New Frontier Properties Ltd
(Incorporated in the Republic of Mauritius on 5 June 2014)
(Registration number 123368C1/GBL)
SEM share code: NFP.N0000
JSE share code: NFP
ISIN: MU0453N00004
("**New Frontier**" or "**the Company**" or "**the Group**")

SUMMARISED UNAUDITED CONSOLIDATED RESULTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31 MAY 2020

The Company was established in Mauritius as a public company limited by shares holding a Global Business Licence. The Company has primary listings on the Official Market of the Stock Exchange of Mauritius Ltd ("**SEM**") and the Alternative Exchange ("**AltX**") of the JSE Limited ("the **JSE**"). The primary objective of the Company is to acquire good quality, income-generating retail and logistics/warehouse property assets in the United Kingdom ("**UK**") and mainland Europe.

REPORTING CURRENCY
The Group's results are reported in pounds sterling ("**GBP**").

FINANCIAL RESULTS
The Group results are prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The profit after taxation for the nine-month period ended 31 May 2020 ("**Q3**") was GBP 6.270 million (2019: loss of GBP 60.05 million). The Group's loss after taxation for the three-month period ended 31 May 2020 was GBP 0.775 million (2019: loss of GBP 49.05 million).

The profit after taxation for Q3 is primarily due to the gain recognised following the foreclosure of Houndshill Shopping Centre, Blackpool and associated liquidation of that part of the Group structure. The impact of COVID-19 continues to be assessed. However, recent indications are that the property portfolio may be at value or undervalued and thus the Board has deferred a decision to process any impairment of the property portfolio in these quarterly results until a better understanding of any lasting impact can be obtained. This assessment will be undertaken for the year ending 31 August 2020.

BUSINESS REVIEW
Retail sector overview
Due to the effects of Covid-19 the Group has been affected by the restricted operation of its shopping centres and the UK government's economic measures to protect operating businesses. These measures have had a detrimental impact on income particularly car parking and commercialisation revenue and have caused an increase in the amount of bad debts.

The lockdown measures introduced in the UK have meant that all but essential shops were closed for the majority of the three months to 31 May 2020. In addition, the UK government introduced a moratorium preventing landlords from taking recovery action against retailers which has hampered the collection of rent from tenants with many retailers taking advantage of the moratorium to preserve their cash resources. Rent collection for the second calendar quarter of 2020 is around 73%. However, despite the reduction in cash flow, the Group has met its interest payment obligations to its lenders during the quarter. On a positive note, retailers have been exempted from the payment of business rates until at least 31 March 2021 which should help to reduce the level of insolvencies resulting from this pandemic.

The closure of non-essential stores has accelerated the trend towards online shopping and has increased the pressure on rental levels achievable on new lettings and lease renewals.

Centre activity, letting and lease renewals
As at 31 May 2020, occupancy at the centres has been fundamentally stable with combined occupancy of 92.65% (29 February 2020: 92.81%) by Estimated Rental Value ("**ERV**") and 92.65% (29 February 2020: 93.01%) by Gross Lettable Area ("**GLA**"). The asset manager and the letting teams continue to work hard to minimise the void levels, reduce costs with the focus to improve net operating income.

Property disposal
On 19 February 2020 the Group announced that Burton Shopping Centre Limited, a wholly-owned subsidiary of New Frontier and, a third party purchaser, Burton Corporate Limited, had exchanged contracts for the freehold sale of the Primark unit located in the Cooper Square Shopping Centre, Burton upon Trent to the purchaser for a consideration of GBP 6,700,000.

The purchase consideration for the property will be paid in cash, with the proceeds of the transaction being used to reduce outstanding bank debt. This is in line with New Frontier's strategy to dispose of property to comply with the terms of the Group's loan facility which requires a GBP 5,600,000 repayment by 30 July 2020. The transaction will be concluded by a way of a transfer of the freehold title and is conditional upon the approval of New Frontier shareholders in a general meeting.

A Circular to shareholders is in the process of being prepared but, as announced by the Company on 30 June 2020, there has been substantial delays owing to the impact of the Covid-19 in finalising the Circular. The JSE has accordingly approved a further extension until 31 July 2020 for the completion and posting of the Circular to shareholders.

FUNDING
The Group's lender continues to engage with the Group at this time, however, it still continues to trap the free rental cash flow. Notwithstanding this situation, they have agreed to release funds for the Group's operating expenses and capital expenditure to support letting activity at the shopping centres. Meanwhile, surplus funds will be used to further reduce the outstanding loans. It should be noted that the Loan to Value ratio was impacted in 2018 and 2019 by the non-cash flow impairment of property values due to Brexit concerns and the terms with the lenders were renegotiated during the period under review. Shareholders are further advised that the funding is ring-fenced at a subsidiary level. The Board of Directors of New Frontier ("**Board**") considers that so long as the Group has the support of its lenders it can service its obligations in the normal course of business and will continue as a going concern.

FUTURE PROSPECTS & STRATEGY
The Board remains confident in the viability of our centres. Aside from the turmoil and financial hardship COVID-19 wrecked on our economy, the occupancy levels at both centres remain high and the centres are still able to service the debt, albeit at the higher interest rate, and contribute to corporate costs.

In a normalised economy both centres would attract a higher valuation. This is also evidence by the recent valuation of the Primark property, which valuation is more than double the valuation in 2019.

Given the Company's listing, the fact that the current centres and financing is ring-fenced, the board of directors has decided that it will seek acquisition and growth opportunities in order to rebuild the New Frontier Group.

BASIS OF PREPARATION
These summarised unaudited consolidated results for the three and nine-month periods ended 31 May 2020 have been prepared in accordance with IFRS, including IAS 34 – Interim Financial Reporting, the SEM Listing Rules, the Securities Act 2005 of Mauritius and the JSE Listings Requirements to the extent required. The accounting policies are in accordance with IFRS and are consistent with those applied in the annual audited consolidated financial statements for the year ended 31 August 2019. These results have been prepared under the supervision of Mr Andreas Ritzlmayr CA(SA).

The Board considers that whilst the Group has the support of its lender, it can service its obligations in the normal course of business and will continue as a going concern.

These financial statements have not been reviewed or reported on by the Company's external auditors.

STATEMENT OF FINANCIAL POSITION AT 31 MAY 2020

	THE GROUP		
	Unaudited As at 31 May 2020 GBP 000	Unaudited As at 31 May 2019 GBP 000	Audited As at 31 August 2019 GBP 000
ASSETS			
Non-current assets			
Property, plant and equipment	**-**	14	13
Investment property	**63 031**	122 569	68 593
Derivative financial instrument	**-**	342	149
	63 031	122 925	68 755
Current assets			
Trade and other receivables	**1 941**	5 932	3 583
Cash and cash equivalents	**1 424**	11 711	2 344
	3 365	17 643	5 927
Non-current assets classified as held for sale	**3 125**	-	47 514
Total assets	**69 521**	140 568	122 196
EQUITY			
Capital and reserves *(attributable to owners of the parent)*			
Share capital	**47 136**	47 136	47 136
Hedging reserve	**-**	(783)	(678)
Accumulated losses	**(84 387)**	(83 155)	(90 657)
Total shareholders' deficit	**(37 251)**	(36 802)	(44 199)
LIABILITIES			
Non-current liabilities			
Borrowings	**79 324**	160 689	-
Current liabilities			
Borrowings	**25 600**	11 093	162 280
Trade and other payables	**1 539**	5 588	4 115
Income tax payable	**309**	-	-
	27 448	16 681	166 395
Total liabilities	**106 772**	177 370	166 395
Total equity and liabilities	**69 521**	140 568	122 196

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR QUARTER AND NINE MONTHS ENDED 31 MAY 2020

	THE GROUP			
	Unaudited For the 9 months ended 31 May 2020 GBP 000	Unaudited For the 9 months ended 31 May 2019 GBP 000	**Unaudited For the 3 months ended 31 May 2020 GBP 000**	Unaudited For the 3 months ended 31 May 2019 GBP 000
Rental income	**7 815**	11 280	**1 698**	3 658
Expenses				
Operating expenses	**(1 982)**	(2 274)	**(996)**	(721)
Waypoint Asset Management Fees	**(281)**	(645)	**(78)**	(154)
Administrative expenses	**(706)**	(92)	**(165)**	(91)
Loss on disposal of investment	**(378)**	-	**-**	-
Gain on liquidation of subsidiary	**8 751**	-	**-**	-
Fair value loss on investment property	**(1 776)**	(62 960)	**-**	(50 443)
	11 443	(54 691)	**459**	(47 751)
Finance costs	**(4 915)**	(5 967)	**(1 300)**	(2 112)
Movement in foreign exchange	**14**	2	**11**	1
Other income	**-**	2	**-**	-
Profit/(loss) before taxation	**6 542**	(60 654)	**(830)**	(49 862)
Taxation	**(246)**	(510)	**55**	(152)
Profit/(loss) for the period from continuing operations	**6 296**	(61 164)	**(775)**	(50 014)
Post-tax (loss)/profit for the period from discontinued operations	**(26)**	1 111	**-**	964
Profit/(loss) for the period - all operations	**6 270**	(60 053)	**(775)**	(49 050)
Other comprehensive loss for the period	**(149)**	(761)	**-**	(346)
Total comprehensive income/(loss) for the period	**6 121**	(60 814)	**(775)**	(49 396)
Earnings per share				
Basic profit/(loss) per share (GBP)	**0.039**	(0.373)	**(0.005)**	(0.305)
Headline earnings/(loss)per share (GBP)	**0.050**	0.018	**(0.005)**	0.009

STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MAY 2020

	Share Capital GBP 000	Hedging reserve GBP 000	Accumulated Losses GBP 000	Total GBP 000
THE GROUP				
(Unaudited)				
Balance at 1 September 2019	47 136	(678)	(90 657)	(44 199)
Profit for the period	-	-	6 270	6 270
Other comprehensive (loss)/profit for the period				
Cash flow hedge reserve	-	(149)	-	(149)
Amortisation of historic cash flow hedge reserve	-	827	-	827
Balance at 31 May 2020	**47 136**	**-**	**(84 387)**	**(37 351)**
Balance at 1 September 2018 (Audited)	47 136	(915)	(23 102)	23 119
Loss for the year	-	-	(67 555)	(67 555)
Other comprehensive (loss)/profit for the year				
Cash flow hedge reserve	-	(953)	-	(953)
Amortisation of historic cash flow hedge reserve	-	1 190	-	1 190
Balance at 31 August 2019 (Audited)	**47 136**	**(678)**	**(90 657)**	**(44 199)**

STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MAY 2020

	THE GROUP		
	Unaudited for the 9 months ended 31 May 2020 GBP 000	Unaudited for the 9 months ended 31 May 2019 GBP 000	Audited for the year ended 31 August 2019 GBP 000
Cash flows from operating activities			
Cash generated from operations	**4 701**	7 704	9 407
Tax paid	**(176)**	(313)	**-**
Interest paid	**(2 832)**	(3 640)	(4 847)
Net cash generated from operating activities	**1 693**	3 751	4 560
Cash flows from investing activities			
Proceeds from sale of investment property	**48 297**	9 258	-
Capital improvements to investment property	**(14)**	(214)	(212)
Net cash flows from/ (used in) investing activities	**48 283**	9 044	(212)
Cash flows from financing activities			
Repayment of borrowings	**(50 693)**	**(2 205)**	(2 614)
Payment of borrowing costs	**(205)**	**(2 350)**	(2 850)
Net cash used in financing activities	**(50 898)**	(4 555)	(5 464)
Net cash flows used from discontinued operations	**-**	-	(10)
Net (decrease)/increase in cash and cash equivalents for the period/year	**(922)**	8 240	(1 126)
Exchange difference	**2**	-	(1)
Cash and cash equivalents at the beginning of the period/year	**2 344**	3 471	3 471
At 31 May 2020/ 31 May 2019/ 31 August 2019	**1 424**	11 711	2 344

RECONCILIATION OF PROFIT FOR THE NINE MONTHS ENDED 31 MAY 2020 TO HEADLINE EARNINGS

	For the 9 months ended 31 May 2020 GBP 000	For the 9 months ended 31 May 2019 GBP 000	**For the 3 months ended 31 May 2020 GBP 000**	For the 3 months ended 31 May 2019 GBP 000
Basic and headline earnings per share				
Basic profit/(loss) loss attributable to equity holders of the Company	**6 269**	(60 053)	**(775)**	(49 050)
Fair value movement on investment properties	**(1 776)**	(62 960)	**-**	(50 443)
Headline earnings/(loss) attributable to equity holders of the Company	**8 045**	2 907	**(775)**	1 393
Number of weighted average shares	**160 935 407**	160 935 407	**160 935 407**	160 935 407
Earnings per share				
Basic earnings/(loss)per share (GBP)	**0.039**	(0.373)	**(0.005)**	(0.305)
Headline earnings/(loss) per share (GBP)	**0.050**	0.018	**(0.005)**	0.009

SEGMENTAL INFORMATION
The Group derives its revenue from the single business activity of property investment and is active in a single segment being UK Shopping Centres.

DIVIDEND DECLARATION
No dividend declaration has been made for the period under review.

By order of the Board
22 July 2020

Company secretary
Vistra (Mauritius) Limited

NOTES
Copies of this report will be available to the public at the registered office of the Company, 3rd Floor, 355 NEX, Rue du Savoir, Cybercity Ebene, 72201, Mauritius and are available on the website of the Company at https://newfrontierprop.com/. Copies of the statement of direct or indirect interest of the Senior Officers of the Company pursuant to rule 8(2)(m) of the Securities (Disclosure of Obligations of Reporting Issuers) Rules 2007 are available to the public upon request to the company secretary at the Registered Office of the Company at 3rd Floor, 355 NEX, Rue du Savoir, Cybercity Ebene, 72201, Mauritius.

These summarised unaudited consolidated financial statements are issued pursuant to SEM Listing Rule 12.20 and the Securities Act 2005 of Mauritius as well as the JSE Listings Requirements. The Board of the Company accepts full responsibility for the accuracy of the information contained therein. For further information please contact:

JSE Sponsor	SEM Authorised Representative and Sponsor	Company secretary
Arbor Capital Sponsors	**Perigeum Capital Limited**	**Vistra (Mauritius) Limited**
+ 27 83 419 8570	+230 402 0890	+230 260 7275