Commentary

The board is disappointed with the results for the financial year ended 31 March 2020.

The increase in revenue by 6%, to R703.7 million (2019: R665.7 million), is due mainly to a good sugar cane performance. There was also an increase in operating profit before biological asset fair value adjustments of 128% to R69.4 million (2019: R30.4 million) although the results for the financial year ended 31 March 2020 reflected a decline in operating profit after biological assets of 28% to R56.5 million (2019: R78.5 million). This decrease in profitability was primarily due to below-par performances from our macadamia and deciduous fruit divisions. Adverse movement in the fair value of biological assets in these divisions of some R60.9 million resulted in a charge to the income statement which exacerbated the disappointing results.

Normal finance costs increased by 17 % to R31.3 million (2019: R26.7 million), primarily due to a higher net debt position during the year. The finance cost element associated with the adoption of IFRS 16 (Accounting for Leases) has been shown separately on the face of the income statement and reflects a charge of R12,9 million (2019: Nil)

Profit for the year is R23.7 million (2019: R40.7 million). This figure incorporates an effective tax rate of 39%, which is predominantly attributable to a prior year tax adjustment brought into the current year.

Shareholders will be aware that the company has embarked on a programme to sell assets which do not meet our rigid investment criteria. During the year, good progress was made with the disposal of under-performing assets, and the group raised R63.5 million in cash in the financial year by the sell-off of these assets. Unfortunately, mainly due to the economic uncertainty created by COVID-19, the disposal of Renishaw Hills has not been concluded and the buyer has withdrawn from the protracted negotiations. As a consequence, our group results have been adjusted to reflect Renishaw Hills as a continuing operation (2019: discontinued operation), with prior year numbers being represented for comparative purposes.

Notwithstanding a significant investment in working capital of R42 million (2019: (R21.9 million inflow) the company continues to generate sound cash returns relative to reported profitability. Cash generated from operations decreased by 27% to R86.2 million (2019: R118.0 million). The investment in working capital was largely due to a working capital requirement in our property division arising from increased stock holdings at Renishaw Hills due to construction outpacing property sales.

Although occurring mostly after the financial year end, the company has weathered the impact of the COVID-19 pandemic remarkably well with minimal negative impacts to our markets and supply chain channels. Agriculture is an important Essential Service for the country and our on-farm operations have been only slightly disrupted as we seek to ensure the personal safety of our work force. Credit must go to our management teams who have adapted commendably to the Government enforced lockdown regulations with minimum impact on overall efficiency and management efficacy.

Divisional Performance

Sugar cane

Revenue from sugar cane operations increased by 15 % to R368.9 million (2019: R321.9 million) driven by an improvement in the sugar price of between 18% - 20% in South Africa and Eswatini respectively, compared to the previous year.

Operating profit after biological asset fair value adjustment was R95.0 million (2019: R70.3 million).

Deciduous Fruit

Our deciduous division reported an operating loss after a biological asset fair value adjustment of R19.2

million (2019: R10.1 million profit). The average prices achieved on our 2019 crop were 16 % down on estimate, primarily due to smaller fruit size and overall quality. We believe this was the result of the knock-on impact of the 2018 drought experienced in the Western Cape.

The 2020 crop harvest was lower than expected and only marginally higher than the 2019 crop partially due to hail-storm damage suffered in the fourth quarter. Deciduous prices are flat compared to the prior year, and revenue was therefore unable to offset the inflationary increase in operating costs resulting in an operating loss.

In line with our programme to dispose of assets which do not meet our capital return criteria, the board has resolved to sell High Noon and a number of parties have expressed an interest in acquiring this asset.

Macadamias

Revenue from our 2019 crop was in line with expectations at R31.0 million (2018 crop R8.1 million). Our 2020 crop, harvested post year end, was 60% down against our target of 807 tons due in part to overly-ambitious forecasts together with unfavorable climatic conditions. The unseasonally warm spring temperatures adversely affected crop yields from our Beaumont varieties from which a large part of the crop was expected to materialize. With significantly less hanging fruit at 31 March 2020 (326 tons dry nut in shell) compared to March 2019 (450 tons dry nut in shell), the results are significantly impacted by a material downward revision of the biological assets valuation of macadamias at year end.

Management have implemented innovative programmes to mitigate agricultural risk in future and are targeting 920 tons dry nut in shell for the next harvest in March 2021.

Bananas

The banana division continues to deliver pleasing results, despite revenues being down 11%, at R104.3 million (2019: R117.1 million). Due to significant savings achieved on agricultural costs and notwithstanding the decrease in revenue, operating profit after biological fair value adjustment ended a marginal 1 % down on the prior year at R36.4 million (2019 R36.8 million).

Our Quinta Bela Da Vista project, a 280 ha banana joint venture in Southern Mozambique co-owned with our major shareholder, SilverStreet Private Equity Strategies M Soparfi, came on-stream during the year with 117 ha's planted resulting in delivery of our first harvest to the South African market in April 2020. The project is achieving both its yield and quality targets and we plan to continue further expansion once water restrictions are lifted.

Property

Revenue in Renishaw Property Developments is down 24% to R68.2 million (2019: R89.6 million), with 35 Renishaw Hills retirement houses being sold against a budget of 45 units. The slowdown in sales rate, combined with construction continuing according to the original plan, resulted in an increase in our property stock holding effectively increasing the group's working capital by R17 million.

Management's focus for the coming year is improving the rate of sales and ensuring that the building program keeps pace with sales. We plan to reduce stock holdings before commencing the next phase of building.

Capital expenditure and financing activities

In line with our long-term plans, capital expenditure ended on R67.3 million in line with budget (2019: R78.9 million).

The planned capital and replanting spend for 2021 is R26.9 million which is significantly lower than our long-term plans as the board wishes to adopt a cautious approach in the post-COVID-19 economy.

Nevertheless, during the 2021 financial year the group will commence an expansion of our macadamia operation by a further 330 ha's over the next 2-3 years. This expansion will be funded by a 10 year $8 million project based term loan provided by a development finance institution.

Prospects

Under Kennett Sinclair our new CEO, there is a rejuvenated and optimistic atmosphere amongst the management team. Despite the uncertainty surrounding the severity of the ultimate effects which COVID-19 might have on economic activity and disposable income, we look forward to an improved performance from our sugar cane, deciduous fruit and macadamia divisions in the year ahead.

Furthermore, the sale of assets designated for disposal will have the positive impact of reducing interest and gearing as well as improving liquidity. We are also focusing on altering the periodicity of our funding structures in line with the assets they finance. An improved liquidity position will enable the business to once again focus on strategies to grow and continue the strategy of geographic diversification, crop diversification and vertical integration.

CASH DIVIDEND DECLARATION

The board of directors has resolved not to declare a final dividend for year ended 31 March 2020. (2019: nil dividend)

BASIS OF PREPARATION

The preliminary summarised consolidated financial statements are prepared in accordance with the requirements of the JSE Listings Requirements ("Listings Requirements") for preliminary reports, and the requirements of the Companies Act of South Africa applicable to summarised financial statements. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting. The accounting policies and methods of computation applied in the preparation of the consolidated annual financial statements, from which the preliminary summarised consolidated financial statements are derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the 31 March 2019 consolidated annual financial statements except for the adoption of IFRS 16 Leases.

Certain segmental revenue is now recognised net of selling and processing costs incurred by external customers for which the group historically has recognised as a separate expense. Specifically with regard to the deciduous segment, revenue is now recognised upon delivery which has been assessed as the point at which control has passed to the external customer.

The adoption of IFRS 16 resulted in an additional charge of R 5.1 million on profit before tax.

The results have been prepared under the supervision of GL Veale CA (SA), Chief Financial Officer. The financial information has been prepared on the historical cost basis except for the valuation of biological assets, investment property, certain financial instruments and share- based payments, which are at fair value.

AUDITED RESULTS

These preliminary summarised consolidated financial statements for the year ended 31 March 2020 have been audited by Deloitte & Touche who expressed an unmodified opinion thereon. The auditor has expressed an unmodified opinion on the consolidated annual financial statements from which these preliminary summarised consolidated financial statements were derived. Their audit opinion, together with the accompanying financial statements, can be viewed on the Company's website, http://www.cbl.co.za/wp-content/uploads/2020/07/Annual-Financial-Statements-2020.pdf , which also provides more details on the key audit matters on pages 8 - 10 of the annual financial statements. These are also available for inspection at the company's registered office.

CHANGES TO THE BOARD OF DIRECTORS

Tasneem Abdool-Samad resigned from the board on 25 April 2019**.** Larry Wilson Riddle was appointed to the board on 25 April 2019. Kennett Andrew Sinclair was appointed as CEO and a director of the board on 1 August 2019. Sharon Thembi Xaba was appointed to the board on 23 April 2020.

NOTICE OF ANNUAL GENERAL MEETING ("AGM")

Notice is hereby given to shareholders as recorded in the company's securities register on Friday, 24 July 2020 that the 107th annual general meeting of shareholders of Crookes Brothers Limited ("Crookes Brothers" or "the company"), in respect of the financial year ended 31 March 2020 will be conducted entirely through electronic participation, as permitted by the Companies Act, No 71 of 2008 (Companies Act) and by the Company's Memorandum of Incorporation (MOI), on Friday, 28 August 2020 at 10:00 (AGM), at which the resolutions set out below will be considered and, if deemed fit, passed with or without modification.

Should any shareholder (or a representative or proxy for a shareholder) wish to participate in and/or vote at the AGM by way of electronic participation, such shareholder must either:

(i) register online using the online registration portal at www.smartagm.co.za, prior to the commencement of the AGM; or

(ii) make a written application (the form of which is attached to this notice of the company's AGM (notice) to so participate, by delivering the application form to the transfer secretaries, being Computershare Investor Services Proprietary Limited, at First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the shareholder), or sending it by email to proxy@computershare.co.za, so as to be received by the transfer secretaries by no later than 10:00 on Wednesday, 26 August 2020. This is in order for the transfer secretaries to arrange such participation for the shareholder and for the transfer secretaries to provide the shareholder with the details as to how to access the AGM by means of electronic participation. Instructions on how to participate in the AGM will also be forwarded to the shareholder once they have been registered. Shareholders may still register/apply to participate in and/or vote electronically at the AGM after this date, provided, however, that those shareholders are verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the AGM.

Malcolm Rutherford
Chairman

Kennett Sinclair
Chief Executive Officer

Durban

25.06.2020

Registered office and postal address
170 Flanders Drive, Mount Edgecombe, KwaZulu-Natal, 4300 PO Box 611,
Mount Edgecombe, KwaZulu-Natal, 4300

Website
www.cbl.co.za

Transfer secretaries
Computershare Investor Services (Pty) Ltd
PO Box 61051, Marshalltown, 2107

Sponsor
Sasfin Capital
A division of Sasfin Bank Limited

Directors
MT Rutherford*(Chairman), K Sinclair (CEO), RGF Chance*, TJ Crookes*, TK Denton*#, P Mnganga*, LW Riddle*, G Vaughan-Smith*#, GL Veale (CFO), ST Xaba*

* Non-executive director #British

Company secretary
Ziyanda Ngwenya

25 June 2020

CROOKES BROTHERS LIMITED

(Incorporated in the Republic of South Africa)
Registration No. 1913/000290/06
Share code : CKS ISIN No: ZAE000001434
("Crookes Brothers" or "the company" or "the group")

PRELIMINARY SUMMARISED AUDITED GROUP RESULTS
FOR THE YEAR ENDED 31 MARCH 2020

The audited results of the group for the year ended 31 March 2020 together with those of the previous year are set out below:

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (R000's)	**Notes**	**Audited year end 31 March 2020**	Audited year end 31 March 2019*
Revenue		**703 677**	665 693
Operating profit before biological assets		**69 359**	30 416
Change in fair value of biological assets	3	**(12 856)**	48 086
Operating profit after biological assets		**56 503**	78 502
Gain on disposal of property, plant and equipment[(1)]		**19 526**	-
Share of profit of joint venture and associate companies		**3 958**	1 209
Investment income		**3 363**	1 801
Finance costs - borrowings		**(31 309)**	(26 747)
Finance costs - lease liabilities		**(12 978)**	-
Profit before tax		**39 063**	54 765
Tax expense[(2)]		**(15 375)**	(14 080)
Profit for the year		**23 688**	40 685
Attributable to:			
Owners of the company		**8 733**	25 584
Non-controlling interests		**14 955**	15 101
		23 688	40 685
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of post-employment medical aid obligation		**(119)**	261
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**(8 309)**	(2 496)
Other comprehensive loss for the year, net of tax		**(8 428)**	(2 235)
Total comprehensive income for the year		**15 260**	38 450
Attributable to:			
Owners of the company		**305**	23 349
Non-controlling interests		**14 955**	15 101
		15 260	38 450
Earnings per share			
Basic	(cents)	**57.2**	167.6
Diluted	(cents)	**57.2**	167.6

[(1)] *Included is a R19 million profit on sale of the group's Shalimar farm, which comprised land, buildings, immovable irrigation and bearer assets sold for a cash consideration of R37 million, against a net book value of assets of R18 million.*

[(2)] *The group's effective tax rate in the current reporting period is 39.4%, which is made up of tax expense arising from normal permanent difference of R10.5 million plus a prior year underprovision of R4.8 million.*

** Prior year re-presented to account for Renishaw Hills as continuing operations.*

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (R000's)	Audited year end 31 March 2020	Audited year end 31 March 2019
Shareholders' equity at beginning of year	**1 059 620**	1 032 156
Movements in:		
Share-based payment reserve	**1 286**	1 139
Exchange differences on translating foreign operations	**(8 309)**	(2 496)
Changes in retained earnings	**13 341**	28 821
Net profit attributable to owners of the company	**8 733**	25 584
Net profit attributable to non-controlling interests	**14 955**	15 101
Remeasurement of post-employment obligations	**(119)**	261
Dividends paid - ordinary shareholders	**-**	-
Dividends paid - community partners	**(10 228)**	(12 125)
Shareholders' equity at end of year	**1 065 938**	1 059 620

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (R000's)	Notes	Audited year end 31 March 2020	Audited year end 31 March 2019*
ASSETS			
Non-current assets		**1 093 078**	1 076 056
Property, plant and equipment		**787 744**	960 879
Right-of-use assets	4	**160 145**	-
Investment property		**41 782**	30 336
Deferred tax assets		**23 646**	14 406
Financial assets		**4 935**	4 056
Investments in joint venture and associates		**69 481**	61 393
Unsecured loans		**5 345**	4 986
Current assets		**697 535**	605 876
Biological assets	3	**245 511**	260 806
Inventories		**139 403**	116 605
Trade and other receivables		**130 862**	136 414
Current tax assets		**6 941**	7 362
Financial assets		**117**	110
Retirement benefit surplus		**1 693**	1 693
Unsecured loans		**-**	2 792
Cash and bank balances		**22 767**	56 683
		547 294	582 465
Assets classified as held for sale	2	**150 241**	23 411
Total assets		**1 790 613**	1 681 932
EQUITY AND LIABILITIES			
Capital and reserves		**1 065 938**	1 059 620
Share capital and premium		**226 271**	226 271
Investment revaluation reserve		**951**	951
Foreign currency translation reserve		**(39 807)**	(31 498)
Share-based payment reserve		**5 898**	4 612
Retained earnings		**839 930**	831 316
Equity attributable to owners of the company		**1 033 243**	1 031 652
Non-controlling interests		**32 695**	27 968
Non-current liabilities		**414 559**	267 674
Deferred tax liabilities		**127 503**	129 596
Borrowings - interest-bearing		**64 556**	70 765
Other financial liabilities		**27 313**	19 692
Obligations to restore leased farmland		**32 512**	44 045
Lease liabilities	5	**160 274**	-
Post-employment medical aid obligation		**2 401**	3 576
Current liabilities		**310 116**	354 638
Trade and other payables		**57 873**	76 614
Provisions		**10 634**	16 154
Current tax liabilities		**2 335**	2 775
Borrowings - interest-bearing		**206 976**	251 500
Obligations to restore leased farmland		**6 896**	-
Lease liabilities	5	**4 958**	-
Bank overdraft		**20 444**	7 595
Total equity and liabilities		**1 790 613**	1 681 932

** Prior year re-presented to account for Renishaw Hills as continuing operations.*

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS (R000's)	Notes	**Audited year end 31 March 2020**	Audited year end *Restated* 31 March 2019*
Operating profit for the year		56 503	78 502
Depreciation		69 948	59 989
Change in fair value of biological assets	3	12 856	(48 086)
(Decrease)/increase in provisions		(5 520)	6 551
Expense recognised in respect of equity-settled share-based payments		1 286	1 139
Unrealised foreign exchange gains		(2 693)	(1 742)
Foreign currency translation differences		1 394	1 373
Changes in fair value of investment property		(2 883)	(4 787)
RTO prepaid lease income		(1 275)	(862)
Medical aid defined benefit costs recognised in profit or loss		(1 340)	(6 396)
Retirement fund defined benefit costs recognised in profit or loss		-	8 519
Capitalised initiation and legal fees		-	1 478
Other non-cash items		(90)	419
		128 186	96 097
(Increase)/decrease in inventories		(28 421)	3 061
Decrease/(increase) in trade and other receivables		5 164	(12 227)
(Decrease)/increase in trade and other payables		(18 741)	31 017
Cash generated from operations		86 188	117 948
Cash flows from operating activities		23 888	79 746
Cash generated from operations		86 188	117 948
Interest received		2 929	1 076
Interest paid		(39 770)	(22 726)
Taxes paid		(25 459)	(16 552)
Cash flows from investing activities		(9 495)	(83 624)
Investment in financial assets		(825)	(766)
Decrease in unsecured loans		2 792	-
Proceeds on disposal of property, plant and equipment		63 553	1 538
Investment in property, plant and equipment		(67 330)	(78 920)
Investment in investment property		(2 940)	(5 770)
Loans to joint venture and associate companies		(4 759)	216
Dividends received		14	13
Other net investing activities		-	65
Cash flows from financing activities		(61 158)	50 142
Proceeds from loans and borrowings		1 450	55 000
Repayment of loans and borrowings		(15 582)	(23 087)
Proceeds from general banking facilities**		231 500	258 730
Repayment of general banking facilities**		(271 815)	(239 633)
Increase in other financial liabilities		8 092	11 257
Repayment of lease liability		(4 575)	-
Dividends paid - community partners		(10 228)	(12 125)
Net (decrease)/increase in cash and cash equivalents		(46 765)	46 264
Cash and cash equivalents at beginning of the year		49 088	2 824
Cash and cash equivalents at end of the year		2 323	49 088

** Prior year re-presented to account for Renishaw Hills as continuing operations.*

*** Prior year restated. Refer to note 10.*

SUMMARISED CONSOLIDATED SEGMENTAL ANALYSIS (R000's)	**Audited year end 31 March 2020**	Audited year end 31 March 2019*
Revenue from external customers		
Sugar cane	**368 891**	321 855
Deciduous fruit	**106 732**	100 226
Bananas	**104 260**	117 052
Macadamias	**31 004**	8 070
Property	**68 228**	89 587
Other operations	**24 562**	28 903
	703 677	665 693
Operating profit before biological assets		
Sugar cane	**88 538**	50 391
Deciduous fruit	**(6 080)**	140
Bananas	**31 671**	39 779
Macadamias	**(3 839)**	(2 931)
Property	**10 345**	7 574
Other operations	**6 572**	(3 118)
Profit on disposal of property, plant and equipment and unlisted shares	**-**	399
Corporate expenses	**(57 848)**	(61 818)
	69 359	30 416
Change in fair value of biological assets		
Sugar cane	**6 484**	19 920
Deciduous fruit	**(13 118)**	9 979
Bananas	**4 707**	(2 976)
Macadamias	**(10 929)**	21 163
	(12 856)	48 086
Operating profit after biological assets		
Sugar cane	**95 022**	70 311
Deciduous fruit	**(19 198)**	10 119
Bananas	**36 378**	36 803
Macadamias	**(14 768)**	18 232
Property	**10 345**	7 574
Other operations	**6 572**	(3 118)
Profit on disposal of property, plant and equipment and unlisted shares	**-**	399
Corporate expenses	**(57 848)**	(61 818)
	56 503	78 502
Segmental assets		
Sugar cane	**582 180**	478 867
Deciduous fruit	**402 405**	329 607
Bananas	**163 564**	30 283
Macadamias	**328 871**	304 009
Property	**218 469**	176 864
Other operations	**62 073**	47 714
Unallocated corporate assets^	**33 051**	314 588
	1 790 613	1 681 932
Segmental liabilities		
Sugar cane	**274 290**	75 891
Deciduous fruit	**53 400**	11 400
Bananas	**75 910**	24 421
Macadamias	**9 447**	3 286
Property	**94 944**	79 692
Other operations	**2 033**	258
Unallocated corporate liabilities^	**214 651**	427 364
	724 675	622 312

^ *Greater proportion of assets and liabilities allocated to segmental operations in the current reporting period, which includes the IFRS 16 right-of-use assets and lease liabilities, in so far as the sugar cane and banana operations.*

** Prior year re-presented to account for Renishaw Hills as continuing operations.*

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS (R000's)	**Audited year end** **31 March 2020**	Audited year end 31 March 2019
3. Biological assets		
3.1 Growing crops at fair value		
Sugar cane	**193 128**	189 083
Deciduous fruit	**15 678**	28 796
Bananas	**19 544**	14 837
Macadamias	**17 161**	28 090
Fair value at end of year	**245 511**	260 806
Analysis of fair values of growing crops:		
Fair value at beginning of year	**260 806**	213 443
Gains/(losses) arising from changes attributable to volume and price:		
Sugar cane		
- Loss/(gain) arising from physical growth/yield	**(5 192)**	6 164
- (Loss)/gain arising from area under crop to be harvested	**(7 490)**	2 305
- Gain arising from price changes	**19 166**	11 451
Deciduous fruit		
- Gain/(loss) arising from physical growth/yield	**3 404**	(397)
- (Loss)/gain arising from area under crop to be harvested	**(10 852)**	3 973
- (Loss)/gain arising from price changes	**(5 670)**	6 403
Bananas		
- (Loss)/gain arising from physical growth/yield	**(585)**	1 756
- Gain arising from area under crop to be harvested	**1 146**	1 341
- Gain/(loss) arising from price changes	**4 146**	(6 073)
Macadamias		
- (Loss)/gain arising from physical growth/yield	**(10 054)**	16 101
- Gain arising from area under crop to be harvested	**-**	3 477
- (Loss)/gain arising from price changes	**(875)**	1 585
Effect of foreign currency exchange differences	**(2 439)**	(723)
Fair value at end of year	**245 511**	260 806

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS (R000's)		**Audited year end 31 March 2020**	Audited year end 31 March 2019
3.2 Biological asset valuations			
The following key assumptions have been used in determining the fair value of biological assets:			
Sugar cane			
Expected area to harvest after 31 March			
- South Africa	(ha)	**3 704**	3 954
- Eswatini	(ha)	**2 414**	2 439
- Zambia	(ha)	**426**	428
Total area	(ha)	**6 544**	6 821
Estimated yields			
- South Africa	(tons/ha)	**103.9**	104.3
- Eswatini	(tons/ha)	**106.1**	111.5
- Zambia	(tons/ha)	**127.7**	133.9
Weighted average		**106.3**	108.7
Average maturity of cane at 31 March			
- South Africa	(%)	**64**	64
- Eswatini	(%)	**64**	64
- Zambia	(%)	**64**	64
Estimated RV price - South Africa	(Rands)	**4 479**	4 119
Estimated sucrose price - Swaziland	(Rands)	**3 716**	3 358
Estimated ERC price - Zambia	(Rands)	**3 923**	3 943
Deciduous fruit			
Expected area to harvest after 31 March	(ha)	**173**	254
Estimated yields*	(tons/ha)	**56.5**	47.4
Average maturity of crop at 31 March	(%)	**78.7**	83.9
Estimated net price per kg - apples and pears	(Rands)	**3.59**	4.43
Estimated packout			
- Class 1	(%)	**36.7**	39.5
- Class 2	(%)	**16.0**	19.2
- Class 3	(%)	**19.6**	12.9
- Juice	(%)	**27.7**	28.4
Bananas			
Expected area to harvest after 31 March	(ha)	**480**	446
Estimated yields	(tons/ha)	**59.2**	60.7
Average maturity of crop at 31 March	(%)	**50.0**	50.0
Estimated net price per carton	(Rands)	**98.54**	81.98
Macadamias			
Expected area to harvest after 31 March	(ha)	**463**	462
Estimated yields*	(tons/ha)	**0.66**	0.97
Average maturity of crop at 31 March	(%)	**95**	95
Estimated net price per ton	(Rands)	**68 948**	72 111

** Actual yield data used in 2020.*

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS (R000's)	Audited year end 31 March 2020	Audited year end 31 March 2019
4. Right-of-use assets - Leasehold farmland		
Cost	**169 806**	-
Accumulated depreciation	**(9 661)**	-
Net book value	**160 145**	-
5. Lease liabilities		
Included in the financial statements as:		
Non-current	**160 274**	-
Current	**4 958**	-
	165 232	-
Maturity analysis - undiscounted		
Year 1	**17 553**	-
Year 2	**17 553**	-
Year 3	**17 553**	-
Year 4	**17 553**	-
Year 5	**17 553**	-
Onwards	**204 555**	-
	292 320	-

6. Effect of change in accounting policy - IFRS 16 Leases

The accounting policies and methods of computation applied in the preparation of these preliminary summarised consolidated financial statements are in terms of IFRS and, are consistent with those applied in the prior year, except for the adoption of IFRS 16 Leases as noted below.

6.1 Impact on transition to IFRS 16

On transition to IFRS 16, the group recognised right-of-use assets in the form of leased farmland and corresponding lease liabilities.

he impact on transition at 1 April 2019 is summarised below.

1 April 2019	
Right-of-use assets	**169 807**
Lease liabilities	**(169 807)**
Net effect on transition	**-**

There is no effect on opening retained earnings.

6.2 Impact on transition to IFRS 16

The following is a reconciliation of operating lease commitments accounted for under IAS 17 at the end of the prior year, to lease liabilities at the date of initial application under IFRS 16.

IAS 17 to IFRS 16	
Operating lease commitments: 31 March 2019 under IAS 17	**435 804**
Discounted using the incremental borrowing rate at 1 April 2019	**222 266**
- Recognition exemption: leases less than 12 months	**(934)**
- CPI adjustments estimated in commitments	**(51 525)**
Lease liabilities recognised: 1 April 2019	**169 807**

6. Impact of IFRS 16 on year end results

The discount rate applied to lease liabilities recognised in the statement of financial position is 8.33%.
The prospective effect of the adoption of IFRS 16 on current year's group results is as follows.

Statement of profit or loss	
Decrease in operating lease rental	**17 553**
Increase in depreciation	**(9 661)**
Increase in finance costs	**(12 978)**
Net effect on profit or loss	**(5 086)**

Statement of financial position	
Right-of-use assets – increase	**160 145**
Deferred tax assets – increase	**46 265**
Deferred tax liabilities – increase	**(44 841)**
Lease liabilities – increase	**(165 232)**
Net effect on equity	**(3 663)**

RECONCILIATION OF HEADLINE EARNINGS (R000's)		**Audited year end 31 March 2020**	Audited year end 31 March 2019
Profit for the year attributable to owners of the company		**8 733**	25 584
Adjusted for:			
Gain on disposal of property, plant and equipment		**(19 526)**	(369)
Gain on disposal of financial assets		**-**	(30)
Impairment of goodwill		**-**	393
Gain arising on changes in fair value of investment property		**(2 883)**	(4 787)
Tax effect of the adjustments		**6 274**	1 342
Headline (loss)/earnings		**(7 402)**	22 133
Headline (loss)/earnings per share	(cents)	**(48.5)**	145.0
Headline (loss)/earnings per share (diluted)	(cents)	**(48.5)**	145.0

OTHER GROUP SALIENT FEATURES (R000's)		**Audited year end 31 March 2020**	Audited year end *Restated* 31 March 2019
7. Depreciation		**69 948**	59 989
8. Inventories written down to net realisable value		**1 771**	2 500
9. Budgeted capital expenditure			
*Contracted and anticipated**			
- replacement		**-**	95
- expansion, improvement and development		**-**	1 812
Authorised by the directors but not yet contracted			
- replacement		**4 760**	9 791
- expansion, improvement and development		**12 361**	27 611
- bearer asset replants		**9 808**	20 831
		26 929	60 140

** There are no carry-over projects or items (contracted and anticipated), as the group's new capital budgeting policy follows a "use it or lose it" philosophy. Unless still committed or anticipated at year end, all capital projects incomplete or not yet commenced by the end of the financial year are cancelled, and have to be reapplied for in the new budget year. Therefore, capital projects carried over from 2019/20 are already included in the authorised budget for 2020/21 above.*

10. Comparative figures

During the current reporting period, the following restatement due to error, to comparative information was effected to disaggregate cash flows in financing activities in the summarised statement of cash flows.

CASH FLOWS FROM FINANCING ACTIVITIES			
As previously reported			
Increase in general banking facilities			19 097
Restated			
Proceeds from general banking facilities			258 730
Repayment of general banking facilities			(239 633)
Net effect			-
Net asset value per share	(cents)	**6 983**	6 942
Number of shares in issue		**15 264 317**	15 264 317
Weighted average number of shares on which earnings per share (and headline earnings per share) are based		**15 264 317**	15 264 317

DIVIDEND DECLARATION		**Audited year end 31 March 2020**	Audited year end 31 March 2019
Dividends per share			
Ordinary dividends declared per share - interim	(cents)	**0.0**	0.0
Ordinary dividends declared per share - final	(cents)	**0.0**	0.0
		0.0	0.0