



Gaia announces the listing of B Preference shares for its Gaia Fibonacci Fibre REIT 1

Book for A preference shares of South Africa's first specialist fibre network real estate investment trust closed on a total of R115.7 million. Dividends were paid in May this year.

For immediate release

6 June 2022

Cape Town, South Africa: Gaia Fibonacci Fibre REIT 1 Limited (Gaia Fibonacci Fibre or the REIT) – South Africa's first specialist fibre network real estate investment trust – on Friday announced its second capital raise through the listing of B preference shares on the Cape Town Stock Exchange (CTSE, formerly 4AX) on 10 June 2022.

The REIT provides a first of its kind tax-efficient structure through which investors can realise inflation-tracking returns as a result of their exposure to exclusive fibre networks that provide internet access to a growing base of end users.

This second capital raise comes after Gaia Fibonacci Fibre raised the majority of the authorised A preference shares effective 31 January at R81 million. This capital raise was in addition to the R34 million raised at the initial listing (on 10 December 2021), closing the book on a total of R115.7 million. The first round of funding was utilised to acquire 54 fibre network sites diversified across Gauteng, KwaZulu-Natal and the Western Cape.

With the investment performing according to expectations and network recording an increase in uptake, the company recently announced the payment of its maiden cash dividend of R103.53 per share to its A preference share investors.

Marais Schabort, fibre portfolio associate at Gaia Fund Managers, says, "It is great to see Gaia Fibonacci Fibre's strong investment case demonstrated through the A preference shares, having paid their maiden dividend in the first quarter of 2022. We aim to replicate this success in the B preference shares, which provide investors with direct access to specialised fibre network assets, with the added tax benefits of the REIT. The full issuance of the B preference shares will take Gaia Fibonacci Fibre's portfolio of fibre networks to beyond R300 million assets under management, with a strong pipeline ready to welcome investors in the coming months."

Denzil Kennon, chief operating officer at Gaia Fund Managers, reveals that c.R160 million is currently committed to the B preference shares.

He continues, “The REIT, as a ring-fenced entity, provides institutional and retail investors with a first-of-its-kind opportunity to access fibre infrastructure investments in South Africa. REITs provide investors with access to rental income from the networks as if they are direct owners of the networks. Fibre network infrastructure investments accessed through tax-efficient REITs is well known internationally, but the application to the South African market is novel. The REIT is an attractive product for long-term investors. Non-retail investors who are looking to gain exposure to this tax-efficient specialist infrastructure opportunity or have further questions on the opportunities should contact us.”

The REIT is Gaia’s second infrastructure-related listing on the Cape Town Stock Exchange. In October 2020, the fund manager listed preference shares for Gaia Renewables 1 Ltd. The latter houses investments in renewable energy infrastructure, such as the Tsitsikamma Community Wind Farm near Humansdorp in the Eastern Cape.

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About Gaia Fund Managers

Gaia was formed in Cape Town in 2012 and incorporated in 2015 to facilitate the investment of long-term investor capital in infrastructure projects in Southern Africa.

Gaia is considered a leading specialist secondary market infrastructure transaction team in the Southern African region, having concluded the first significant secondary market transaction in the South African renewable energy programme with Japan’s Sumitomo Corporation as the seller.

As a first mover and brand leader, Gaia, in addition to the REIT listing, has concluded 12 renewable energy and one toll road transaction to a value in excess of R3.5 billion.

Through Gaia Fibonacci Fibre REIT 1 Ltd, investors have access to a specialist class of infrastructure assets: fibre optic networks.

For more information, visit <http://www.gaia.group>