

Key Definitions		Reference to Strategy	Performance
1. Market Value		The NAV is the fair value of the Company's target dividend yield, netting that, after costs, the Company should have the ability to meet its target dividend through property income.	7.42% at 31 March 2019 (31 March 2018: 7.74%)
2. The Equivalent Yield		The property manager's target dividend yield, netting that, after costs, the Company should have the ability to meet its target dividend through property income.	7.44% at 31 March 2019 (31 March 2018: 8.20%)
3. Reserve Yield		A Reserve Yield profile, that is, the set of initial Yield profiles shown above, net of property income, which can be used to meet dividends from the expiry of a property's current leasing arrangements.	7.75% at 31 March 2019 (31 March 2018: 8.02%)
4. WALLET to equity		The investment manager believes that current market conditions present an opportunity to increase the Company's NAV by increasing its dividend yield, as reflected in its current NAV, provided that a property portfolio weighted by contract value remains to meet the portfolio's weighted by contract value.	6.0 years at 31 March 2019 (31 March 2018: 6.1 years)
5. WALLET to break		The investment manager believes that current market conditions present an opportunity to increase the Company's NAV by increasing its dividend yield, as reflected in its current NAV, provided that a property portfolio weighted by contract value remains to meet the portfolio's weighted by contract value.	4.87 years at 31 March 2019 (31 March 2018: 5.03 years)
6. NAV	NAV is the value of an entity's assets minus the value of its liabilities.	Properties and buildings are the most relevant information on the fair value of the portfolio and liabilities of the Company.	1.00% at 31 March 2019 (31 March 2018: 1.00%)
7. Leverage Ratio (or GAV)	The Company's ability to enhance returns over the medium term through the use of debt or equity, or GAV (measured at investment with a target of 25% or less of GAV).	25.30% at 31 March 2019 (25.20%)	
8. Vacant EY	The Company's aim is to minimise vacancy of the properties. A low level of vacant property is important for property to capture maximum rents, uplifts and manage the mix of tenants within a property.	2.80% at 31 March 2019 (2.70%)	
9. Dividends	Dividends declared in relation to the year. The Company targets a dividend of 8.00 pence per Ordinary Share per annum.	The dividends reflect the Company's ability to deliver a sustainable income stream from its portfolio.	8.00 pps for the year ended 31 March 2019 (11 months ended 31 March 2018: 7.25 pps equating to an annualised dividend of 8.00 pence per annum)
10. Ongoing Charges	The ratio of total administration and operating costs expressed as a percentage of average NAV throughout the year.	1.40% for the year ended 31 March 2019 (11 months ended 31 March 2018: 1.30%)	
11. Profit before tax (PBT)	PBT is a profitability measure, which compares the profit before tax with the payment of income tax.	£15.54 million for the year ended 31 March 2019 (11 months ended 31 March 2018: £15.30 million)	
12. Shareholder Total Return	This reflects the return seen by shareholders on their shareholdings through share price movements and dividends received.	5.4% for the year ended 31 March 2019 (11 months ended 31 March 2018: 5.30%)	
13. SPPI/EPIS	Earnings from core operational activities. It is a measure of the Company's underlying operating results from its property rental business, which is the part of the Company to which current dividend payments are attributed. See note 8 of the Financial Statements.	8.80% for the year ended 31 March 2019 (11 months ended 31 March 2018: 8.50%)	

Investment Manager's Report

Market Outlook

UK Economic Outlook
The UK economy performed in the first quarter of 2019, achieving growth of 0.2%. This was due in part to a strengthening of UK manufacturing, which is expected to continue in the second quarter, as the impact of the recent trade negotiations with the EU is felt. The impact of Article 50 on the economy is not yet clear, but the impact of a no deal Brexit in the second quarter of 2019 has been largely discounted, (market consensus growth has been already supported by strong employment figures and real wage growth over the last two quarters).

The Bank of England ("BOE") raised its forecast for GDP growth in 2019 from 1.2% to 1.5% based on a higher level of global GDP growth than had been expected. The BOE also raised its forecast for inflation to 2.0% in 2019, from 1.8% in 2018, as inflation policy is dependent in a number of factors, and it is expected that any rise in interest rates will be slow and steady over the next few years.

UK Real Estate Outlook
From a real estate perspective, the economic outlook is likely to be flat on the macroeconomic picture, including financial and property markets. Given the market uncertainty, rental growth is expected to continue to fall during the year, but the Company's strategy is to maintain a period of stability in values ahead as the economy stabilises and real wage growth continues.

Property appears fully priced for the current level of interest rates, which are expected to rise over time, but in small stages. The sector is fully valued and appears to be priced for a general upward pressure on property price levels, albeit, depending on the terms of the asset transaction.

Sector Outlook
Industrial
Standard industrial and distribution are expected to be a major area of the economy market with the growth of e-commerce, although it is thought that rents in 2019 will not be to the extent seen in 2018, as some rents are reaching a ceiling. Annual inflation activity in the industrial sector is at 2.7% (GDP in 2018), and the market is the most highly levered on rents.

The retail sector is expected to be the main driver of growth, with 4.0% of the valuation at 31 March 2019. We generally focus on assets with low capital value in locations with good accessibility from the national railway network.

Our industrial assets achieved a total return of 12.3% for the year, the highest return in the portfolio, outperforming the benchmark by 1.1%.

Office
The office rents outside London are stable for the coming year as development in most cities has already peaked. Some rental growth was seen in regional markets in 2018 and rental rates are expected to remain unchanged for the remainder of 2019.

Central London office rents are expected to remain flat in 2019, as the market has achieved the greatest performance in the first half of the year, achieving the greatest performance relative to the benchmark for the year in terms of total return, outperforming the benchmark. Total Return by 8.4%.

This performance was driven by strong capital growth of 8.9% for the year, which was achieved through significant lettings and lease renewals, as noted in the Headline Management's Margin Report.

Retail
Growth in household consumption in 2019 is 2.0%, despite modest real wage growth towards the end of the year, as consumers remained cautious with spending. The retail market is expected to remain flat in 2019, as rents are predicted to continue to fall to access to segments outside Central London and, in terms of investment, the total number of assets in the market is in decline.

Retail represented the portfolio's smallest sector holding, with only 1.5% of the valuation as at 31 March 2019, which somewhat mitigates the risk associated with the retail sector. The retail market is currently in a period of significant consolidation, as company voluntary arrangements (CVAs) and company voluntary agreements (CVAs) are becoming more prevalent, and delves into income source of 2.0% of the year.

Alternative
We feel that the Alternatives sector will continue to grow in importance and could begin to outperform other sectors in terms of total return.

This is a sector in which we have significant expertise and continue to see compelling opportunities. Our alternative assets, which include leisure and car parking, are well positioned to benefit from the growth in leisure and car parking.

The leisure sector is expected to be the main driver of growth, with 1.1% of the valuation at 31 March 2019. We generally focus on assets with low capital value in locations with good accessibility from the national railway network.

Our industrial assets achieved a total return of 12.3% for the year, the highest return in the portfolio, outperforming the benchmark by 1.1%.

Financial Results
The NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £15.30 million).

The portfolio saw a gain of £4.15 million on realisation of investment property over the year (11 months ended 31 March 2018: £1.05 million). The Company's investment property portfolio also performed strongly, delivering double digit value creation. There was a small like-for-like increase in the valuation of the Company's investment property portfolio, which is in line with the market's performance.

The performance of investment property is measured on a like-for-like basis, as a result of a significant number of assets being sold or revalued during the year.

The Company incurred finance costs of £1.68 million (11 months ended 31 March 2018: £1.05 million). This increase compared with the prior period as a result of a higher level of the loan drawn over the course of the year. The Company also entered into additional interest rate caps on a number of its loans, which increased the interest rate paid.

The total profit before tax for the year is £15.54 million (11 months ended 31 March 2018: £1.22 million) equivalent to a basic EPS of 10.26 pence (11 months ended 31 March 2018: 8.50 pps).

EPS EPS of 6.50 pence (11 months ended 31 March 2018: 6.25 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

	Price per share	£ million
NAV as at 31 March 2019	14.62	
Change in fair value of investment property	2.76	4.1
Change in fair value of derivatives	(0.20)	(0.30)
Loss on fair value of investment property	(0.20)	(0.28)
Income earned for the period	11.20	17.18
Dividends declared for the period	(8.00)	(8.00)
Dividends paid on 31 March 2019		1.40
		£15.54

Financing
As at 31 March 2019, the Company had utilised £20.00 million (31 March 2018: £20.00 million) of its available £200.00 million (31 March 2018: £20.00 million) credit facility, leaving a balance of £179.00 million (31 March 2018: £179.00 million). In October 2018, the Company extended the term of its loan facility by three years to October 2023 to mitigate the financing risk associated with Brexit. The loan facility interest at three-month LIBOR + 1.0% (31 March 2018: 1.0% (31 March 2018: 0.50%)).

To mitigate the interest rate risk that arises from entering into a variable rate loan facility, as at 31 March 2019, the Company had interest rate caps on a number of its loans, which increased the interest rate paid.

The total interest rate for the year is 2.7% (31 March 2018: 2.7%). In October 2018, the Company entered into interest rate caps on a number of its loans, which increased the interest rate paid.

EPS EPS of 6.50 pence (11 months ended 31 March 2018: 6.25 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase of 2.2% pps.

The Company's NAV as at 31 March 2019 was £15.54 million (11 months ended 31 March 2018: £14.62 million or 9.85 pps). This is an increase

Unknown facility at the year-end and
Total facility 10,000 10,000

The Company has a £50.00 million (31 March 2018: £50.00 million) credit facility with RBSG of which £50.00 million (31 March 2018: £50.00 million) has

been drawn down. Under the terms of the Facility, the Company has a legal gearing of 25% Loan to GAV, but can borrow up to 25% Loan to GAV in advance of a capital raise or asset disposal. As at 31 March 2018, the Company's gearing was 25.25% Loan to GAV (31 March 2018: 26.00%).

Under the terms of the facility, the Company can draw up to 25% Loan to NAV if so chosen. As at 31 March 2018, the Company could draw a further 2.11% Loan to NAV.

Borrowings made under the facility are shown as finance costs in note 6 to these financial statements.

On 22 October 2018, the Company extended the term of the facility by three years to 22 October 2023, to mitigate the financing risk associated with these facilities. The Company will also have the right to draw the facility in excess of its current lending limit of three month LIBOR + 14%, which is expected to add a further 2.32% as at 31 March 2019 (31 March 2018: 2.11%).

Reconciliation of cash flows from financing activities

Bank borrowings	
	31 March 2018 31 March 2018
Balance at the beginning of the year/period	49,642 29,740
Changes from financing cash flows	
Loans drawn	20,900
Loan arrangement fees	(2,056) 2,056
Total changes from financing cash-flows	(2,056) 20,924
Other changes	
Amortisation of loan arrangement fees	127 72
Total other changes	127 72
Balance at the end of the year/period	48,470 40,642

14. Provisions and accrued expenses

31 March 2018 31 March 2018	
Defined income	2,000 2,000
Accruals	1,169 801
Other credits	1,000 200
Total	3,270 2,270

15. Finance lease obligations

Finance leases are capitalised at the lesser, commencement or the lower of the fair value of the property and the present value of the minimum lease payments. Interest on the fair value of the property and subsequent rental obligations are included as finance costs.

The following table analyses the minimum lease payments under non-cancellable finance leases:

31 March 2018 31 March 2018	
Within one year	1,000 42
After one year but not more than five years	476 421
More than five years	475 421
Total	951 864

During the year ended 31 March 2018 there were contingent rents totaling £27.591 (11 month period to 31 March 2018: £149.150) recognised as income.

17. Investments in subsidiary

The Company has a wholly-owned subsidiary, AFRUK REIT 2015 Limited.

Country of registration Number of ordinary shares held Principal activity Ordinary Shares held

Number and company name and incorporation	Country of registration	Number of ordinary shares held	Principal activity
(Company number 05264053) England and Wales	United Kingdom	100%	ADVISORY FUND MANAGEMENT

ADVISORY FUND MANAGEMENT Limited is a subsidiary of the Company incorporated in the UK on 24 October 2017. The Company is the managing director of the subsidiary as at 31 March 2018 (2017: the registered office of AFRUK REIT 2015 Limited is 6th Floor, 65 Gresham Street, London, EC2V 7RZ).

18. Issued share capital

31 March 2018		31 March 2018	
31 March 2018	31 March 2018	Number of Ordinary Shares	Number of Ordinary Shares
Ordinary Shares (nominal value £0.01 per share) authorised, issued and held	£300	151,598,251	1,256
Fully paid up	1,515	151,598,251	1,256
At the beginning of the year/period	1,515	151,598,251	1,256
Issued on the London Stock Exchange on 24 October 2017	1,515	151,598,251	1,256
At the end of the year/period	1,515	151,598,251	1,256

On 24 October 2017, the Company issued 27,511,001 Ordinary Shares at a price of 105.5 pps, pursuant to the Plough Initial Offer (see Subscriptions and Interimaries Offer of the Share Issuance Programme, as described in the prospectus published by the Company on 26 September 2017).

19. Share premium account

31 March 2018		31 March 2018	
Book Value	Fair Value	Book Value	Fair Value
Financial assets			
Receivables	1,911	1,911	1,254
Trade and other receivables	1,173	1,173	4,711
Other financial assets held at fair value	162	162	4,726
Total financial assets	2,073	2,073	9,430
Financial liabilities			
Interest payable and amounts due	49,470	50,000	49,483
Payable and accrued expenses	1,527	1,620	1,638
Total financial liabilities	50,997	51,620	51,121

20. Financial risk management objectives and policies

20.1 Financial assets and liabilities

The Company's principal financial assets and liabilities are those derived from its operating receivables and prepayments, cash and cash equivalents and derivatives. The Company's principal financial assets and liabilities are those derived from its operating receivables and prepayments, cash and cash equivalents and derivatives.

Set out below is a summary of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements.

31 March 2018		31 March 2018	
Book Value	Fair Value	Book Value	Fair Value
Financial assets			
Receivables	1,911	1,911	1,254
Trade and other receivables	1,173	1,173	4,711
Other financial assets held at fair value	162	162	4,726
Total financial assets	2,073	2,073	9,430
Financial liabilities			
Interest payable and amounts due	49,470	50,000	49,483
Payable and accrued expenses	1,527	1,620	1,638
Total financial liabilities	50,997	51,620	51,121

20.2 Financial risk management

The Company's objective in managing risk is to create and protect shareholder value, that is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls.

The principal risks facing the Company in the management of its portfolio are as follows:

Market price risk - the risk that the future value of instruments in direct property and related property investments will fluctuate due to changes in market prices. The Company's policy is to manage this risk by diversifying its property investments.

Interest rate risk - the risk that the fair value of financial instruments will change due to changes in interest rates. The Company's policy is to manage this risk by diversifying its property investments.

Fair value measurement risk - the risk that fair value measurements have not been applied to those classes of asset and liability stated above which are not measured at their fair value in the financial statements.

20.3 Financial management

The Company's objective in managing risk is to create and protect shareholder value, that is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls.

Real estate risk

The Company is exposed to real estate risks specific to the property portfolio.

Property assets are liquid assets and can be sold if required. If local market conditions are poor, liquidity may also result from the sale of assets of established market value, as well as legal, operational and financial restrictions on realises of investments. In addition, property values are measured at fair value in the financial statements.

Interest rate derivatives are the only financial instruments classified as fair value through profit and loss. All other financial assets and financial liabilities are measured at amortised cost. All financial assets were designated in their current categories upon initial recognition.

Fair value measurement hierarchy has not been applied to those classes of asset and liability stated above which are not measured at their fair value in the financial statements.

Real property investments are subject to varying degrees of risk. The yields available from investments in real estate depend on the amount of income generated by the property investment and the capital requirements of the property investment.

There are additional risks in respect of, per se, development, redevelopment and refurbishment situations although these are not prospective investments for the Company.

Credit risk - credit risk is the risk that the Company will not be able to collect amounts due to it.

Credit risk is the risk that the Company will not be able to collect amounts due to it (a financial instrument or leased or a property will cause financial loss to the Company by failing to meet its contractual obligations).

It is the Company's policy to manage credit risk by using a credit risk limit and by diversifying credit risk across the Company's portfolio.

In respect of property investments, in the event of a default in a letting, the Company will suffer a rental shortfall and additional costs concerning reletting the property. The Company's management monitors the risk to mitigate the impact of default on rental income.

The table below shows the Company's exposure to credit risk:

31 March 2018		31 March 2018	
Debtors including receivables and prepayments		£200	
Cash and cash equivalents		2,115	
On 31 March 2018		2,115	2,115
Total	2,315	2,315	2,315

21. Liquidity risk

Liquidity risk arises from the Company's management of working capital, the finance charges and principal repayments on its borrowings. It is the risk that the Company will not be able to meet its short-term obligations as they fall due.

The Company's policy is to manage liquidity risk by maintaining a diversified portfolio of assets and by maintaining a cash buffer.

The monitoring of the Company's risk of becoming unable to meet its GAV ratio, which is calculated as the amount of outstanding debt divided by the amount of cash held, is a key risk to the Company.

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

Debtors can be liquidated relatively quickly. The Company's GAV ratio is 25% (31 March 2018: 26.00%).

</

respect of the expiration of rent-free periods (or other measure should make it easier for investors to judge changes in the value of the portfolio X compared with the valuation of portfolio Y).

3. **EPRA Vacancy**
EPRA Vacancy is stated as ETRV of the whole portfolio.

4. **EPRA Cost Ratio**
Administrative and operating costs (including and excluding costs of direct occupancy) divided by gross rental income.

A key measure to evaluate management's measurement of the change in a company's operating costs.

5. **EPRA Net Initial Yield and Unadjusted Net Initial Yield**

Calculation of EPRA Net Initial Yield and Unadjusted Net Initial Yield

Year ended		For the period
31 March	1 May 2017 to 31 March 2018	1 May 2017 to 31 March 2018
Investment property - newly-owned	100.00%	100.00%
Allowance for estimated purchaser costs	10.72%	10.72%
Goodwill and other intangible assets	211.62%	205.42%
Amortised cash-pooling rental income	10.72%	10.64%
Property and lease assets	12.67%	12.67%
Rent from expiry of rent-free periods and fixed uplifts	2.02%	1.62%
*Topped-up net annualised rent	10.20%	10.40%
EPRA NY	7.62%	7.72%
EPRA Unadjusted NY	9.55%	9.55%

EPRA NY rate of calculation

EPRA NY is calculated as the annualised net rent, dated by the gross value of the completed property portfolio.

The value of gross-up completed property portfolio is determined by the Company's external valuer as at 31 March 2019, plus an allowance for estimated purchaser's costs. Estimated purchaser's costs are determined by the relevant stamp duty liability plus an estimate by our valuer of agent and legal costs, professional fees and other costs associated with the sale of the property. The Company's external valuer is responsible for determining the fair value of the property portfolio.

In calculating the EPRA Topped-up NY, the annualised net rent is increased by the total contracted rent on expiry of rent-free periods, and future contracted rental uplifts.

Calculation of EPRA Vacancy Rate

Year ended		For the period
31 March	1 May 2017 to 31 March 2018	1 May 2017 to 31 March 2018
Amortised potential rental value of vacant premises	12.46%	17.67%
Amortised potential rental value to the complete property portfolio	12.46%	17.67%
EPRA Vacancy Rate	2.30%	7.10%

Calculation of EPRA Cost Ratio

Year ended		For the period
31 March	1 May 2017 to 31 March 2018	1 May 2017 to 31 March 2018
Administrative/operating expense per EPIS income statement	3.60%	2.72%
Lease and property costs	5.00%	2.01%
EPRA costs (including direct vacancy costs)	5.00%	2.01%
Direct vacancy costs (see Disclosure in the Annual Report for further details)	1.00%	1.00%
EPRA costs (including direct vacancy costs)	2.00%	1.00%
Gross rental income less ground rent costs	17.12%	12.20%
EPRA Cost Ratio (including direct vacancy costs)	21.64%	21.85%
EPRA Cost Ratio (excluding direct vacancy costs)	15.81%	14.85%

Company Information

Share Register Enquiries

The Share Register Enquiry Service is provided by Compilers Investor Services PLC. In the event of queries regarding your holding, please contact the Registrar on 02070771341 or email: web@compilers.co.uk.

Changes of name and/or address must be notified in writing to the Registrar at the address shown below. You can check your shareholding and find contact details for the Company's Ordinary Shares on the Share Register at www.shareregister.co.uk. Shareholders eligible to receive dividend payments prior to the date of the dividend declaration form that is available.

Share Information

Company: The Company's Ordinary Shares are traded on the premium segment of the Main Market of the London Stock Exchange.

Frequency of NAV publication

The Company publishes NAVs to the London Stock Exchange on a quarterly basis and is published on the Company's website.

Annual and Half-Yearly Reports

Copies of the Annual and Half-Yearly Reports are available from the Company's website.

Annual General Meeting

12 September 2019 Annual General Meeting

30 September 2019 Half-year end

10 December 2019 Interim half-year results

31 March 2020 Year end

Announcement of annual results

Dividends

The following table summarises the amounts distributed to equity shareholders in respect of the period:

£

Interest declared for the period of 1 April 2019 to 30 June 2019

(payment made on 29 February 2019)

Interest declared for the period of 1 July 2019 to 30 September 2019 (payment made on 30 November 2019)

(payment made on 29 February 2020)

Interest declared for the period of 1 October 2019 to 31 December 2019

(payment made on 31 May 2020)

Total

17.024.000

Directors

Mark Butler (Chairman and Chairman)

John Cullinan (Non-Executive Director)

James Hunter (Non-Executive Director)

Simon Hulme (Non-Executive Director)

* Independent of the Investment Manager

Registered Office

100 Great Portland Street

London

EC2A 2DQ

Investment Manager and APM

AMC Asset Management LLP

23 Jermyn Street

London

SW1Y 4DN

tel: 020 7400 4000

Website: www.amcuk.co.uk

Property Manager

AMC

100 Great Portland Street

London

W1W 3QZ

Corporate Broker

Knight Frank

25 Grosvenor Street

London

W1A 1HA

Legal Advisor

Cooley LLP (UK) LLP

4 More London Riverside

London

SE1 2AZ

Debt Advisor

Langham Fall UK LLP

100 Bishopsgate

London

EC2N 3AU

Administrator

AMC Alternative Fund Administrators Limited

50 Victoria Street

London

SW1V 1AF

Registrar

Compilers Investor Services PLC

The Pavillion

5th Floor

50 Gt Titchfield Street

London

EC2V 8AU

Notice of the Annual Report and Financial Statements and the Notice of AGM

Printed copies of the Annual Report and Notice of the 2019 Annual General Meeting will be sent to shareholders shortly and will be available on the Company's website.

National Storage Mechanism

A copy of the Annual Report and Financial Statements will be submitted to the National Storage Mechanism (NSM) and will be available for inspection at <http://www.nsmechanism.com/AM/AM>.

Annual General Meeting

The AGM will be held on 12 September 2019 at 12 noon at The Cavendish Hotel, 81 Jermyn Street, St. James', London SW1Y 4JF.

END

ISIN: GB00BWD21514

Category Code: A

TELE: AEWU

LEI Code: 2114073L0XKHGLPDKG0

AIM Reporting: Annual financial and audit reports

Sequence No.: 11011

ESG Report ID: 629959

End of Announcement/EDS News Service