearest dollar, except where otherwise indicated.

The Company classifies its subsidiaries at fair value through profit or loss since it meets the definition of an investment entity as per the requirements of IFRS 10, “Consolidated Financial Statements” except for four subsidiaries namely Maris Kenya Limited, Maris Advisors UK Limited, Maris Mozambique Limitada and Industrial Support Services Limited. These four subsidiaries provide investment-related services to support the Company’s investment activities and therefore they do not qualify to be measured at fair value through profit or loss under the conditions attached to investment entities and have therefore been consolidated in accordance with IFRS 10, “Consolidated Financial Statements”.

3. APPLICATION OF NEW AND REVISED IFRS

3.1 NEW AND REVISED STANDARDS THAT ARE EFFECTIVE FOR THE YEAR BEGINNING ON 01 JANUARY 2018

In the current year, the following new and revised standards and one interpretation issued by the IASB became mandatory for the first time for the financial year beginning on 01 January 2018:

IAS 40	Transfers of Investment Property
IFRIC 22	Foreign Currency Transactions and Advance consideration
IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)

IFRS 9	Financial Instruments (2014)
IFRS 2	Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)
IFRS 15	Revenue from Contracts with Customers

Management has assessed the impact of these new and revised standards and interpretation and concluded that only IFRS 9, Financial Instruments (2014) and IFRS 15, Revenue from Contracts with Customers have an impact on these consolidated financial statements.

The adoption of IFRS 15 and IFRS 9 have the following impact on the consolidated financial statements.

IFRS 15 “Revenue from Contracts with Customers”

IFRS 15 replaces IAS 18 “Revenue”, IAS 11 “Construction Contracts”, and several revenue-related interpretations. The application of IFRS 15 does not have a material impact on the recognition and measurement of revenue by the Group.

The Company’s accounting policy on revenue is detailed in Note 4.13 to these consolidated financial statements.

IFRS 9 “Financial Instruments”

IFRS 9 replaces IAS 39 “Financial Instruments: Recognition and Measurement”.

It introduces new requirements for:

- (i) the classification and measurement of financial assets and financial liabilities;
- (i) impairment of financial assets; and
- (ii) general hedge accounting.

The Group’s financial instruments comprise of financial assets at fair value through profit or loss, loans to related parties, receivables, investment in Government Bond, cash and cash equivalents, payables, borrowings and non-convertible bond. The application of IFRS 9 will impact on the reclassification of the Group’s receivables, loans to related parties and cash and cash equivalents.

The adoption of IFRS 9 has impacted the following areas:

- The Group holds investment in Government Bond and this investment was previously classified as held-to-maturity investments under IAS 39 and was measured at amortised cost. This investment will continue to be measured at amortised cost as it meets the held to collect business model and contractual cash flow characteristics test in IFRS 9 and will be categorised under amortised cost
- The reclassification of loans to related parties, receivables and cash and cash equivalents from loans and receivables to amortised cost.
- The impairment of financial assets applying the lifetime expected credit loss model. This affects the Groups’ receivables measured at amortised cost.

There have been no changes to the classification or measurement of financial liabilities as a result of the application of IFRS 9.

On the date of initial application, 01 January 2018, the financial instruments of the Group and the Company were reclassified as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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THE GROUP	Original IAS 39 category	New IFRS 9 category	Closing balance at 31 December 2017 USD	Adoption of (IFRS9) USD	Opening balance at 01 January 2018 (IFRS 9) USD	Retained earnings effect USD
FINANCIAL ASSETS						
Non-current						
Financial assets at fair value through profit or loss	FVTPL	FVTPL	84,234,894	-	84,234,894	-
Loans to related parties	Loans and Receivables	Amortised Cost	930,219	-	930,219	-
			85,165,113	-	85,165,113	-
Current						
Other investments	Held-to-maturity investments	Amortised cost	119,844	-	119,844	-
Receivables*	Loans and receivables	Amortised cost	2,135,542	-	2,135,542	-
Cash and cash equivalents	Loans and receivables	Amortised cost	4,978,717	-	4,978,717	-
			7,234,103	-	7,234,103	-
TOTAL FINANCIAL ASSETS			92,399,216	-	92,399,216	-
FINANCIAL LIABILITIES						
Current						
Payables**	Amortised cost	Amortised cost	415,053	-	415,053	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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THE COMPANY	Original IAS 39 category	New IFRS 9 category	Closing balance at 31 December 2017 USD	Adoption of (IFRS9) USD	Opening balance at 01 January 2018 (IFRS 9) USD	Retained earnings effect USD
FINANCIAL ASSETS						
Non-current						
Financial assets at fair value through profit or loss	FVTPL	FVTPL	84,234,894	-	84,234,894	-
Loans to related parties	Loans and Receivables	Amortised Cost	930,219	-	930,219	-
			85,165,113	-	85,165,113	-
Current						
Other investments	Held-to-maturity investments	Amortised cost	119,844	-	119,844	-
Receivables*	Loans and receivables	Amortised cost	2,530,715	-	2,530,715	-
Cash and cash equivalents	Loans and receivables	Amortised cost	4,261,845	-	4,261,845	-
			6,912,404	-	6,912,404	-
TOTAL FINANCIAL ASSETS			92,077,517	-	92,077,517	-

FINANCIAL LIABILITIES						
Current						
Payables**	Amortised cost	Amortised cost	224,036	-	224,036	-

Receivables classified as financial assets exclude VAT receivable, prepayments, deposits and advance payments. *

** Payables considered as financial liabilities exclude VAT payable.

There were no financial assets or financial liabilities which the Group had previously designated at Fair Value through Profit or Loss (FVTPL) under IAS 39 that were subject to reclassification or which the Group has elected to reclassify upon the application of IFRS 9.

The Group's accounting policy on financial instruments is detailed in Note 4.6 to these consolidated financial statements.

3.2 STANDARDS AND AMENDMENTS TO EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN ADOPTED EARLY BY THE GROUP

At the date of authorisation of these consolidated financial statements, certain new standards, amendments to existing standards and one interpretation have been published but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the relevant pronouncements, as applicable to the Group's activities, will be adopted in the Group's accounting policies for the first year beginning after the effective date of the pronouncements. Information on new standards, amendments to existing standards and interpretation is provided below.

IFRS 17	Insurance Contracts
IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
IFRS 9	Prepayment Features with Negative Compensation (Amendments to IFRS 9)
IAS 28	Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
IAS 1/IAS 8	Definition of Material (Amendments to IAS 1 and IAS 8)
IAS 19	Plan Amendment, Curtail or Settlement (Amendments to IAS 19)
IFRS 3	IFRS 3 Definition of a Business (Amendments to IFRS 3)

Management has yet to assess the impact of the above standards, amendments and interpretations on the Group's financial statements.

4. SUMMARY OF ACCOUNTING POLICIES

4.1 OVERALL CONSIDERATIONS

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

4.2 BASIS OF CONSOLIDATION

The Group financial statements consolidate those of the Company and its subsidiaries which provide investment-related services (i.e. Maris Kenya Limited, Maris Advisors UK Limited, Maris Mozambique Limitada and Industrial Support Services Limited) that relate to the Company's investment activities as at 31 December 2018. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries. All subsidiaries have a reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies.

Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the consolidated financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of the subsidiaries' profit or loss and net assets that are not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

4.3 BUSINESS COMBINATIONS

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire and (c) acquisition-date fair value of any existing equity interest in the acquire, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e gain on a bargain purchase) is recognised in profit or loss immediately.

4.4 INVESTMENT IN SUBSIDIARIES

A subsidiary is an entity over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Investment in subsidiaries is stated at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of comprehensive income. On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the consolidated statement of comprehensive income.

4.5 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Associates are those entities over which the Company is able to exert significant influence but which are neither subsidiaries nor joint ventures.

Holdings in associates are initially recognised at cost and subsequently accounted for using the equity method. Any goodwill or fair value adjustment attributable to the Company's share in the associate is not recognised separately and is included in the amount recognised as investment in associates.

The Company has been classified as an investment entity and is therefore exempt from providing summarised financial information about its associates when they are accounted for on a fair value basis under IFRS 9 - "Financial Instruments".

4.6 FINANCIAL INSTRUMENTS

RECOGNITION, INITIAL MEASUREMENT AND DERECOGNITION

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

In the current year, the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the Group business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of trade receivables which is presented within other expenses.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, loans to related parties, investment in Government Bond and most receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit or loss. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of the financial assets in this category are determined using the valuation technique where no active market exists.

Principles of valuation of investment:

The unlisted investments are stated at amounts considered by the directors to be a reasonable assessment of their fair value, where fair value is the amount at which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

The Group values its unlisted holdings using a blend of methodologies dependent on the activity of the holdings and its stage in the investment and business lifecycle. These include the following methodologies:

- Average of multiples
- Discounted cash flows model
- Cost value
- Exit value
- Market value
- RICS Valuation methodology for real estate

In certain cases, the valuations derived are also submitted for independent reviews by industry experts.

Where the fair value of unquoted holdings cannot be reliably estimated, the transaction price on initial recognition less impairment losses is considered to be an approximate of the fair value.

The valuation of holdings may not necessarily represent the amounts that may eventually be realised from sales or other dispositions.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements include mainly loans to related parties.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Group makes use of a simplified approach in accounting for its loans receivable and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES

The Group's financial liabilities include borrowings, non-convertible bond and payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.7 PLANT AND EQUIPMENT

Plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

4.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and cash at bank, together with other short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value

4.9 EQUITY AND RESERVES

Stated capital is determined using the nominal value of shares that have been issued.

Retained earnings consist of the current period results aggregated with results of the previous periods as disclosed in the consolidated statement of comprehensive income.

Translation reserve comprises mainly of foreign currency translation differences arising from the translation in USD of the financial statements of the Group's foreign entities.

4.10 SHARE-BASED PAYMENTS

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The grant date fair value of equity incentives (deferred shares and performance shares) granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the instrument. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with a share-based payment transaction is presented as share option reserve in equity. The amount recognised as an expense is adjusted to reflect the actual number of share instruments that vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the consolidated statement of comprehensive income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

4.11 INCOME TAXES

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period in the respective jurisdictions where each entity is incorporated.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective year of realisation, provided they are enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

4.12 FOREIGN CURRENCY

FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in currency United States Dollar ("USD"), which is also the functional currency of the Group.

FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency of the Group, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the consolidated statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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FOREIGN OPERATIONS

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the USD are translated into USD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into USD at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into USD at the closing rate. Income and expenses have been translated into USD at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserves in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

The exchange rates used to convert the Group's foreign entities into USD at reporting date were as follows:

		USD
Great Britain Pound	GBP/USD	1.2760
Kenyan Shilling	KES/USD	0.00982
Mozambique Metical	MZN/USD	0.01624
Mauritian Rupees	MUR/USD	0.02969

4.13 REVENUE

The Group earns service fees from the provision of management services to related companies.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

To determine whether to recognise revenue, the Group ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Dividend income is recognised when the right to receive payment is established. Interest income is recognised on the accrual basis using the effective interest rate, unless collectability is in doubt.

4.14 IMPAIRMENT OF ASSETS

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

4.15 OPERATING LEASES

Where the Group is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred. Where the Group is a lessor, rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

4.16 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the year of the borrowings using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Borrowing costs are expensed in the year in which they are incurred and reported in “finance costs”.

4.17 NON-CONVERTIBLE BONDS

Non-convertible bonds are initially measured at fair value, net of transactions costs and are subsequently measured at amortised cost.

Non-convertible bonds carry fixed interest rate payable to the holder and the interest is recognised in the consolidated statement of comprehensive income under ‘finance costs’. The non-convertible bonds are classified as liabilities.

4.18 GOODWILL

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. See Note 4.3 for information on how goodwill is initially determined. Goodwill is carried at cost less accumulated impairment losses, if any.

Negative goodwill is recognised in the consolidated statement of comprehensive income.

4.19 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Group and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

4.20 RELATED PARTIES

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

4.21 EXPENSE RECOGNITION

All expenses are accounted for on the accrual basis.

4.22 COMPARATIVES

Where necessary, comparative figures have been adjusted to conform with changes in the presentation in the current year.

4.23 SIGNIFICANT MANAGEMENT JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

SIGNIFICANT MANAGEMENT JUDGEMENT

Significant management judgement in applying the accounting policies of the Group that has the most significant effect on the consolidated financial statements is set out below.

Determination Of Functional Currency

The determination of the functional currency of the Group is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Group is the USD.

Investment Entity

Using the guidance as per IFRS 10, "Consolidated Financial Statements", management has determined that the Group meets the definition of an investment entity. This has required management to make significant judgements as to whether the Group has met such definition and the typical characteristics to be considered to qualify as an investment entity as per IFRS 10.

Recognition Of Deferred Tax Assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised.

Impairment of investment in subsidiaries

The determination of impairment of investment in subsidiaries requires significant judgement. In making this judgement, management evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculation for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated issues based on estimate of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Useful lives and residual values of plant and equipment

The Group reviews the estimated useful lives of its plant and equipment at each reporting date. At 31 December 2018, the directors considered that useful lives represent the expected utility of the assets of the Group. The carrying amounts are analysed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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5. FINANCIAL INSTRUMENT RISK

RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk, concentration risk, operating risk, political risk, legal risk and capital repatriation risk. The Group's overall risk management programme focuses on the above risks and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's and the Company's financial assets and liabilities by category are summarised below:

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
FINANCIAL ASSETS				
Financial assets at fair value through profit or loss:				
Investments in unquoted companies	87,768,370	84,234,894	87,768,370	84,234,894
Loans And Receivables				
Non-current:				
Loans to related parties	2,809,920	930,219	2,809,920	930,219
Current:				
Other investments	117,243	119,844	117,243	119,844
Loans to related parties	285,000	-	285,000	-
Receivables*	1,934,948	2,135,542	2,835,246	2,530,715
Cash and cash equivalents	3,102,551	4,978,717	2,574,371	4,261,845
Total current	5,439,742	7,234,103	5,811,860	6,912,404
TOTAL FINANCIAL ASSETS	96,018,032	92,399,216	96,390,150	92,077,517
FINANCIAL LIABILITIES				
Amortised cost				
Non-current				
Borrowings	529,793	-	500,000	-
Non-convertible bond	2,017,670	-	2,017,670	-
	2,547,463	-	2,517,670	-
Current				
Payables**	507,230	415,053	428,000	224,036
TOTAL FINANCIAL LIABILITIES	3,054,693	415,053	2,945,670	224,036

The most significant risks to which the Group is exposed are described below.

*Receivables considered as financial assets exclude VAT receivable, deposits, advance payments and prepayments.

** Payables considered as financial liabilities exclude VAT payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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5.1 MARKET RISK ANALYSIS

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and capital controls regulations, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

FOREIGN EXCHANGE RISK

Indirectly, through its holdings, the Group has financial assets and liabilities denominated in foreign currencies. Consequently, the Group is indirectly exposed to significant exchange rate volatility of the Kenyan Shilling, Mauritian Rupees, British Pound, Mozambique Metical, Tanzanian Shilling, Angola Kwanza, Rwanda Franc and Zimbabwe Dollar that could affect the value of such holdings.

Any change in exchange rates, other than the Company's functional currency, would not have a material impact on the Group operating cash flows.

The direct currency profile of the Group's and the Company's financial assets and liabilities is as follows:

THE GROUP	FINANCIAL ASSETS		FINANCIAL LIABILITIES	
	2018 USD	2017 USD	2018 USD	2017 USD
United States Dollar (USD)	95,808,251	92,237,079	2,961,824	306,174
Mauritian Rupee (MUR)	139,217	140,717	-	-
Kenyan Shilling (KES)	10,041	2,632	34,756	48,297
British Pound (GBP)	57,621	8,816	9,283	20,926
Mozambique Metical (MZN)	2,902	9,972	48,830	39,656
	96,018,032	92,399,216	3,054,693	415,053

THE COMPANY	FINANCIAL ASSETS		FINANCIAL LIABILITIES	
	2018 USD	2018 USD	2017 USD	2016 USD
United States Dollar (USD)	96,239,205	91,937,800	2,945,670	224,036
British Pound (GBP)	11,728	-	-	-
Mauritian Rupee (MUR)	139,217	139,717	-	-
	96,390,150	92,077,517	2,945,670	224,036

INTEREST RATE RISK

The Group is not exposed to any changes in market interest rates. The loans to related parties, investment in Government Bond, borrowings and non-convertible bond are at fixed interest rates. The exposure to interest rates on the Group's cash and cash equivalents, for which the interest is based on market rates, is considered immaterial.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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5.2 CREDIT RISK ANALYSIS

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group's exposure to credit risk is limited to the carrying amount of its financial assets, as summarised below:

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
FINANCIAL ASSETS				
<i>Non-current assets</i>				
Financial assets at fair value through profit or loss	87,768,370	84,234,894	87,768,370	84,234,894
Loans to related parties	2,809,920	930,219	2,809,920	930,219
	90,578,290	85,165,113	90,578,290	85,165,113
<i>Current assets</i>				
Other investments	117,243	119,844	117,243	119,844
Loans to related parties	285,000	-	285,000	-
Receivables	1,934,948	2,135,542	2,835,246	2,530,715
Cash and cash equivalents	3,102,551	4,978,717	2,574,371	4,261,845
	5,439,742	7,234,103	5,811,860	6,912,404
TOTAL	96,018,032	92,399,216	96,390,150	92,077,517

The Group holds investments in unquoted companies where most of the investee companies are incorporated in countries in the African Region. These investments are stated at their fair values using valuation technique as described in Note 6. At 31 December 2018, the fair values of these investments amounted to USD87,768,370 (2017: USD84,234,894).

The directors believe that the credit risk associated with the loans to related parties has been properly assessed and reflected in the carrying amount of the loans where necessary.

The directors consider that the credit risk associated with the investment in Government Bond as remote.

The credit risk for cash and cash equivalents is considered acceptable since the Group transacts with reputable banks.

5.3 LIQUIDITY RISK ANALYSIS

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due and to fund its approved follow-on investments and acquisitions under normal operating conditions. The Group manages liquidity risk by ensuring timely recovery of receivables, return of surplus funds by the investees to the Group and by raising capital.

The following are the contractual maturities of financial liabilities, including interest payments:

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Non-current liabilities				
Borrowings	529,793	-	500,000	-
Non-convertible bond	2,017,670	-	2,017,670	-
	2,547,463	-	2,517,670	-
Current liabilities				
Payables	507,230	415,053	428,000	224,036
TOTAL	3,054,693	415,053	2,945,670	224,036

5.4 CONCENTRATION RISKS

The Group has invested mainly in unlisted companies whose securities are considered to be illiquid. Such illiquidity may adversely affect the ability of the Group to acquire or dispose of such investments. These investments may be difficult to value and to sell or otherwise liquidate and the risks of investing in such companies are much greater than the risk of investing in publicly traded securities. On account of the inherent uncertainty of valuation, the estimated values may differ significantly from the values that would be used had a ready market for these investments existed. However, the directors consider that such concentration risk has been adequately reflected in the valuation of these investments.

5.5 OPERATING RISK

The markets where the Group's holdings operate present various risks in terms of supply chain, infrastructure, security, corruption, health and safety, environmental impact and reputation of the Group. In view of such challenges, the Group seeks management control of its holdings where possible in order to maintain strict oversight of bank accounts, governance, operating policies and payment of dividends. Where the Group does not have management control, management seeks to implement appropriate minority protections measures through board representation, the right to appoint the Chairman and veto rights, among others.

5.6 POLITICAL AND REGULATORY RISK

Indirectly, through its holdings, the Group is exposed to political risk in the markets and the sectors where its investments operate. While the Group's geographical and divisional diversification is designed to mitigate political risk, such is considered material. The value of the Group's holdings may be materially affected in varying degrees by political circumstances and government regulations relating to the industry and foreign investors therein, and the policies of other countries in respect of the region. Any changes in regulations or shifts in political conditions are beyond the Group's control and may adversely affect the Group's performance.

5.7 LEGAL RISK

The regulatory supervision, legal infrastructure and accounting and auditing and reporting standards of the countries of Africa may not provide the same degree of investor protection or availability of information as would generally exist in more mature or developed markets. This may adversely affect both the valuation of the Group's holdings and performance.

5.8 CAPITAL REPATRIATION RISK

Several of the countries where the Group holds investments have capital transfer restrictions in place. The Group organises the operations of its holdings so to ensure compliance and minimise exposure. It is however possible that different interpretation of current regulations or new regulations will be introduced that could partially or totally prevent the Group's ability to transfer funds out of such countries when required. The Board closely monitors such risk and where necessary, legal and other advices are sought.

6. FAIR VALUE MEASUREMENT

6.1 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table presents financial assets measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

THE COMPANY AND GROUP	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
31 DECEMBER 2018	USD	USD	USD	USD
Financial assets at fair value through profit or loss	-	-	87,768,370	87,768,370
31 DECEMBER 2017				
Financial assets at fair value through profit or loss	-	-	84,234,894	84,234,894

There has been no transfer between Levels 1 and 2 during the year under review.

MEASUREMENT OF FAIR VALUE

The methods used for the purpose of measuring fair values are detailed below:

Unquoted Investments

The method and valuation technique used for the purpose of measuring fair values of the unquoted investments are detailed below:

- Sector multiples EV/EBITDA
- Discounted cash flows model
- Cost value
- Exit value
- Market value
- RICS valuation methodology for real estate

In certain cases, the valuations derived are also submitted for independent review by industry experts. A reconciliation of the carrying amounts of financial assets classified within Level 3 has been disclosed in Note 10 to these consolidated financial statements.

Valuation Policy

The valuation of the unquoted investments is determined on a six month basis with an initial valuation being made by reference to the price at which the Group acquired such investments and subsequent valuations being conducted in accordance with the IFRS 13, 'Fair Value Measurement'. Valuation techniques are selected based on the characteristics of each financial asset, with the overall objective of maximising the use of market-based information.

The valuation of the unquoted investments is performed by an internal team having the relevant expertise and qualifications. The valuation report is at first reviewed by the Executive Committee and subsequently reviewed by the Audit Committee. The report is then recommended to the Board of Directors for final review and approval. All the valuation processes and fair value changes are discussed at the Board level; including significant unobservable inputs used in the valuation techniques and the relationship of these unobservable inputs to the fair values. Where appropriate, the Group also utilises external consultants with specific valuation and sector expertise to supplement the internal valuation work. The Board adopts a prudent approach for investments held in countries with specific risks like political, inflation and social.

The Group's strategy is to create long term value through capital appreciation of its investments and through dividends generation; the Group has identified strategic sectors in which it intends to focus to develop large scale profitable businesses.

The Group regularly monitors the performance of its investments; whenever such performance falls below expectations or the investment fails to achieve sufficient scale, the Group applies different corrective measures such as restructuring the operations, increasing scale or dispose of the investment.

Similarly all investments, regardless of performance, are periodically evaluated to determine the approach that would deliver the highest value to the Company's shareholders; as a result certain investments are exited via a sale to third parties while other are retained for long term dividend generation.

Using different market multiples and valuation parameters will change the fair value of the investment as shown below

CHANGE IN SHARE PRICES	The Group and Company	
	Change in Fair Value	
	2018 USD	2017 USD
5%	4,388,419	4,211,745
10%	8,776,837	8,423,489

6.2 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE

The Group's other financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

6.3 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

The Group's non-financial assets consist of plant and equipment, prepayments, deposits, advance payments, VAT receivable and current tax asset and its non-financial liabilities consist of VAT payable and current tax liabilities.

For non-financial assets and non-financial liabilities, fair value measurement is not applicable since these are not measured on a recurring or non-recurring basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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7. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its members and other stakeholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid, buy back shares or issue new shares.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital:

	2018 USD	2017 USD
Debt	2,547,463	-
Cash and cash equivalents	(3,102,551)	(4,978,717)
Net debt	-	-
Equity	94,120,894	92,769,529
Total capital	94,120,894	92,769,529
Gearing ratio	-	-

Debt is defined as borrowings and non-convertible bond, as detailed in Notes 17 and 18 respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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8. PLANT AND EQUIPMENT

	Motor vehicles USD	Computer equipment USD	Furniture and fittings USD	Total USD
COST				
At 01 January 2018	5,377	29,930	24,280	59,587
On consolidation	25	(1,030)	(621)	(1,626)
Additions	-	2,235	6,677	8,912
Foreign exchange difference	-	(9)	(35)	(44)
AT 31 DECEMBER 2018	5,402	31,126	30,301	66,829
DEPRECIATION				
At 01 January 2018	2,368	19,516	10,647	32,531
On consolidation	15	(901)	(541)	(1,427)
Charge for the year	573	5,157	3,615	9,345
Foreign exchange difference	(3)	(122)	(41)	(166)
AT 31 DECEMBER 2018	2,953	23,650	13,680	40,283
NET BOOK VALUES				
AT 31 DECEMBER 2018	2,449	7,476	16,621	26,546

	Motor vehicles USD	Computer equipment USD	Furniture and fittings USD	Total USD
COST				
At 01 January 2017	5,269	17,118	23,204	45,591
On Consolidation	-	2,584	-	2,584
Additions	-	11,563	4,237	15,800
Foreign Exchange Difference	108	(1,335)	(3,161)	(4,388)
AT 31 DECEMBER 2017	5,377	29,930	24,280	59,587
DEPRECIATION				
At 01 January 2017	2,306	14,233	10,444	26,983
On Consolidation	-	1,017	-	1,017
Charge for the year	760	6,447	2,374	9,581
Foreign Exchange Difference	(698)	(2,181)	(2,171)	(5,050)
AT 31 DECEMBER 2017	2,368	19,516	10,647	32,531
NET BOOK VALUES				
AT 31 DECEMBER 2017	3,009	10,414	13,633	27,056

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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9. INVESTMENT IN SUBSIDIARIES

9.1 UNQUOTED AND AT COST:

	2018 USD	2017 USD
At 01 January 2018	5,091	991
Transfer from fair value through profit or loss	-	4,100
At 31 December 2018	5,091	5,091

9.2 DETAILS OF THE INVESTMENT IN THE SUBSIDIARIES ARE AS FOLLOWS:

NAME OF SUBSIDIARIES	Country of incorporation	Type of share	% holding	2018 USD	2017 USD
Maris Kenya Limited	Kenya	Equity	100%	990	990
Maris Advisors UK Limited	United Kingdom	Equity	100%	1	1
Industrial Support Services Limited	Republic of Mauritius	Equity	100%	100	100
Maris Mozambique, Limitada	Republic of Mozambique	Equity	100%	4,000	4,000
Total	-			5,091	5,091

The above cost is considered to be a reflection of the fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

(i) Unquoted and at fair value

	2018 USD	2017 USD
At 01 January	84,234,894	74,483,707
Transfer to investment in subsidiaries	-	(4,100)
Additions during the year – equity investments	3,169,564	1,601,061
Additions during the year – non-equity investments	778,706	1,645,449
Disposal during the year	(850,000)	-
Fair value gain on remeasurement	435,206	6,508,777
At 31 December	87,768,370	84,234,894

(ii) Details of the Group's and the Company's financial assets at fair value through profit or loss are as follows:

INVESTEES COMPANY	Country of operation	Effective % shareholding of underlying assets	Direct investee legal name (SPV)	Country of incorporation	% holding	Fair Value 2018 USD	Fair Value 2017 USD
Agriculture & Forestry							
Central Equatoria Teak Company Limited	South Sudan	79%	Central Equatoria Teak Holdings Limited	Republic of Mauritius	100%	1	-
Equatoria Teak Company Limited	South Sudan	85%	Equatoria Teak Holdings Limited	Republic of Mauritius	100%	7,471,978	7,860,407
Tatepa Limited	Tanzania	18%	Maris Tatepa Holdings Ltd	Republic of Mauritius	100%	3,274,004	3,292,867
Business Services							
Equator Drilling, S.A.	Mozambique/ Democratic Republic of the Congo	80%	Equator Drilling International Ltd	Republic of Mauritius	80%	1,559,000	1,726,556
Equator Energy	Kenya/Zimbabwe/ South Sudan	70%	Equator Energy Genco 2 Ltd	Republic of Mauritius	70%	2,952,436	1,961,000
MTA - Maquinas e Tractores de Angola, LDA	Angola	50%	Machinery & Plant Angola	Republic of Mauritius	50%	2,250,000	2,700,000
Machines and Tractors Tanzania	Tanzania	50%	Machinery & Plant One Ltd	British Virgin Islands	50%	2,150,000	2,149,998
Machines and Tractors Rwanda	Rwanda	50%	Machinery & Plant Africa Ltd	Republic of Mauritius	50%	550,000	550,000
Untu	Zimbabwe	0%	Untu Holdings Limited	Botswana	0%	-	850,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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(ii) Details of the Group's and the Company's financial assets at fair value through profit or loss are as (cont.):

INVESTEE COMPANY	Country of operation	Effective % shareholding of underlying assets	Direct investee legal name (SPV)	Country of incorporation	% holding	Fair Value 2018 USD	Fair Value 2017 USD
Mining							
Karebe Gold Mining Limited	Kenya	80%	Equatorial Mining Limited	British Virgin Islands	100%	16,000,000	16,000,000
Commoner Mine	Zimbabwe	80%	Commoner Mine Mauritius Ltd	Republic of Mauritius	80%	3,349,564	4,036,564
Venice Mine	Zimbabwe	90%	Venice Mine Mauritius Ltd	Republic of Mauritius	90%	14,140,135	14,145,689
Property Services							
Africa Logistics Properties	Kenya	13%	Africa Logistics Properties Holdings Ltd	Republic of Mauritius	13%	10,584,753	5,485,909
Operational Support Services (OSS) Limited (Acacia Village)	South Sudan	55%	Operational Support Services Limited	Gibraltar	55%	1,002,722	1,121,377
Quirimbas Support Services (Kaia Village)	Mozambique	100%	Quirimbas Support Services 23 Ltd	British Virgin Islands	100%	8,050,000	7,950,000
MMO Mozambique Managed Offices, Limitada	Mozambique	75%	Africa Managed Office Solutions	Republic of Mauritius	75%	1,262,454	1,262,454
Mulitani, S.A.	Mozambique	100%	Mulitani BVI Ltd	British Virgin Islands	100%	7,550,000	7,550,000
OSS DRC	Democratic Republic of the Congo	45%	Hinterland Ltd	Republic of Mauritius	45%	321,323	292,073
OSS Mozambique	Mozambique	100%	Operational Support Services BVI Ltd	British Virgin Islands	100%	5,300,000	5,300,000
TOTAL						87,768,370	84,234,894

(i) Dividend income of USD 3,167,286 was received during the year under review (2017: USD 5,087,083).

(ii) The methods used to estimate the fair values are described in Note 6.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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11. LOANS TO RELATED PARTIES

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Non Current				
Loans To Related Parties (Note (I) And (Ii))	2,809,920	930,219	2,809,920	930,219
Current				
Loans To Related Parties (Note (Iii))	285,000	-	285,000	-
TOTAL	3,094,920	930,219	3,094,920	930,219

(I) The loans Are unsecured, carry interest between 0-15% per annum and have no fixed repayment terms.

(II) The loans will mature on the maturity date and will be automatically renewed for an additional 12 months under the same terms unless terminated under the provisions of the relevant agreements.

(III) The loans are unsecured, interest free and receivable on demand.

(IV) Expected credit losses

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all its loans receivable as these items do not have a significant financing component. In measuring the expected credit losses, the loans receivables have been assessed on a collective basis as they possess shared credit risk characteristics.

The Directors consider no expected credit loss is to be recognised for the loans receivable as no default is expected given that funds are centrally managed at Group level and payments are made as and when required depending on the Group treasury management.

12. OTHER INVESTMENTS

The Group has invested in a Government Bond through a financial institution with a maturity date of 24 April 2021 and at an interest rate of 4.15% payable semi-annually. The nominal amount is MUR 4M (equivalent to USD115,382).

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
At 01 January	119,844	122,660	119,844	122,660
Additions during the year	120,440	119,364	120,440	119,364
Matured during the year	(117,375)	(119,322)	(117,375)	(119,322)
Foreign exchange loss on retranslation	(5,058)	(1,989)	(5,058)	(1,989)
Fair value loss on re-measurement	(608)	(869)	(608)	(869)
At 31 December	117,243	119,844	117,243	119,844

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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13. RECEIVABLES

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Other receivables	112,285	90,678	-	-
Prepayments	33,103	136,576	5,375	16,030
Deposits	1,037,217	536,775	31,964	24,980
Dividend receivable	1,814,868	1,766,082	1,814,868	1,766,082
Due from related parties (Note (i))	54,317	385,157	1,020,378	775,155
TOTAL	3,051,790	2,915,268	2,872,585	2,582,247

(i) The amounts due from the related parties are unsecured, interest free and receivable on demand. The directors consider that no credit risk is associated with the amount due from the related parties and hence no lifetime expected credit losses have been recognised.

14. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Cash at bank				
USD	3,008,799	4,934,954	2,538,808	4,239,502
MUR	23,835	22,343	23,835	22,343
KES	9,394	2,632	-	-
GBP	57,621	8,816	11,728	-
MZN	2,902	9,972	-	-
	3,102,551	4,978,717	2,574,371	4,261,845

15. STATED CAPITAL

	2018 USD	2017 USD
Ordinary shares at no par value	90,150,888	90,150,888

Movement during the year:

	2018 USD	2017 USD
At 01 January	90,150,888	89,776,088
Issue of shares (Note (ii))	-	374,800
At 31 December	90,150,888	90,150,888

(ii) Pursuant to Side Letters between the Company and some of its shareholders, the Company had issued 430,804 shares at USD0.87 per share in 2017.

(iii) The ordinary shares would be conferred such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise, as the directors may, subject to the Company's Shareholders' Agreement deem fit.

16. SHARE OPTION RESERVE

Pursuant to clause 18.5 of the Shareholders Agreement, the Company has implemented a Long-Term Incentive Plan (LTIP). Under the LTIP, selected employees have been awarded a) deferred shares grants which allow them to receive ordinary shares of the Company after three years from grant date, and b) deferred performance shares grants which allow them to receive ordinary shares of the Company upon a major liquidity event, provided that certain conditions are met. The LTIP meets the definition of equity-settled incentive and has been accounted for based on the following parameters:

- 1,386,542 number of deferred and deferred performance shares granted in 2018
- USD0.91 estimated FMV of one share at the time of granting
- 11.1% estimated probability of vesting conditions not being met
- The resulting cost of the benefit (USD227,578) is amortised over 3 years for deferred shares
- No cost has been accrued for deferred performance shares

During the financial year 2018, a benefit of USD227,578 (2017: USD230,000) has been accounted as expense in the consolidated statement of comprehensive income and a corresponding entry has been made in share option reserve.

17. BORROWINGS

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Loans from related parties	529,793	-	500,000	-

- (i) The loans from the related parties are unsecured, bear interest of 6% per annum and have a 12 months tenor. The loans' repayment date has been extended to March 2020.
- (ii) Loan interest accrued for and paid during the year under review amounted to USD14,918.

18. NON-CONVERTIBLE BOND

	The Group and the Company	
	2018 USD	2017 USD
Non-convertible bond	2,017,670	-

- (i) The non-convertible bond is secured, bears a fixed interest rate of 8% and will mature in 2020.
- (ii) Interest on the non-convertible bond for the year under review amounted to USD108,197.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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19. PAYABLES

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Accruals	331,266	285,134	308,797	219,874
Other payables	153,262	90,930	111,049	-
Due to related parties (Note (i))	25,342	42,541	8,154	4,162
	509,870	418,605	428,000	224,036

(i) The amount due to the related parties is unsecured, interest free and repayable on demand.

20. REGIONAL MANAGEMENT COSTS

In order to manage its activities, the Group maintains management resources (the “Regional Management”) at different locations: Mauritius, Nairobi, Maputo and London. The Regional Management is hosted by Maris Kenya Limited (“MKL”) in Kenya, by Maris Advisors UK Limited (“MCA”) in the United Kingdom and by Industrial Support Services Limited (“ISS”) in the Republic of Mauritius.

MKL, MCA and ISS charge the Group substantially “at cost” for the expenses incurred in hosting the regional management.

The Company has entered into a Business Services Agreement with ISS, whereby the latter has agreed to provide business services in return for a management fee of USD1,050,000 for 2018 (2017: USD1,800,000). The lower 2018 fees vs. 2017 fees are due to the reduction in staff cost and office rental expenses.

21. PROFESSIONAL FEES

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Legal fees and professional fees	153,082	135,154	53,697	85,457
Other professional fees	15,289	29,957	9,620	29,957
Audit fees	49,531	44,469	43,150	35,000
Consultancy fees	68,466	94,269	43,019	35,339
	286,368	303,849	149,486	185,753

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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22. OTHER EXPENSES

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Insurance expenses	46,903	51,140	32,384	40,520
Bank charges	40,534	31,975	8,894	13,496
Bad debts written off	-	7,840	-	3,896
Other expenses	63,990	23,218	2,108	22,416
	151,427	114,173	43,386	80,328

23. DIRECTOR'S REMUNERATION

The non-executive directors' fees structure of the Company is as follows:

	Year ended 31 Dec 2018 USD	Period from 27 June 2014 to 31 Dec 2017 USD
Annual net fees unless otherwise indicated		
Chairman of the Board	68,000	85,000
Non-executive director	16,000	20,000
Chairman of Board committee	12,000	15,000
Member of Board committee	4,000	5,000
Attendance to out-of-Europe meeting	-	3,000

The Chairman of the Board is not eligible for attendance fee and committee fee. The total amount of directors' fees incurred during the year has been USD216,844 (2017: USD270,588). For the year 2018, the Board has resolved to reduce the directors' fees by 20% compared to the prior year. For the year 2019 onwards, it is expected that director' fees will revert to the values applicable in 2017 (except for the out-of-Europe meeting fee which has been permanently eliminated).

24. TAXATION

INCOME TAX EXPENSE

The Company

The Company, under the current laws and regulations, is liable to pay income tax on its net income at the rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of the Mauritian tax payable in respect of its foreign source income thus reducing its maximum effective tax rate to 3%. Capital gains of the Company are exempt from tax in Republic of Mauritius.

The Company is centrally managed and controlled from Republic of Mauritius and is hence tax resident in Republic of Mauritius and holds a valid general Tax Residence Certificate ("TRC") from the Mauritius Revenue Authority which is renewable annually subject to meeting certain conditions. TRCs entitle the Company to certain relief pursuant to the treaties concluded by the Republic of Mauritius and other countries for avoidance of double taxation.

The Company had an income tax recoverable of USD10,476 as at 31 December 2018 (2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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The Subsidiaries

The subsidiary incorporated in United Kingdom is liable to income tax at the rate of 19% (2017: 16%) and at 31 December 2018, it had an income tax liability of USD1,061 (2017: USD17,474). The subsidiary incorporated in Kenya is liable to income tax at the rate of 30% and at 31 December 2018, it had an income tax recoverable of USD7,392 (2017: USD702). The subsidiary incorporated in the Republic of Mauritius holds a Category 2 Global Business Licence and hence is exempt from tax. The subsidiary incorporated in Mozambique is liable to income tax at a rate of 32% and at 31 December 2018, it had no income tax liability.

CURRENT TAX ASSETS	The Group	
	2018 USD	2017 USD
At 01 January	702	(225)
Charge for the year	(48,701)	(14,727)
Tax paid during the year	65,903	15,584
Currency translation differences	(36)	70
At 31 December	17,868	702

CURRENT TAX LIABILITIES	The Group	
	2018 USD	2017 USD
At 01 January	(18,566)	-
Charge for the year	(1,105)	(18,566)
Tax paid during the year	18,566	-
Currency translation differences	44	-
At 31 December	(1,061)	(18,566)

INCOME TAX RECONCILIATION

The tax of the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Profit / (loss) before tax	1,177,312	9,789,673	1,399,268	8,945,369
Tax exempt profit due to Category 2 Global Business Licence	236,271	(619,930)	-	-
	1,413,583	9,169,743	1,399,268	8,945,369
Tax calculated at the rate of 15%	212,037	1,375,461	209,890	1,341,805
Adjustment for tax rate difference in foreign jurisdiction	5,467	8,962	-	-
Exempt income	(66,005)	(977,113)	(65,203)	(976,186)
Tax losses utilised	-	(198,709)	-	(197,944)
Non-allowable expenses	55,594	168,841	53,134	165,931
Deferred tax asset not recognised	(3,730)	-	-	-
Currency translation differences	4,700	(11,438)	-	-
Deemed tax credit	(158,257)	(333,606)	(158,257)	(333,606)
Tax expense	49,806	32,398	39,564	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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DEFERRED TAXATION

The Group and the Company

No deferred tax asset has been recognised in respect of tax losses carried forward as taxable income is not probable in the foreseeable future.

25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
At 01 January 2018	-	-	-	-
Cash flows:	-	-	-	-
Movement during the year	529,793	1,987,687	500,000	1,987,687
Interest paid	(14,918)	(78,214)	(14,918)	(78,214)
Non-cash flows:				
Interest accrued	14,918	108,197	14,918	108,197
At 31 December 2018	529,793	2,017,670	500,000	2,017,670

26. CONSOLIDATION

Details regarding the subsidiaries, their total assets and liabilities as at 31 December 2018, and their revenue and loss for the year then ended are as follows:

Maris Advisors UK Limited

Country of incorporation	United Kingdom
Proportion of ownership interest	100%

	2018 USD	2017 USD
Total assets	118,575	177,730
Total liabilities	52,673	111,087
Revenue	302,521	599,227
Profit/(loss) for the year	1,607	88,883

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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Maris Kenya Limited

Country of incorporation	Kenya
Proportion of ownership interest	100%

	2018 USD	2017 USD
Total assets	147,061	151,748
Total liabilities	34,756	51,227
Revenue	859,650	814,818
Profit/(loss) for the year	13,376	27,978

Industrial Support Services Limited

Country of incorporation	Republic of Mauritius
Proportion of ownership interest	100%

	2018 USD	2017 USD
Total assets	1,484,188	1,241,945
Total liabilities	1,022,744	544,229
Revenue	1,059,211	1,800,000
Profit/(loss) for the year	(236,271)	619,930

Maris Mozambique, Limitada

Country of incorporation	Mozambique
Proportion of ownership interest	100%

	2018 USD	2017 USD
Total assets	29,953	44,256
Total liabilities	41,437	44,986
Revenue	2,728	-
Profit/(loss) for the year	11,656	242

Bargain purchase gain

	2018 USD	2017 USD
Consideration paid	-	100
Net assets acquired	-	77,785
Bargain purchase gain	-	77,685

Goodwill and consolidation

	2018 USD	2017 USD
Consideration paid	-	4,000
Net assets acquired	-	310
Goodwill	-	4,310

The goodwill on consolidation was fully impaired in 2017.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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27. RELATED PARTY TRANSACTIONS

For the year ended 31 December 2018, the Company had transactions with its related parties. The nature, volume of transactions and the balances with the related are as follows:

THE GROUP

NATURE OF RELATIONSHIP	NATURE OF TRANSACTIONS	VOLUME OF TRANSACTION USD	DEBIT (CREDIT) BALANCES AT 31 DECEMBER 2018 USD	DEBIT (CREDIT) BALANCES AT 31 DECEMBER 2017 USD
Group companies	Loans receivable	1,961,291	2,873,699	912,408
	Interest on loans receivable	203,410	221,221	17,881
	Receivables	320,318	54,317	374,635
	Payables	52,189	(17,260)	(42,541)
	Dividend receivable	48,786	1,814,868	1,766,082
	Loans payable	29,793	(29,793)	-
Common directorship	Regional management costs	1,050,000	-	-
Shareholder	Borrowings	500,000	(500,000)	-
Key management personnel	Payables	8,082	(8,082)	-
	Receivables	10,522	-	10,522

THE COMPANY

NATURE OF RELATIONSHIP	NATURE OF TRANSACTIONS	VOLUME OF TRANSACTION USD	DEBIT (CREDIT) BALANCES AT 31 DECEMBER 2018 USD	DEBIT (CREDIT) BALANCES AT 31 DECEMBER 2017 USD
Group companies	Loans receivable	1,961,291	2,873,699	912,408
	Interest on loans receivable	203,410	221,221	17,811
	Receivables	244,255	13,788	258,043
	Payables	4,090	(72)	(4,162)
	Dividend receivable	48,786	1,814,868	1,766,082
Common directorship	Regional management costs	1,050,000	-	-
Shareholder	Borrowings	500,000	(500,000)	-
Subsidiary	Receivables	500,000	1,006,590	506,590
Key management personnel	Payables	8,082	(8,082)	-
	Receivables	10,522	-	10,522

The related party transactions are carried out on commercial terms unless otherwise stated.

28. CONTINGENT LIABILITIES

The Company's subsidiary, Industrial Support Services Limited, has availed the following joint Standby Letter of Credit ("SBLC") from Standard Bank Mauritius Limited to secure the payment by Machines and Tractors Tanzania Ltd, Maquinas e Tractores De Angola Lda, MTR Holdings Ltd and Global Machines Trading Services Ltd for the purchase of industrial products on credit:

	LOAN AMOUNT		TENOR NUMBER OF YEARS
	2018 USD	2017 USD	
Global Machines Trading Services Ltd Machines and Tractors Tanzania Ltd Maquinas and Tractores De Angola Lda MTR Holdings Ltd	1,000,000 joint SBLC on behalf of the four entities mentioned above	1,000,000 joint SBLC on behalf of the four entities mentioned above	1

The Standby Letter of Credit qualifies as contingent liabilities under IAS 37, Provisions, Contingent Liabilities and Contingent Assets. As of date, these contingent liabilities are qualified as probable but not virtually certain given that they are exercisable by the suppliers of the industrial goods unless payments for products purchased are not received by the investees. Hence, these are being recognised by way of disclosure only.

29. EVENTS AFTER THE REPORTING DATE

In March 2019, the Company's subsidiary, Industrial Support Services Limited, has reduced the amount of the Standby Letter of Credit ("SBLC") referred to in Note 28 to USD 500,000.



TATEPA, TANZANIA

MARIS LIMITED

Suite 011,
Grand Baie Business Park,
Avenue Geranium,
Grand Baie,
Mauritius

www.marisafrica.com