

**DIRECTORS' COMMENTARY
OVERVIEW OF THE BUSINESS**

Atlantic Leaf is a Mauritius public company limited by shares holding a category 1 Global Business License with the primary objective of investing in quality real estate assets and companies that are income yielding with the prospect of capital appreciation. The Company has a primary listing on the Stock Exchange of Mauritius Ltd ("SEM") and a secondary listing on the Alternative Exchange ("AltX") of the Johannesburg Stock Exchange ("JSE"). Since incorporation on 11 November 2013, the Company has successfully raised GBP35 million by way of various private placements to invited investors.

COMPANY REVIEW FOR THE YEAR ENDED 28 FEBRUARY 2015

The Company is pleased to present the results for the year ended 28 February 2015, being its first full year of operations.

The Company has managed to conclude the acquisition of two significant property portfolios (albeit the second transaction was completed shortly after the financial year end, on 3 March 2015), resulting in Atlantic Leaf's gross underlying assets exceeding GBP50 million as at the date of this announcement. Both portfolio acquisitions were secured with long-term leases in place and at income yields of 8.3% and 7.3% respectively. Gearing has been incorporated to enhance returns to shareholders. With gearing targeted at approximately 50% (LTV) against these assets, Atlantic Leaf anticipates an attractive return to shareholders for the next 12 months.

Our first acquisition, being the 30% share of the Booker portfolio, held in a wholly-owned subsidiary Seahawk Investments Limited ("Seahawk"), has performed in line with expectations. All income has been collected and we believe there is a key opportunity to restructure the related debt on far more favourable terms when this debt comes up for renewal in October 2015. This will enhance future performance on this key asset.

The net rental income earned on Booker is currently retained in the investment vehicle and in terms of IFRS is reflected in the gain on a financial asset in the Statement of Profit or Loss. This income is, however, available for distribution to the shareholders of Atlantic Leaf, if and when needed.

During the period under review, rentals for the Booker portfolio were escalated by 13.1% in terms of contractual lease agreements. In addition, the UK property market has continued to see reductions in property yields, in line with downward shifts in the UK yield curve, resulting in increased property valuations. The combination of rental escalations and yield reductions has contributed to an unrealised gain on the investment in Seahawk being recognised during the period under review, bringing the fair value gain from this investment to GBP1.4 million.

As noted above, on 3 March 2015 the Company acquired a portfolio of three commercial properties in the United Kingdom at a gross property value of £23.0 million inclusive of transaction costs. The properties are located in Brecon, St. Helens and Wombourne, and collectively generate £1.7 million in annual rental income, representing a gross initial yield of 7.3% (post-transaction costs). The net cash consideration payable by Atlantic Leaf for the properties was approximately GBP11.2 million including costs, and an expected return on equity of 9.9% could be achieved based on the company taking over the existing debt facilities. As recorded on the Statement of Financial Position, the purchase price had already been paid to Escrow and is reflected as a non-current asset at year-end.

This acquisition is directly in line with Atlantic Leaf's strategy and in particular provides:

- an attractive forward yield and return to Atlantic Leaf; and
- continued diversification into high quality properties.

The table below summarises the salient features of this transaction:

	British Capital GBPm
Gross assets	23.0
Long-term debt	11.8
Net equity	11.2
Annualised rental	1.7
Expected net income after gearing costs	1.1

During the financial year under review, the Company earned 8.28 pence per share (excluding once-off costs) based on the weighted average number of shares which translates to a return of 8.1%. Returns were impacted by the 'cash drag' associated with holding lower-yielding cash reserves for longer than anticipated whilst waiting for the property deals to complete. We are pleased with these results given the challenges of an early stage company, in a 'normalised' year, in which capital is more fully deployed in property assets over the period, it is expected that returns could be higher.

The Directors have decided not to declare a dividend at this date as the company is in an establishment phase. It is planned that in 2016 financial year dividends will be declared as this is part of our stated objective.

COMPANY OUTLOOK

Atlantic Leaf plans to grow significantly in the next twelve months and has identified a number of key acquisitions, which are currently being evaluated. It is anticipated that the Company will execute on at least two of these in the first half of the 2016 financial year. A key objective of the Company will be to commence the distribution to shareholders, which management believes is achievable.

Any forecast statement above and the assumptions underlying such statements are the responsibility of the Board and have not been reviewed or reported on by the Company's external auditors. The forecast is based on assumptions, including assumptions that a stable regional, political and economic environment as well as a stable global macro-economic environment will prevail.

By order of the Board

Intercontinental Trust Limited
Company Secretary
20 April 2015

STATEMENT OF FINANCIAL POSITION

	Unaudited as at 28 February 2015	Audited as at 28 February 2014
	GBP	GBP
Assets		
Non-current assets	26 255 997	-
Financial assets at fair value through profit or loss	13 652 211	-
Escrow account - held for investment acquisition	10 813 467	-
Loans receivable	1 790 319	-
Current assets	10 007 685	1 000
Cash and cash equivalents	9 686 551	1 000
Trade and other receivables	321 134	-
Total assets	36 263 682	1 000
Equity and liabilities		
Equity	36 134 679	1 000
Share capital	34 770 873	1 000
Retained earnings	1 363 806	-
Liabilities		
Current liabilities	129 003	-
Trade and other payables	129 003	-
Tax provision	-	-
Total equity and liabilities	36 263 682	1 000
Number of shares in issue	33 941 306	1 000
Net asset value per share (GBP)	1.06	1.00

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

South African corporate advisor Leaf Capital	+27 21 657 1180
South African JSE Sponsor Java Capital	+27 11 722 3050
Company Secretary Intercontinental Trust Limited	+230 403 0800

	Unaudited for the year ended 28 February 2015	Audited for the period ended 28 February 2014
	GBP	GBP
INCOME		
Net gain on financial assets at fair value through profit and loss	1 691 031	-
Foreign exchange gain	118 150	-
Dividend income	33 509	-
Interest income	21 598	-
	1 864 288	-
EXPENSES		
Operating expenses	(272 580)	-
Property service fee	(182 099)	-
Audit fees	(10 928)	-
Directors' fees	(25 833)	-
	(491 440)	-
Profit before taxation	1 372 848	-
Taxation	(9 042)	-
Total comprehensive income for the year/period	1 363 806	-
Weighted average number of shares in issue for the year/period	18 930 998	1 000
Basic and headline earnings per share (GBP pence)	7.20	-
Adjusted headline earnings per share (GBP pence)	8.28	-
<i>There are no reconciling items between basic earnings and headline earnings.</i>		
<i>Atlantic Leaf has no dilutionary instruments in issue.</i>		

RECONCILIATION OF ADJUSTED HEADLINE EARNINGS PER SHARE

	Unaudited for the year ended 28 February 2015	Audited for the period ended 28 February 2014
	GBP	GBP
Total comprehensive income for the period	1 363 806	-
<i>Adjusted for one-off costs:</i>		
Listing and advisory fees	47 722	-
Seahawk transaction costs	140 151	-
Foreign exchange loss specifically relating to one-off costs	16 392	-
Adjusted headline earnings	1 568 071	-

STATEMENT OF CHANGES IN EQUITY for the year ended 28 February 2015

	Stated capital GBP	Retained earnings GBP	Total GBP
At 11 November 2013	-	-	-
Issue of shares	1 000	-	1 000
Total comprehensive income for the period	-	-	-
At 28 February 2014	1 000	-	1 000
Issue of shares	34 769 873	-	34 769 873
Total comprehensive income for the year	-	1 363 806	1 363 806
At 28 February 2015	34 770 873	1 363 806	36 134 679

STATEMENT OF CASH FLOWS for the year ended 28 February 2015

	Unaudited year ended 28 February 2015	Audited period ended 28 February 2014
	GBP	GBP
Net cash utilised in operating activities	(575 660)	-
Cash flow utilised in investing activities	(24 508 662)	-
Cash flow from financing activities	34 769 873	1 000
Increase in cash and cash equivalents	9 686 551	1 000
Cash and cash equivalents at beginning of the year/period	1 000	-
Cash and cash equivalents at end of year/period	9 686 551	1 000

ABRIDGED SEGMENTAL ANALYSIS

	Unaudited as at 28 February 2015	Audited as at 28 February 2014
	GBP	GBP
Total Assets - of the investment portfolio		
Retail warehouse	12 417 292	-
Others	1 234 919	-
	13 652 211	-

NOTES

The abridged unaudited financial statements for the year ended 28 February 2015 ("financial statements") have been prepared in accordance with the measurement and recognition requirements of IFRS, the requirements of IAS 34: Interim Financial Reporting, the SEM Listing Rules and the Securities Act of Mauritius 2005.

The accounting policies adopted in the preparation of these financial statements are consistent with those applied in the preparation of the audited financial statements for the period ended 28 February 2014.

In line with the Listing Rule 12.14 of the SEM, the Company will release its abridged audited financial statements for the year ended 28 February 2015 once the audit of the financial statements is complete.

Copies of the financial statements and the statement of direct and indirect interests of each officer of the Company, pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request at the Registered Office of the Company at c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius. Contact person: Mr Kesaven Moothoosamy.

This communique is issued pursuant to SEM Listing Rule 11.3 and Rule 5(1) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007. The Board accepts full responsibility for the accuracy of the information contained in these financial statements. The Directors have disclosed all matters or circumstances arising subsequent to the year ended 28 February 2015 that require any additional disclosure or adjustment to the financial statements.