



GAIA RENEWABLES REIT LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2023/632420/06)
(the “**Company**”)

GRR Ordinary Shares
(Share Code: 4GRRO, ISIN ZAE400000200)
(the “**Ordinary Shares**”)

GRR Class A Preference Shares
(Share Code: 4GRRR, ISIN ZAE400000218)
(“**A Preference Shares**”)

LISTING OF ORDINARY SHARES BY WAY OF INTRODUCTION, AND PLACEMENT OF A PREFERENCE SHARES OF GAIA RENEWABLES REIT ON THE CAPE TOWN EXCHANGE
LISTING PARTICULARS DOCUMENT

The definitions and interpretations commencing on page 12 of this Listing Particulars Document apply mutatis mutandis to this cover page.

This Listing Particulars Document has been prepared in accordance with and issued pursuant to the CTSE Listing Requirements for the purpose of providing information to potential investors in regard to Gaia Fund Managers, the Company and its subsidiaries (the “**Group**”). This Listing Particulars Document does not constitute and/or incorporate a prospectus and/or an invitation to the public to subscribe for Shares in the Company (as contemplated in terms of the Companies Act). The CTSE Issuer Regulation Committee has granted the Company a Listing by way of introduction of its Ordinary Shares and placement of its A Preference Shares on the securities exchange operated by CTSE, with the Ordinary Shares trading under the long name “GRR Ordinary Shares”, abbreviated name “GRR Ords”, CTSE Share code 4GRRO and ISIN ZAE400000200, and the A Preference Shares trading under the long name “GRR A Pref Shares”, abbreviated name “GRR A Prefs”, CTSE Share code 4GRRR and ISIN ZAE400000218 on the CTSE Impact Board.

The salient dates and times applicable to the Listing are set out in the table below:

ACTION/EVENT	DATE
Formal notice of the Company announced on the CTSE News Service	Thursday, 24 August 2023
Listing Particulars Document distributed to Shareholders and made available for download	Thursday, 24 August 2023
Listing of the Company’s Ordinary Shares on CTSE at the commencement of trade	Thursday, 31 August 2023
Listing of the Company’s A Preference Shares on CTSE at the commencement of trade	Thursday, 31 August 2023

Notes:

1. The salient dates and times set out in the table above are local South African dates and times.
2. The salient dates and times may be amended at the discretion of the Board of Directors of the Company.
3. Any amendment to the salient dates and times will be communicated in advance.

As at the Listing Date, the Authorised and Issued Share Capital of the Company will be as follows:

	Authorised	Issued
Ordinary Shares	100,000,000	100,000,000
A Preference Shares	10,000	3,029
Unspecified Shares	90,000	0

Notes:

1. Further information on the preferences, rights, limitations, and other terms attaching to the Authorised Share Capital has been included in section 2, paragraph 2.4 & 2.5 and Annexure 3 to this Listing Particulars Document.
2. Any proposed amendment to the Memorandum of Incorporation resulting in the variation of any preferences, rights, limitations and other terms attaching to any class of Shares already in issue, may not be implemented without a Special Resolution of the Shareholders of that class affected by approving such amendment and/or variation.

This Listing Particulars Document includes particulars given in compliance with the CTSE Listing Requirements governing the Official List of Securities, for the purpose of giving information to the Public and potential investors in regard to the Group and the Company. The Directors whose names appear in section 6 of this Listing Particulars Document, collectively and individually, accept full responsibility for the accuracy and/or completeness of the information contained herein and confirm that having made all reasonable enquiries, to the best of their knowledge and belief there are no other facts, the omission of which would make any statement herein false and/or misleading.

In compliance with the CTSE Listing Requirements, a summarised version of this Listing Particulars Document of the Company (being the Formal Notice) will also be published on the CTSE News Service on Thursday, 24 August 2023

Service Providers



WHITE & CASE



UNLOCKING VALUE THROUGH GROWTH



DATE OF ISSUE: Thursday, 24 August 2023

This Listing Particulars Document is available in English only and may be obtained from Thursday, 24 August 2023, until Thursday, 7 September 2023 (inclusive) at the registered offices of the Company and the offices at the addresses set out in the "Corporate Information" section of this Listing Particulars Document. A copy of the Listing Particulars Document will also be made available for download on the Company's website (www.gaia.group).

CORPORATE INFORMATION AND PROFESSIONAL SERVICE PROVIDERS

BOARD OF DIRECTORS

Matthys Michiel ("Mich") Nieuwoudt (Chairman)
Hendrik Andries Snyman
Tersia Lister
Nandi Khoza*
Yvette Louise Labuschagne*
Dorita Smit*
**Independent*

COMPANY SECRETARY

The Office in Stellenbosch
Registration No: 2011/126340/07

12 Meson Close,
Technopark,
Stellenbosch,
South Africa
7600

Email: ilzemarie@theoffices.co.za
Tel: +27 (0) 21 882 9872

(Po Box 12700, Stellenbosch, 7613)

REGISTERED OFFICE

12 Meson Close,
Technopark,
Stellenbosch,
South Africa,
7600

Email: info@gaia.group
Tel: +27 (0) 64 794 2180

INCORPORATION DETAILS

Date of Incorporation
14 March 2023

Place of Incorporation
Cape Town

Tax residency of the Company
South Africa

BANKERS

Investec Bank Limited
Registration No: 1969/004763/06

100 Grayston Drive,
Sandton,
South Africa,
2196

(PO Box 785700, Sandton 2146)

Email: BusinessTXBGauteng@investec.co.za
Tel: +27 (0) 11 286 7000

ACCOUNTANT

The Office Review Services Proprietary Limited
Registration No: 2013/137139/07

12 Andmar Building,
Cnr Church & Ryneveld Street,
Stellenbosch,
South Africa,
7600

Email: shana@reviewservice.co.za
Tel: +27 (0) 21 882 9872

(Po Box 12700, Stellenbosch, 7613)

LEGAL ADVISORS

White and Case Incorporated
Registration No: 2013/220413/21

Katherine Towers, 1st Floor,
1 Park Lane, Wierda Valley,
Sandton,
Johannesburg,
South Africa,
2196

Email: tiaan.de.wit@whitecase.com
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(PO Box 784440, Sandton, Gauteng, 2146)

RH Legal Consulting Proprietary Limited t/a RH Legal
Registration No.: 2020/437479/07

10 Stepping Stones,
Eversdal,
7550

Email: roelf@rhlegal.co.za
Tel: +27 (0) 82 458 3293

Themis Commercial Legal Advisors (Pty) Ltd
Registration No: 2005/039355/07

Unit 1, Roeland Square
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Tel: +27 (0) 21 461 0123

ISSUER AGENT

Gaia Fund Managers Proprietary Limited represented by:
Registration No: 2015/059447/07

Hendrik Snyman
Kilian Schabort
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Technopark,
Stellenbosch,
South Africa,
7600

Email: info@gaia.group
Tel: +27 (0) 64 794 2180

MODEL AUDITORS

Ernst & Young Advisory Services Proprietary Limited
Registration No: 2006/018260/07

3rd floor, Waterway House,
3 Dock Road,
V&A Waterfront,
PO Box 656,
Cape Town,
8000

Email: john.potgieter@za.ey.com
Tel: +27 (0) 11 772 4000

REPORTING ACCOUNTANT & AUDITOR

PKF Constantia Valley Cape Town Incorporated
Registration no: 2003/003246/21

Tygerforum A, 2nd Floor,
53 Wille van Schoor Road,
Tygervalley
Cape Town,
7530

Email: pieter-louw.vanderahee@pkf.co.za
Tel: +27 (0) 21 914 8880

(Postnet Suite 505, Private Bag X1, Melrose Arch, 2076)

TRANSFER SECRETARIES

CTSE Registry Services Proprietary Limited
Registration No: 2016/396777/07

5th Floor, Building B,
The Woodstock Exchange Building,
66-68 Albert Road,
Woodstock,
South Africa,
1925

(Postnet Suite 5, Private Bag X4, Woodstock, 7915)

BOOK RUNNER

Valeo Capital Proprietary Limited
Registration no: 2021/834806/07

Unit 12,
Paardevlei Specialist Centre,
Somerset West,
7130

Email: johannes@valeocapital.co.za
Tel: +27 (0) 21 851 0091

IMPORTANT LEGAL STATEMENTS

No Offer is being made to the public (as contemplated in terms of the Companies Act)

1. This Listing Particulars Document is not an invitation to the public to subscribe for Securities in the Company (as contemplated in terms of the Companies Act), but is issued in compliance with the CTSE Listing Requirements for purposes of furnishing information to Shareholders, the Public and potential investors with regards to the Group, the Company and its subsidiaries and more specifically, the Listing.
2. This Listing Particulars Document does not constitute, envisage and/or represent an offer to the public in South Africa, as contemplated in terms of the Companies Act, nor does it constitute a prospectus registered in terms of the Companies Act.

Forward-Looking statements

3. This Listing Particulars Document contains statements about the Company that are or may be forward-looking statements. All statements, other than statements of historical or contractual fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook of the Company; growth prospects and outlook for operations, individually or in the aggregate; and liquidity and capital resources and expenditure. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "budget", "planned", "may", "estimated", "potential" or similar words and phrases.
4. Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, future capital expenditure levels, and other economic factors, such as, inter alia, interest rates.
5. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity, and the developments within the industry in which the Group operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Listing Particulars Document.
6. All these forward-looking statements are based on estimates and assumptions made by the Company, and, although the Company believes them to be reasonable, are inherently uncertain and therefore, may not eventuate. Many factors (including factors not yet known to the Company, or not currently considered material) could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions.
7. Potential investors should keep in mind that any forward-looking statement made in this Listing Particulars Document or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of the Company not to develop as expected may emerge from time to time, and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known.
8. The Company has no duty to update or revise the forward-looking statements contained in this Listing Particulars Document after the date of this Listing Particulars Document, except as may be required by law but may do so at its own discretion.
9. The Company will look to provide investors with relevant information and given the nature of the Company's transaction cycle with the continuous listing of preference shares, trading statements will be released on the following basis:
 - a. Trading statements will be released when the results to be published are expected to differ by more than 20% from the relevant pro-forma financial information and profit forecasts.
 - b. Trading statements will be released,
 - i. in the case of Interim results, between the Interim period end and the publication of the interim financial results; and,
 - ii. in the case of year-end results, and between the year-end date and the publication of the annual financial statements.
 - c. Where a trading statement is required to be published, the trading statement will indicate the expected results within a 20% range, in order to allow for any adjustments reasonably expected to be made prior to the published financial results.

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ACTIONS REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 12 of this Listing Particulars Document apply *mutatis mutandis* to this section on the actions required by Shareholders. Please take careful note of the following provisions regarding the actions required by Shareholders.

Introduction

1. Shareholders are referred to the Formal Notice announced on the CTSE News Service and published on the Company's website on Thursday, 24 August 2023 relating to the admission of the Company to the Official List of issuers of CTSE. As a result, Shares in the Company may forthwith trade on CTSE.
2. It is envisaged that a listing on the CTSE will not only enhance the ability of existing and prospective Shareholders to buy and sell A Preference Shares in the Company in a cost-effective manner but will also simplify the process for trading in A Preference Shares.

Background to Cape Town Stock Exchange

3. CTSE is a fully-fledged licensed stock exchange in South Africa which introduces a unique trading platform structure into the South African market utilising a pre-validation-and-funding model through the CTSE Registry (a Strate-approved transfer secretary and wholly owned subsidiary of CTSE).
4. CTSE was founded in 2015 in response to South Africa's transitioning capital markets and was granted an exchange license (to list both equity and debt) in August 2016.
5. On 1 March 2017, CTSE formally commenced operations and currently has 16 listed equity issuers and 28 debt listings in various market sectors in South Africa.
6. The CTSE license conditions include the ability to list debt instruments. In support hereof, CTSE has proposed amendments to the CTSE Debt Listing Requirements to include enhanced provisions for the debt market sustainability segment. Furthermore, CTSE also offers unlisted debt services through CTSE Capital Solutions Proprietary Limited, of which CTSE owns 49%.
7. CTSE Registry provides transfer secretarial and registry services assisting CTSE and JSE issuers with fulfilling of their governance requirements and disclosures (in addition to CTSE listed Issuers, CTSE Registry has 9 (nine) JSE listed issuers. These services also include e-voting, proxy solicitation and virtual annual general meetings.
8. CTSE offers open market access, secondary listings and trading ability on A2X.

CTSE Registry: Administrative Process and Benefits

9. Shareholders will be able to register on the CTSE Registry portal. Each Shareholder is automatically assigned an account with CTSE Registry as part of the listing process ("CTSE Registry Account").
10. A CTSE Registry Account is free of charge and enables Shareholders to view (but not trade) their Share portfolios – any trading in Shares on the CTSE platform must be via a share trading account with a Broker – see "How to trade Gaia Renewable REIT Shares on CTSE" below.
11. Shareholders are encouraged to register on the CTSE Registry portal in order for them to receive the following benefits, namely the ability to:
 - 11.1 view all their CTSE listed investments;
 - 11.2 view transaction history;
 - 11.3 manage their contact details;
 - 11.4 view all communication sent to them by the CTSE Registry;
 - 11.5 manage their linked accounts;
 - 11.6 generate reporting including their investment statements and annual tax certificates; and
 - 11.7 vote on resolutions and participate in corporate actions.
12. How to get started with a CTSE Registry Account:
 - 12.1 Access the portal by following the link set out in 4.5 below and use your Identification Number/Registration Number to complete the registration process. Shareholders who require assistance with this process can contact CTSE Registry (see below).
 - 12.2 After receiving email confirmation of activation, a Shareholder will be able to log in to the portal via the following link: <https://www.ctexchange.co.za/registry>.
 - 12.3 Contact the CTSE Registry: Contact Number: 011 100 8352 Email: admin@CTSEregistry.co.za Website: <https://www.ctexchange.co.za/registry>.

How to trade Gaia Renewable REIT shares on CTSE

13. It is important to note that while the Company will be listed on CTSE with effect from 09h00 on the Listing Date, trading in Gaia Renewables REIT Shares will only be available on CTSE through a CTSE- approved Broker.
14. Shareholders wishing to trade their Shares on Listing Date and thereafter, will have to open a share trading account with a Broker (which is an authorised user of CTSE), to ensure that their Shares are in dematerialised form only. Accordingly, all Shareholders must appoint a CSDP or Broker directly, to receive and hold the Dematerialised Shares on their behalf.
15. For a Shareholder to trade their Shares on or post the Listing Date, a Shareholder will be required to open a trading account with a registered CTSE Broker. Shareholders can view a list of registered CTSE Brokers via the following link: <https://www.ctexchange.co.za/trade>.
16. For the avoidance of doubt, where a Shareholder does not have a trading account or CSDP account, the Shares held by such Shareholder will be held by CTSE Registry in certificated form until such time as the Shareholder provides CSDP or Broker details. Please note Shareholders under the CTSE Registry who are certificated and have not opened trading accounts, will not be permitted to trade on CTSE.

SALIENT DATES AND TIMES APPLICABLE TO THE LISTING

The definitions and interpretations commencing on page 12 of this Listing Particulars Document apply *mutatis mutandis* to the following salient dates and times applicable to the Listing.

Set out in the table below are the salient dates and times relating to the Listing of the Company:

ACTION/EVENT	DATE
Formal notice of the Company announced on the CTSE News Service	Thursday, 24 August 2023
Listing Particulars Document distributed to Shareholders and made available for download	Thursday, 24 August 2023
Listing of the Company's Ordinary Shares on CTSE at the commencement of trade	Thursday, 31 August 2023
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Notes:

1. *The salient dates and times set out in the table above are local South African dates and times.*
2. *The salient dates and times may be amended at the discretion of the Board of Directors of the Company.*
3. *Any amendment to the salient dates and times will be communicated in advance.*

DEFINITIONS AND INTERPRETATIONS

In this Listing Particulars and annexures hereto, unless the context indicates otherwise, a word or an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa*, and the following words and expressions bear the meanings assigned to them below:

“2X Challenge”	means the 2X Challenge launched at the G7 Summit 2018 as a bold commitment to inspire Development Finance Institutions, International Finance Institutions and the broader private sector to invest in the world’s women;
“2X Criteria”	means the criteria set by the 2X Challenge, where fulfilling one criteria makes an investment 2X eligible. The 2X Criteria includes specific minimum compliance in at least one area being 1) entrepreneurship, 2) leadership, 3) employment, 4) consumption, or 5) investments through financial intermediaries;
“Additional PAIs”	means the SFDR PAIs selected by Gaia Renewables REIT being 1) Non-recycled waste ratio (E13) and 2) Rate of accidents (S2);
“A Preference Shares”	means the Class A Preference Shares, each of no-par value, in the Authorised and Issued Share Capital of the Company;
“A Preference Shareholders” or “Holders”	means registered beneficial holders of the A Preference Shares;
“Accountant”	means The Office Review Services Proprietary Limited (registration number 2013/137139/07), a limited-liability private company duly registered and incorporated in accordance with the company laws of South Africa, being the accountants of the Company;
“Advisory Committee”	means the advisory committee the committee as represented by the largest Preference Shareholders;
“Article 9”	means a Financial Product with a sustainable investment objective making SFDR classified Sustainable Investments;
“Asset Management Agreement” or “AMA”	means the contract concluded between Gaia Fund Managers, the Company and each Property SPV, under which Gaia Fund Managers undertakes to manage the Company as well as the underlying Property SPVs;
“Authorised Share Capital”	means the maximum amount of capital that the Company may raise through the issue of Shares to Shareholders;
“Beneficial Interest”	means in relation to: (a) any interest in a security means the <i>de facto</i> right or entitlement to directly receive the income payable in respect of that security and/or exercise or cause to be exercised, in the ordinary course of events, any or all of the voting, conversion, redemption, or other rights attaching to that security; (b) any other interest, means the obtaining of any benefit or advantage, whether in money, in-kind, or otherwise, as a result of the holding of that interest; and/or (c) in respect of the interests described in (a) and (b) above, means the <i>de facto</i> right or entitlement to dispose or cause the disposal of the Company’s securities, or any part of a Distribution in respect of the Securities;
“Blue Energy” or “Blue Energy Africa”	means Blue Energy Africa Proprietary Limited (registration number 2018/501724/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, being the preferred managed services provider to the Company and its subsidiaries;
“Board” or “Board of Directors”	means the board of directors of the Company, as constituted from time to time;
“Broker”	means authorised stockbroker as defined in Section 15 of the CTSE Exchange Rules;
“Business Day”	means any day other than a Saturday, Sunday, or official public holiday in South Africa and on which day CTSE is open for trading;
“Certificated Shareholders”	means Shareholders who hold Certificated Shares;
“Certificated Shares”	means Shares that have not been Dematerialised, title to which is evidenced by a Share certificate or other Document of Title;
“CIPC”	means the Companies and Intellectual Property Commission established pursuant to section 185 of the Companies Act;
“CIS”	means a “ <i>collective investment scheme</i> ” as defined in CISCA;
“CISCA”	means the Collective Investment Schemes Control Act, No. 45 of 2002, as amended from time to time;
“Companies Act”	means the Companies Act, No. 71 of 2008, as amended from time to time;
“Companies Regulations”	means the Companies Regulations 2011, promulgated pursuant to the Companies Act, as amended from time to time;

“Company”, “Issuer”, “Gaia Renewables REIT”	or	means Gaia Renewables REIT Limited (registration number 2023/632420/06) a limited-liability public company duly registered and incorporated in accordance with the company laws of South Africa;
“Company Secretary”		means The Office in Stellenbosch Proprietary Limited (registration number 2011/126340/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, being the Company Secretary of the Company;
“Constitution” “Memorandum of Incorporation” or “MOI”	or of	means the memorandum of incorporation of the Company or any equivalent constitutive documents, as amended from time to time;
“Contracts of Significance”		means a contract involving aggregate cash flows in amount or value equal to 10% or more of the aggregate of the Group’s Company’s Share capital and reserves;
“Controlling Shareholder”		means a “controlling shareholder” as contemplated in terms of the CTSE Listing Requirements;
“CSDP”		means a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, with whom a Shareholder holds a Dematerialised Share account;
“CTSE” or “Cape Town Exchange”		means The Cape Town Stock Exchange Proprietary Limited (registration number 2013/031754/07), a private company duly registered and incorporated in accordance with the company laws of South Africa and licensed as an exchange in terms of the Financial Markets Act;
“CTSE Exchange Rules”		means the exchange rules of CTSE, as amended from time to time;
“CTSE Listing Requirements” or “CTSELR”		means the listings requirements of CTSE, as amended from time to time;
“CTSE News Service”		means the news service operated by CTSE for the purpose of disseminating information in relation to CTSE, CTSE Authorised Users, issuers listed on CTSE and Issuer Agents;
“CTSE Registry”		means CTSE Registry Services Proprietary Limited (Registration Number 2016/396777/07), a limited liability private company duly registered and incorporated in accordance with the company laws of South Africa and a wholly-owned subsidiary of CTSE;
“Custodian”		means GRR Investor Custodian (RF) Proprietary Limited (registration number 2023/632498/07), a private company duly registered and incorporated in accordance with the company laws of South Africa;
“Day”		means a calendar day (i.e. any day of the week);
“Dematerialise” “Dematerialisation”	or	means the process by which Shares represented by a certificate are converted into an electronic format as Dematerialised Shares and recorded in the Company’s uncertificated Share Register administered by a CSDP;
“Dematerialised Shareholders”		means Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”		means Shares which have been incorporated into the Strate system and which are no longer evidenced by Share certificates or other physical Documents of Title;
“Directors”		means a member of the Board of the Company, as contemplated in terms of section 66 of the Companies Act, or an alternate Director of the Company and includes any Person occupying the position of a Director or an alternate Director, by whatever name designated;
“Distribution”		means a “distribution” as contemplated in terms of the Companies Act;
“DNSH”		means do no specific harm;
“Documents of Title”		means share certificates, certified transfer deeds, balance receipts or any other physical documents of title pertaining to in each case in a form acceptable to the Board;
“EPS”		means earnings per share;
“ESG”		means environmental, social, and governance;
“ESG Risk”		Means an ESG event or condition that, if it occurs, could cause a negative material impact on the value of the investment;
“ESMS”		means an environmental and social management system which is a set of policies, procedures, tools, and internal capacity to identify and manage a financial institution’s exposure to the environmental and social risks of its clients/investees;
“EU Taxonomy”		means EU 2020/852 Taxonomy Regulation, a unified classification system designed to identify economic activities that can genuinely be classified as environmentally sustainable on a measurable and empirical basis for the purposes of establishing the degree to which the investment is environmentally sustainable and avoid greenwashing;
“EU Taxonomy Compass”		means the EU Taxonomy Compass, which provides a visual representation of the contents of the EU Taxonomy, starting with the Delegated Act on the climate objectives (climate change mitigation (Annex I) and climate change adaptation (Annex II)), as published in the Official Journal on 9 December 2021;

“EU Taxonomy Sustainable Investment”		means an investment that 1) contributes substantially to one or more of the six environmental taxonomy objectives as defined, 2) does not significantly harm any of the other environmental objectives, 3) is carried out in compliance with the minimum safeguards as defined, and 4) complies with Technical Screening Criteria as defined;
“EU Taxonomy Sustainable Objectives”		includes 1) climate change mitigation, 2) climate adaption, 3) sustainable use and protection of water and marine resources, 4) transition to a circular economy, 5) pollution prevention and control, and 6) protection and restoration of biodiversity and ecosystems;
“Exchange Regulations”	Control	means the Exchange Control Regulations, 1961, as amended from time to time, issued in terms of section 9 of the Currency and Exchanges Act, No. 9 of 1933, as amended from time to time;
“GRR Opco 1”		means GRR OpCo 1 Proprietary Limited (registration number 2023/632876/07), a private company duly registered and incorporated in accordance with the company laws of South Africa.
“Financial Waiver”	Information	means the waiver, as provided for in Annexure 9 to be signed by Investors prior to their investment into a Preference Share.
“Financial Markets Act”		means the Financial Markets Act, No 19 of 2012, as amended from time to time;
“Formal Notice”		means the formal notice announced by the Company on the CTSE News Service, dated Thursday, 24 August 2023, in terms of which the Company advised of its intention to List on the securities exchange operated by CTSE;
“Financial Products”		means under SFDR, financial products categorised under the scope of Article 6, 8, or 9;
“FMPs”		means a Financial Market Participant;
“Gaia Distribution”		means the distribution to be paid to Gaia Fund Managers pursuant to the application of the payment waterfall as directed in the Preference Share Terms;
“Gaia Exclusion List”		means the list of projects which Gaia Fund Managers do not invest into as described in the Company’s ESMS;
“Gaia Fund Managers” or “Manager”		means Gaia Fund Managers Proprietary Limited (registration number 2015/059447/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, the internal Issuer Agent and whose 100% subsidiary, Gaia Renewables Management Proprietary Limited (registration number 2023/859150/07) being the shareholder holding 100% of the Ordinary Shares;
“Gaia Renewables REIT Taxonomy Objectives”		means the Gaia Renewables REIT objectives of climate mitigation and adaptation, which the financial product contributes to, taking into consideration the Taxonomy DNSH Guidelines;
“GHG”		means green house gases;
“Group”		means Gaia Fund Managers, the Company, and its subsidiaries;
“Guarantee, Cession and Pledge Agreement”	and	means the agreement entitled <i>Guarantee, Cession and Pledge Agreement</i> ”, entered into by, amongst others, the Issuer, the Manager and the Custodian, pursuant to which the Company cedes in security and pledges to the Custodian (as agent for the Holders) all the shares and claims it has in Property SPV 1 as security for the obligations of the Company under the Preference Share Terms, as amended from time to time;
“HEPS”		means headline earnings per Share;
“Holder” or “Holders”		means, in relation to any Outstanding Preference Share and at any time, the Person who then holds that Outstanding Preference Share (and whose name is reflected in the Issuer’s share register as the Holder of that Outstanding Preference Share);
“Holding Company”		means a “ <i>holding company</i> ” as contemplated in terms of the Companies Act;
“IFRS”		means the International Financial Reporting Standards as formulated by the International Accounting Standards Board from time to time;
“Income Tax Act”		means the Income Tax Act, No. 58 of 1962, as amended from time to time;
“International Standards on Auditing” or “ISA”	on	means the International Standards on Auditing as issued by the International Federation of Accountants through the International Auditing and Assurance Standards Board;
“Investment Committee”		means the Company’s investment committee as appointed by the Manager;
“IRBA”		means the Independent Regulatory Board for Auditors established under section 3 of the Auditing Profession Act, No. 26 of 2005;
“IRIS+”		means the generally accepted impact accounting system that leading impact investors use to measure, manage, and optimise their impact.
“Issued Share Capital”		means the issued Share capital of the Company as at the Listing Date, each of no-par value;
“Issuer Agent”		means Issuer Agent as defined by the CTSE Listing Requirements of the Company;
“Issuer Committee”	Regulation	means the committee responsible for listing matters, established by the CTSE Board, with the responsibility of ensuring compliance with the CTSE Listing Requirements and taking the appropriate actions as may be necessary to manage non-compliance with the CTSE Listing Requirements by Listed companies, and any risks arising as a result of non-compliance;

“Issuer Regulation Division”	means the division of CTSE which carries out the day-to-day administration, management, enforcement, and implementation of the CTSE Listing Requirements and the CTSE Rules;
“JSE”	means JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the company laws of South Africa and licensed as an exchange in terms of the Financial Markets Act;
“King IV” or “King Report”	means the King IV Report on Corporate Governance for South Africa 2016, as amended from time to time;
“Last Practicable Date”	means the last practicable date prior to the finalisation of this Listing Particulars, being Thursday, 31 August 2023;
“List” or “Listing” or “Listed”	means admitted to the Official List of the CTSE, it being anticipated that the listing and dealing in the Ordinary Shares of the Company and the A Preference Shares are expected to commence on the Listing Date;
“Listing Date”	means the expected date on which the Listing of the Ordinary Shares and A Preference Shares will become effective, being at the commencement of trade on Thursday, 31 August 2023;
“Listing Particulars” or “Listing Particular Document” or “Document”	means this listing particulars document relating to the Company, dated Thursday, 31 August 2023, which has been prepared in accordance with the CTSE Listing Requirements and the Companies Act;
“Listing Undertaking”	means the undertaking provided by the Company to CTSE in anticipation of the Listing, which undertaking is in the form set out in Appendix 4 to the CTSE Listing Requirements;
“Mandatory PAIs”	means the SFDR mandatory PAIs, which include 1) GHG emissions scope 1,2,3; 2) carbon footprint; 3) GHG intensity of investee companies; 4) exposure to companies active in fossil fuel sector; 5) share of non-renewable energy consumption and production; 6) energy consumption intensity per high impact climate sector; 7) activities negatively affecting biodiversity-sensitive areas; 8) emissions to water (companies), and 9) unadjusted gender pay gap (companies);
“Majority Holder”	means the Holders able to exercise not less than 50.1% of the voting rights attaching to all Outstanding Preference Shares;
“Manager”	means Gaia Fund Managers;
“Material”	means: <ul style="list-style-type: none"> a) in the context of information, information that, if omitted or misstated, could or should influence the economic decisions of investors. Without limiting the foregoing, a change of 20% or more of either gross revenue, operating expenses, net assets, or market capitalisation of the Group shall be deemed to influence the decisions of investors; b) in any other context, 20% or more of either gross revenue, operating expenses, net assets, or market capitalisation of the Group, and the term “Materially” shall be construed accordingly;
“NAVPS”	means net asset value per Share;
“NTAVPS”	means net tangible asset value per Share;
“Official List”	means the List of all Securities admitted for quotation on the main market or official market of CTSE;
“Ordinary Shares”	means ordinary shares, each of no-par value, in the Authorised Share Capital and Issued Share Capital;
“Ordinary Shareholders”	means registered beneficial holders of the Ordinary Shares;
“Outstanding Preference Share”	means, on any day, any Preference Share which has been issued but which has not been redeemed;
“PAI considerations”	means 18 mandatory PAIs and 1 additional environmental PAI, and 1 social PAIs;
“PAIs”	means principal adverse sustainability impacts;
“Pari Passu”	means in relation to the rights attaching to a class of Securities of a company, that such rights are identical and rank equal in each and every respect;
“Paris Agreement”	means a legally binding international treaty on climate change adopted by 196 parties at COP21 in Paris on 12 December 2015 and entered into force on 4 November 2016;
“Person”	means a <i>“person”</i> as contemplated in terms of the Companies Act;
“Preference Dividend”	means, in relation to each Preference Share, and on each relevant Dividend Payment Date, an amount equal to the available cash for Distributions divided by the number of Outstanding Preference Shares on that Dividend Payment Date;
“Preference Share Subscription Agreement” or “PSSA”	means the agreement entitled <i>“Preference Share Subscription Agreement”</i> , entered into by the Issuer (as issuing company) and the subscribers of the A Preference Shares, including any annexures and schedules thereto, as amended from time to time;

“Preference Share Sweep Rate”		means 97%;
“Preference Share Terms”		means the preferences, rights, limitations, and other terms attaching to each Preference Share;
“Property SPV 1” or “GRR Property SPV 1”		means GRR Property SPV 1 Proprietary Limited (registration number 2023/632744/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, which will hold the rights to sell and operate renewable assets held at various sites across South Africa, see Annexures 6-8 for details;
“Property SPV”		means each special purpose company incorporated by the Company as its subsidiaries to hold an investment;
“Public”		means “public” as contemplated in terms of the Companies Act;
“Rand” or “R”		means South African Rand, being the lawful currency of South Africa;
“REIT”		means a public company listed as a real estate investment trust;
“Renewable Infrastructure”	Energy	means any asset that is lawfully constructed, erected, used, placed, installed or affixed to a property in connection with the purpose of generating renewable energy for the purpose of selling on the conditions as determined in the PPA and Equipment Use Agreement;
“Rental Income”		in relation to a REIT, has the meaning as set out in Section 25BB(1) of the Income Tax Act or in respect of a property entity which is not a REIT, the same meaning should that property entity have been a REIT;
“Reporting Accountant & Auditor’s Report”		means the report issued by the Reporting Accountant & Auditor in accordance with paragraph 8.8 of the CTSE Listing Requirements;
“Reporting Accountant & Auditor”		means PKF Constantia Valley Cape Town Incorporated (registration number 2003/003246/21), a personal liability company duly registered and incorporated in accordance with the company laws of South Africa (IRBA Registration number 935123), being the reporting accountant & auditor of the Company, an audit firm acceptable to CTSE and registered with IRBA;
“Scheduled Dividend Payment Date” or “Dividend Payment Date”	Dividend	means, prior to the Redemption Date, 30 April and 31 October of each year;
“Securities”		means “securities” as contemplated in terms of the Financial Markets Act;
“SFDR”		means Regulation EU 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;
“Shareholders”		means either or all of the Ordinary Shareholders or the A Preference Shareholders, as the context may indicate;
“Shares”		Means either or both the Ordinary Shares and/or the A Preference Shares, as the context may indicate;
“Share Register”		means the securities register of the Company which is required to be established by a company in terms of section 50(1) of the Companies Act;
“South Africa”		means the Republic of South Africa;
“Special Resolution”		means a special resolution as contemplated in terms of section 65(9) of the Companies Act, which in terms of the Constitution must be approved by at least 75% of the voting rights entitled to be exercised;
“Strate”		means Strate Proprietary Limited (registration number 1998/022242/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to CTSE;
“Sustainable Investment”		means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices;
“Sustainable Investment Objectives”		means the Gaia Renewables REIT objective selected which is investing in investments with a focus on renewable energy (Climate Change Mitigation), which is aligned with the Paris Agreement;
“Taxonomy Regulation”		means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088;
“Technical Criteria” or “TSC”	Screening	means the conditions under which an economic activity qualifies as contributing substantially to climate change adaptation or mitigation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives in the Taxonomy;
“UN SDGs” or “SDG”		means the United Nations’ sustainable development goals;
“VAT”		means value-added tax;
“Valeo” or “Valeo Capital”		means Valeo Capital Proprietary Limited (registration number 2021/834806/07), a private company duly registered and incorporated in accordance with the company laws of South Africa; and
“R”, “ZAR”, or “Rand”		means the lawful currency of South Africa, being South African Rand, or any successor currency.



GAIA RENEWABLES REIT LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2023/632420/06)
(the “**Company**”)

GRR Ordinary Shares
(Share Code: 4GRRO, ISIN ZAE400000200)
(the “**Ordinary Shares**”)

GRR Class A Preference Shares
(Share Code: 4GRRR, ISIN ZAE400000218)
(“**A Preference Shares**”)

LISTING PARTICULARS

A. INTRODUCTION

Shareholders are referred to the Formal Notice announced by the Company on the CTSE News Service, dated Thursday, 24 August 2023, in terms of which the Company advised of its intention to List its Ordinary Shares and A Preference Shares on the securities exchange operated by CTSE.

B. PURPOSE OF THIS DOCUMENT

The purpose of this Listing Particulars Document is to:

- 1.1. in accordance with the CTSE Listing Requirements, furnish relevant information about Gaia Fund Managers, the Company and the Listing, to Shareholders, the Public and potential investors;
- 1.2. furnish information to Shareholders and prospective investors with regards to the Company and its operations and investments; and
- 1.3. communicate the salient details relating to the Listing.

C. GENERAL OVERVIEW OF THE COMPANY

- 2.1 The Company was established by Gaia as a ring-fenced REIT for the express purpose of providing institutional and retail investors with a first of its kind access to commercial and industrial renewable energy investments in South Africa.
- 2.2 REITs provide investors with access to Rental Income from immovable property as if they are direct owners in the immovable property.
- 2.3 REITs with the provided tax benefit were created to incentivise increased capital contributions to drive funding into the property sector. The use of REITs in the renewable energy sector has been proven internationally, but this Listing provides for the first of its kind in South Africa.
- 2.4 The Company is an attractive product for long-term investors with the Company and its subsidiaries being exempt from corporate tax on income capital gains tax (“CGT”) on the profit made on the sale of the renewable energy assets as well as Securities transfer tax and dividend withholding tax. This passes the benefit of the tax onto the investor.
- 2.5 The investor can then, in turn, optimise their own tax situation, in the same way had they held the immovable property, and thus the Rental Income, directly. The investor is thus empowered to structure their individual portfolios to take control of their own tax situation.
- 2.6 It is important to note that the investor will be subject to CGT on the profit made on the sale of the A Preference Shares.
- 2.7 Gaia Fund Managers is a registered financial services provider (license number 46028) and is considered a leading specialist secondary market infrastructure transaction team in South Africa, having concluded multiple fibre network infrastructure, 12 renewable energy and one toll road transaction to a value in excess of R4.5 billion for South African institutional investors, as well as listing Gaia Infrastructure Capital Limited on the JSE main board and listing Gaia Renewables 1 Limited and Gaia Fibonacci Fibre REIT 1 Limited on the CTSE in October 2020 and December 2021, respectively.

- 2.8 Pursuant to the Listing of the A Preference Shares, the Company, acting through GRR Property SPV 1, will acquire its first Renewable Energy Infrastructure assets as part of a portfolio of geographically distributed renewable energy assets across South Africa.
- 2.9 A Preference Share investors have committed to a total investment of R500m of which R151.5m will be utilised for the initial investment (see paragraph 2.13 for detail of usage of initial funding).
- 2.10 The remaining funding will be drawn down through a specific Issuance of A Preference Shares. This will be utilised and applied to follow-on Renewable Energy Infrastructure investments as approved by the Investment Committee which is provided as a recommendation to the GRR Property SPV 1 board to enter into the investment.
- 2.11 The Investment Committee's investment process assesses opportunities to ensure that the Property SPVs will only enter into qualifying investments. Qualifying investments include both green- and brownfields transactions in Southern Africa with Power Purchase Agreements ("PPA") and Equipment Use Agreements ("EUA") with reputable creditworthy clients with return characteristics which provides the Investment Committee with a prudent level of confidence that the targeted IRR of CPI + 7% is obtainable.
- 2.12 A schematic diagram depicting the Group's structure pursuant to the Listing of the Ordinary and A Preference Shares are provided in Annexure 1.A.

D. RATIONALE FOR THE LISTING & PROSPECTS OF THE COMPANY

The rationale for the Listing is primarily the following:

3.1 Provide Access to Infrastructure as an Asset Class

Infrastructure as an asset class can provide investors with stable inflation-linked cash returns whilst preserving their capital. However, the current means of gaining access to infrastructure includes a daunting and protracted process requiring, amongst other things negotiating lengthy contracts. This process is far removed from investors' ordinary means of acquiring shares on a trading platform and therefore acts as a significant investment barrier to entry and exit. In addition to the process, the unlisted equity available in the Renewable Energy Infrastructure assets precludes certain CIS portfolios from acquiring interests in infrastructure. A listed security removes many of the entry and exit barriers for investors and allows infrastructure to take up its rightful place as an asset class in many investor portfolios.

This will create an awareness with prospective institutional investors and retail investors seeing the value of investing in Gaia Fund Managers' managed entities.

3.2 Transparent Regulatory Environment

In addition to the regulatory requirements applicable to Gaia Fund Managers as a regulated investment manager, as a listed entity the Company will need to comply with the CTSE Listing Requirements, which will provide investors with additional transparency and corporate governance comfort.

The Company, through the guidance of the Manager, will report in line with best in breed impact requirements through its voluntary adoption to comply with SFDR and EU Taxonomy requirements and disclosures (as per Annexure 4).

3.3 Access to Capital

As a listed entity, the Issuer enables CIS portfolios and regulated pension funds to increase their allocation to infrastructure with ease of mind in an increased regulatory environment. The ability to do this has opened a unique market opportunity for future CIS compliant portfolios to invest in CTSE listed infrastructure investments via new issuances of preference shares in the Issuer.

Illustrated in Annexure 1.B is a schematic representation of the current and future high-level structure of the Company pursuant to the issuance and listing of new classes of preference shares corresponding to new investments in Renewable Energy Infrastructure assets. Each class of preference share is and will continue to be linked to a property special purpose vehicle which is invested in a specific portfolio of Renewable Energy Infrastructure assets with a corresponding asset management agreement with Gaia Fund Managers.

3.4 Investing into South Africa, its people and its growth

South Africa's private institutions face a daily challenge to address the need for basic sustainable and predictable energy supply to ensure that there is a predictable South African economic future. Government's February 2023 Budget called for private sector investment to grow from 9.3% of GDP (as at 2021) to 20% by 2030 to complement public sector investment from 3.8% to 10% of GDP by 2030. The Company's mission is to play a catalytic role in promoting a sustainable project development cycle and crowd in more investors at all stages of the funding ecosystem by (1) being the preferred partner to increase business resilience by reducing risk and stabilise future potential energy expenditure and dependence on sustainable energy provision and (2) drawing in private capital into the project funding ecosystem. It provides a tax efficient channel through which funding can be allocated to expedite climate infrastructure project development to support a just transition to a net-zero South Africa through renewable energy deployment and provide financial additionality through crowding in private investors. Security of energy supply and the pricing thereof is an important part of business confidence through which international funds can be attracted to support South African growth.

SIGNED FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

By order of Board of Directors



MM Nieuwoudt

Chairperson

Gaia Renewables REIT Limited

SECTION 1: GENERAL INFORMATION PERTAINING TO THE COMPANY, ITS ADVISORS AND THE LISTING PARTICULARS

1.1 Full name, registration number, address of registered office and website

1.1.1. The full name of the Company is:

Gaia Renewables REIT Limited

1.1.2. The registration number of the Company is:

2023/632420/06

1.1.3. The registered address of the Company is:

12 Meson Close,
Techno Park,
Stellenbosch,
7600

1.1.4. The website of the Company is:

www.gaia.group

1.2 Tax residency of the Company

The Company is a tax resident of South Africa.

1.3 Details of the Company's professional service providers

The details of the Company's professional advisors are set out in "Corporate Information and Service Providers" section of this Listing Particulars Document.

1.4 Date and country of incorporation and the authority under which the Company was incorporated or otherwise established

1.4.1. Date of incorporation of the Company: 14 March 2023

1.4.2. Place of incorporation of the Company: Cape Town, South Africa.

1.4.3. Authority under which the Company was incorporated: The Company was incorporated under the instruction of Mr MM Nieuwoudt who, subsequent to the incorporation of the Company, was appointed as the first Director of the Company and the Chairman of the Board.

1.5 Summary of the salient terms of the MOI of the Company

Set out in the table below is a summary of the relevant provisions of the MOI of the Company in relation to, *inter alia*, Directors' power and authority, changes to the Authorised and Issued Share Capital and Distributions:

CTSE Listing Requirement	Extracts of relevant MOI provisions
Directors' powers regarding the issue of shares and variation of rights	<p>Clause 6.3</p> <p>The Board shall not have the power to increase or decrease the number of authorised Shares of any Class of the Company's Shares; create any new Class or Classes of authorised but unissued Shares; consolidate and reduce the number of the Company's issued and authorised Shares of any Class; subdivide its Shares of any Class by increasing the number of its issued and authorised Shares of that Class without an increase of its capital; convert any Class of Shares into one or more other Classes of Shares; reclassify any classified Shares that have been authorised but not issued; classify any unclassified Shares that have been authorised but not issued; vary any preference rights, limitations or other terms attaching to any Class of Shares; or change the name of the Company, and such powers shall only be capable of being exercised by the Ordinary Shareholders by way of a Special Resolution of the Ordinary Shareholders and (to the extent required) an amendment to the Memorandum of Incorporation.</p>

	<p>Clause 6.5</p> <p>Each Share issued by the Company has associated with it an irrevocable right of the Shareholder of that Class of Shares to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that Share as contemplated in clause 24.2. The variation of any preferences, rights, limitations and other terms associated with any Class of Shares as set out in this Memorandum of Incorporation may be enacted only by an amendment of this Memorandum of Incorporation by Special Resolution of the Ordinary Shareholders. If any amendment of the Memorandum of Incorporation relates to the variation of any preferences, rights, limitation or any other terms attaching to any other Class of Shares already in issue, that amendment must not be implemented without a Special Resolution first having been adopted by the holders of Shares of that Class at a separate meeting.</p> <p>Clause 24.2</p> <p>The holders of Securities other than Ordinary Shares shall be entitled to vote on a resolution applicable to that Class of Shares held by the applicable Shareholders at a meeting of the Shareholders only pursuant to a Special Resolution of the Ordinary Shareholders authorizing such holders of Securities to vote on such matter as stipulated in the Special Resolution; or if any resolution is proposed as contemplated in clause 6.5 or a Shareholder holding a Class of Shares is entitled to vote in terms of the preferences, rights, limitations and other terms associated with such Class of Shares, then the holder of such Shares ("Affected Shareholders") is entitled to vote at the meeting of Ordinary Shareholders as contemplated in clause 24.1, provided that the votes of the Shares of that Class held by the Affected Shareholders shall not carry any special rights or privileges and each Affected Shareholder shall be entitled to exercise such number of voting rights prescribed by the preferences, rights, limitations and other terms associated with such Class of Shares.</p>
<p>Borrowing powers exercisable by the Board</p>	<p>Clause 14</p> <p>The Board may authorise the Company to issue secured or unsecured Debt Instrument as set out in section 43(2), but, save to the extent permitted in terms of clause 14.2, no special privileges associated with any such Debt Instruments as contemplated in section 43(3) may be granted, and the authority of the Board in such regard is accordingly limited by this Memorandum of Incorporation.</p> <p>Clause 28.6.1</p> <p>Any decision by the Board to borrow money from any person at any time, save where the provisions of clause 33.1.1 apply and subject further to the restrictions in clause 33), is deemed to be a "Reserved Matter" and subject to the restrictions contained in clause 28.6.2.</p> <p>Clause 28.6.2</p> <p>Notwithstanding anything to the contrary contained in this Memorandum of Incorporation, the Board does not have the power or authority to effect a Reserved Matter unless that Reserved Matter has been approved by way of an Ordinary Resolution of the Shareholders of all Classes then in issue (save where the provisions of clause 33.1.1 apply and subject further to the restrictions in clause 33), and the powers of the Directors are limited accordingly in terms of section 66(1).</p>
<p>Financial Assistance</p>	<p>Clause 17</p> <p>The Board's authority to authorise the Company to provide direct or indirect financial assistance as set out in (and in accordance with) sections 44 and 45 is not limited or restricted by this Memorandum of Incorporation.</p> <p>Clause 30.4</p> <p>The Board may, as contemplated in and subject to the requirements of section 45, authorise the Company to provide financial assistance to a Director, prescribed officer or other person referred to in section 45(2), and the power of the Board in this regard is not limited or restricted by this Memorandum of Incorporation.</p>
<p>Acquisition by the Company of its Own Shares</p>	<p>Clause 18.1</p> <p>Subject to the CTSE Listing Requirements, the provisions of the Act, including sections 46 and 48, and the further provisions of this clause 18, the Board may, subject to clause 18.3, determine that the Company acquire a number of its own Shares.</p>

	<p>Clause 18.2</p> <p>The Company may not acquire its own Shares unless for as long as it is required in terms of the CTSE Listing Requirements, the acquisition has been approved, in respect of the acquisition contemplated in clause 18.1, by an Ordinary Resolution of the Ordinary Shareholders, whether in respect of a particular repurchase or generally approved by Ordinary Shareholders (in terms of section 14.4 of the CTSE Listing Requirements) and unless such acquisition otherwise complies with sections 14.2 to 14.8 of the CTSE Listing Requirements (or such other sections as may be applicable to corporate actions from time to time); the acquisition is pursuant to an existing legal obligation of the Company, or a court order; or the Board, by resolution, has authorised the acquisition; it reasonably appears that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition; and the Board, by resolution, has acknowledged that it has applied the Solvency and Liquidity Test and reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition.</p> <p>Clause 18.3</p> <p>A decision of the Board referred to in clause 18.1 must be approved by a Special Resolution of the Ordinary Shareholders if any Shares are to be acquired by the Company from a Director or prescribed officer of the Company, or a person related to a Director or prescribed officer of the Company (as contemplated in the Act); and is subject to the requirements of sections 114 and 115 if considered alone, or together with other transactions in an Integrated Series of Transactions, it involves the acquisition by the Company of more than 5% of the issued Shares of any particular Class of Shares.</p>
Corporate Actions	<p>Clause 20</p> <p>For as long as it is required in terms of the CTSE Listing Requirements, and in addition to any other requirements in terms of this Memorandum of Incorporation and the Act, all Substantial Transactions undertaken by the Company or by any Subsidiary of the Company must comply with section 13 of the CTSE Listing Requirements (or such other sections as may be applicable to corporate actions from time to time); and Related Party Transactions undertaken by the Company or by any Subsidiary of the Company must comply with section 13 of the CTSE Listing Requirements (or such other sections as may be applicable to corporate actions from time to time).</p>
Shareholders' Meetings	<p>Clause 22.1</p> <p>The Board, or any prescribed officer of the Company authorised by the Board, is entitled to call a Shareholders' meeting at any time. Subject to the provisions of section 60 dealing with the passing of resolutions of Shareholders otherwise than at a meeting of Shareholders, the Company shall hold a Shareholders' meeting at any time that the Board is required by the Act, the CTSE Listing Requirements or this Memorandum of Incorporation to refer a matter to Shareholders for decision; or whenever required in terms of the Act to fill a vacancy on the Board; or when required in terms of clause 22.1.3 or by any other provision of this Memorandum of Incorporation. The Board shall call a meeting of Shareholders if one or more written and signed demands by Shareholders calling for such a meeting are delivered to the Company and each such demand describes the specific purpose for which the meeting is proposed; and in aggregate, demands for substantially the same purpose are made and signed by the holders, as of the earliest time specified in any of those demands, of at least 10% of the voting rights entitled to be exercised in relation to the matter proposed to be considered at the meeting.</p>
Votes of Shareholders	<p>Clause 24.1</p> <p>If the Company has more than 2 Shareholders entitled to vote on a resolution at a Shareholders' meeting, the quorum for that Shareholders' meeting to begin or for a matter to be considered, shall be at least 3 Shareholders Present at the Meeting. In addition a Shareholders' meeting may not begin until sufficient persons are Present at the Meeting to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting; and a matter to be decided at a Shareholders' meeting may not begin to be considered unless sufficient persons are Present at the Meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.</p>

	<p>Clause 24.2</p> <p>The holders of Securities other than Ordinary Shares shall be entitled to vote on a resolution applicable to that Class of Shares held by the applicable Shareholders at a meeting of the Shareholders only pursuant to a Special Resolution of the Ordinary Shareholders authorizing such holders of Securities to vote on such matter as stipulated in the Special Resolution; or if any resolution is proposed as contemplated in clause 6.5 or a Shareholder holding a Class of Shares is entitled to vote in terms of the preferences, rights, limitations and other terms associated with such Class of Shares, then the holder of such Shares ("Affected Shareholders") is entitled to vote at the meeting of Ordinary Shareholders as contemplated in clause 24.1, provided that the votes of the Shares of that Class held by the Affected Shareholders shall not carry any special rights or privileges and each Affected Shareholder shall be entitled to exercise such number of voting rights prescribed by the preferences, rights, limitations and other terms associated with such Class of Shares.</p>
Shareholder Resolutions	<p>Clause 26</p> <p>For an Ordinary Resolution to be approved it must be supported by more than 50% of the voting rights exercised on the resolution, as provided in section 65(7). Notwithstanding anything to the contrary contained in this Memorandum of Incorporation, to the extent that the CTSE Listing Requirements require a higher percentage in respect of any particular Ordinary Resolution, the Company shall not implement such Ordinary Resolution unless the Company has obtained the support of the applicable percentage prescribed in terms of the CTSE Listing Requirements.</p> <p>For a Special Resolution to be approved it must be supported by the holders of at least 75% of the voting rights exercised on the resolution, as provided in section 65(9). No matters, except those matters set out in section 65(11); or and any other matter required by the Act to be resolved by means of a Special Resolution; or for so long as the Company's Securities are listed on the CTSE, any other matter required by the CTSE Listing Requirements to be resolved by means of a Special Resolution, require a Special Resolution of the Company. If any Shareholder abstains from voting in respect of any resolution, such Shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised a vote in respect thereof.</p>
Composition and powers of the Board	<p>Clause 28.1</p> <p>In addition to the minimum number of Directors, if any, that the Company must have to satisfy any requirement in terms of the Act to appoint an audit committee and a social and ethics committee, the Board must comprise at least four Directors and the Ordinary Shareholders shall be entitled, by Ordinary Resolution, to determine such maximum number of Directors as they from time to time shall consider appropriate.</p> <p>All Directors shall be elected by an Ordinary Resolution of the Ordinary Shareholders at a general or annual general meeting of the Company. Every person holding office as a Director, prescribed officer, company secretary or auditor of the Company immediately before the effective date of the Act will, as contemplated in item 7(1) of Schedule 5 to the Act, continue to hold that office.</p> <p>Clause 28.4.5</p> <p>If the number of Directors falls below the minimum number fixed in accordance with this Memorandum of Incorporation, the remaining Directors must as soon as possible and in any event not later than three months from the date that the number falls below such minimum, fill the vacancy/ies in accordance with clause 28.4.1.1 or convene a general meeting for the purpose of filling the vacancies, and the failure by the Company to have the minimum number of Directors during the said three month period does not limit or negate the authority of the board of Directors or invalidate anything done by the board of Directors while their number is below the minimum number fixed in accordance with this Memorandum of Incorporation.</p> <p>Clause 28.2</p> <p>In any election of Directors the election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board have been filled; and in each vote to fill a vacancy each vote entitled to be exercised may be exercised once; and the vacancy is filled only if a majority of the votes exercised support the candidate. The Company shall only have elected Directors and there shall be no appointed or ex officio Directors as contemplated in section 66(4).</p>

	<p>Clause 28.3</p> <p>Apart from satisfying the qualification and eligibility requirements set out in section 69, a person need not satisfy any eligibility requirements or qualifications to become or remain a Director or a prescribed officer of the Company. Each elected Director of the Company shall serve for a term not exceeding 3 years, unless the CTSE has approved or approves an extended terms for an elected Director; be eligible for re-election at the end of each term contemplated in clause 28.3.2.1, unless that person is ineligible or disqualified in terms of section 69; and if at any meeting at which an election of Directors ought to take place, the offices of the retiring Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this Memorandum of Incorporation, including clauses 22.4.2 to 22.4.5 (inclusive) will apply mutatis mutandis to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring Directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting.</p> <p>Clause 28.7</p> <p>A Director may hold any other office or place of profit under the Company (except that of auditor) or any Subsidiary of the Company in conjunction with the office of Director, for such period and on such terms as to remuneration (in addition to the remuneration to which he may be entitled as a Director) and otherwise as a disinterested quorum of the Directors may determine. A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise (including a Major Subsidiary), provided that the appointment and remuneration in respect of such other office must be determined by a disinterested quorum of Directors. Each Director and each alternate Director, prescribed officer and member of any committee of the Board (whether or not such latter persons are also members of the Board) shall, subject to the exemptions contained in section 75(2) and the qualifications contained in section 75(3), comply with all of the provisions of section 75 in the event that they (or any person who is a related person to them) have a personal financial interest in any matter to be considered by the Board. The proposal of any resolution to Shareholders in terms of sections 20(2) and 20(6) to permit or ratify an act of the Directors, or any other action, of the Company or any Subsidiary of the Company that is inconsistent with or less stringent than any limitation or restriction imposed by this Memorandum of Incorporation or any provision of the CTSE Listing Requirements, is prohibited.</p>
Directors' Meetings	<p>Clause 29.6</p> <p>The quorum requirement for a Directors' meeting (including an adjourned meeting) to begin, the voting rights at such a meeting, and the requirements for approval of a resolution at such a meeting are as set out in section 73(5), subject only to clause 29.6.5, and accordingly if all of the Directors of the Company acknowledge actual receipt of the notice convening a meeting; or are present at a meeting; or waive notice of a meeting, the meeting may proceed even if the Company failed to give the required notice of that meeting or there was a defect in the giving of the notice; a majority of the Directors must be present at a meeting before a vote may be called at any meeting of the Directors; each Director has 1 vote on a matter before the Board; a majority of the votes cast in favour of a resolution is sufficient to approve that resolution; in the case of a tied vote the chairperson may not cast a deciding vote in addition to any deliberative vote; and the matter being voted on fails.</p> <p>Clause 29.7</p> <p>Resolutions adopted by the Board must be dated and sequentially numbered; and are effective as of the date of the resolution, unless any resolution states otherwise.</p> <p>Clause 29.8</p> <p>Any minutes of a meeting, or a resolution, signed by the chairperson of the meeting, or by the chairperson of the next meeting of the Board, are evidence of the proceedings of that meeting, or the adoption of that resolution, as the case may be.</p>
Directors' compensation and financial assistance	<p>Clause 30</p> <p>The Company may pay remuneration to the Directors for their services as Directors in accordance with a Special Resolution approved by the Ordinary Shareholders within the previous 2 years, as set out in section 66(8) and (9), and the power of the Company in this regard is not limited or restricted by this Memorandum of Incorporation.</p>

	<p>Any Director who serves on any executive or other committee; or devotes special attention to the business of the Company; or goes or resides outside South Africa for the purpose of the Company; or otherwise performs or binds himself to perform services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a Director, as a disinterested quorum of the Directors may from time to time determine. The Directors may also be paid all their reasonable travelling and other expenses properly and necessarily incurred by them in connection with the business of the Company; and attending meetings of the Directors or of committees of the Directors of the Company. The Board may, as contemplated in and subject to the requirements of section 45, authorise the Company to provide financial assistance to a Director, prescribed officer or other person referred to in section 45(2), and the power of the Board in this regard is not limited or restricted by this Memorandum of Incorporation.</p>
<p>Amendment of the Mol</p>	<p>Clause 41</p> <p>Subject to the provisions of clauses 6.5 and 41.2, this Memorandum of Incorporation may only be amended by way of a Special Resolution of the Ordinary Shareholders in accordance with section 16(1)(c), except if such amendment is in compliance with a Court order as contemplated in sections 16(1)(a) and 16(4), sections 17 and 152(6)(b), and, accordingly, there is no provision of this Memorandum of Incorporation which may not be amended as contemplated in sections 15(2)(b) or 15(2)(c).</p> <p>Any amendment to this Memorandum of Incorporation shall, prior to being proposed to the Shareholders to obtain the Special Resolution contemplated in clause 41.1, be referred to the CTSE for its approval, if such amendment alters any provision which is contained in this Memorandum of Incorporation pursuant to the provisions of Schedule 5 of the CTSE Listing Requirements; or as a result of such amendment, it is reasonably likely that the Company will be unable to comply with any of the listing requirements contained in the CTSE Listing Requirements. An amendment of this Memorandum of Incorporation will take effect from the later of the date on, and time at, which the Commission accepts the filing of the notice of amendment contemplated in section 16(7); and the date, if any, set out in the said notice of amendment, save in the case of an amendment that changes the name of the Company, which will take effect from the date set out in the amended registration certificate issued by the Commission.</p>

An extract of the MOI detailing the above provisions has been included in Annexure 2 to this Listing Particulars Document.

1.6 Statements by experts

The Listing Particulars Document, Annexure 10, includes an abridged tax practitioner report which provides a tax opinion on Gaia Renewables REIT and its tax adherence to the requirements of a REIT as per section 25BB of the Income Tax Act.

1.7 Details of the Company's promoter

The Company has not utilised a promoter for the Listing.

1.8 Other recognised securities exchanges

The Company is not in the process of seeking admission to listing of its Shares on any other recognised Securities exchange.

1.9 Details of arrangements where Distributions are waived or agreed to be waived

No arrangements have been entered by the Company to waive future Distributions.

1.10 Particulars of any commissions, discounts, brokerages, or other special terms in connection with any issue or sale of any capital of any member of the Group

No commissions, discounts, brokerages or other special terms have been granted within the 2 years immediately preceding the issue of the Listing Particulars Document in connection with the issue or sale of any capital of any member of the Group.

SECTION 2: INFORMATION REGARDING THE SECURITIES FOR WHICH LISTING IS SOUGHT AND THE TERMS AND CONDITIONS OF THEIR ISSUE AND DISTRIBUTION

Set out below is the information regarding the Securities for which Listing is sought and the terms and conditions of their issue and Distribution

2.1 Statement confirming that application has been made to CTSE for the Listing

The Company has applied for a new Listing of its issued Ordinary Shares and A Preference Shares on the securities exchange operated by CTSE, which Listing of the Ordinary Shares is to be implemented by way of introduction and the listing of the A Preference Shares by means of a placement on the Listing Date.

2.2 Statement on whether a prospectus is required

A prospectus as contemplated in terms of the Companies Act and Companies Regulations is not required to be issued by the Company in relation to the Listing, as the Company is not offering any of its Ordinary or A Preference Shares to the Public in conjunction with the Listing (as contemplated in terms of the Companies Act).

2.3 Nature and amount of the issue, including the number of Securities which have been or will be created and/or issued

In terms of the Listing, the Ordinary Shares and A Preference Shares forming part of the Issued Share Capital will be Listed on the securities exchange operated by CTSE. No additional Securities will be created and/or issued in conjunction with the Listing.

2.4 Summary of the salient preferences, rights and limitations attaching to the Ordinary Securities

In accordance with clause 6 of the Memorandum of Incorporation, the following preferences, rights, limitations, and other terms attach to the Ordinary Shares which are the subject of the Listing. In terms of the MOI of the Company, each Ordinary Share will entitle the holder thereof to:

- 2.4.1. attend, participate in, speak at and vote on any matter to be decided by the Shareholders of the Company and to one vote;
- 2.4.2. participate proportionally in any distribution made by the Company and which is not made to the holders of another class of Shares in accordance with the preference and rights of such class of Shares;
- 2.4.3. receive proportionally the net assets of the Company upon its liquidation; and
- 2.4.4. any other rights attaching to the Ordinary Shares in terms of the Company Act or any other law.

See Annexure 2 for further details.

2.5 Summary of the salient preferences, rights and limitations attaching to the A Preference Shares

In accordance with the Preference Share Terms, the following preferences, rights, limitations, and other terms attach to the A Preference Shares, which are the subject of the Listing. In terms of the Preference Share Terms, each A Preference Share of the Company will entitle the holder thereof to the following rights and preferences:

- 2.5.1. Each A Preference Shareholder registered as such on the applicable record date for participation in a Preference Dividend becoming payable on each Scheduled Dividend Payment Date shall have the right to receive and be paid on each such Scheduled Dividend Payment Date the Preference Dividend.
- 2.5.2. No A Preference Share shall have any votes except if the Ordinary Shareholders propose a resolution which prejudices the rights and privileges attaching to any A Preference Shares or the interests of the A Preference Shareholders, in which case each A Preference Shareholder shall have one vote for each Outstanding Preference Share held by such A Preference Shareholder.

See Annexure 3 for further details.

2.6 Restrictions on the transferability of the Company's Shares

On Listing, the financial information of the Issuer will only be signed off by the Board of Directors and Issuer Agent.

The A Preference Shares will be marketed to specific investors who will invest based on a signed written consent to the CTSE ("**Listings Waiver**") that:

- 2.6.1 they have conducted their own due diligence;
- 2.6.2 they have no objections regarding the Financial Information Waiver, see Annexure 9 for the form of this waiver;
- 2.6.3 they are making an informed investment decision based on their own due diligence and analysis in line with their investment mandate and approval processes;
- 2.6.4 they will not hold CTSE liable for any losses that may arise due to the Financial Information Waiver;
- 2.6.5 they acknowledge the potential limited liquidity by excluding retail investors for the first year of Listing until the year end results have been published, and
- 2.6.6 they have considered Cisca and Board Notice 90 of 2014 ("**Board Notice 90**") and that the investment still complies with the CIS Act and is a Board Notice 90 qualifying investment ("**Qualifying Investor**").

The Issuer will publish reviewed interim and audited annual financial information, whichever comes first, for the 12 months from the Listing Date ("**Qualifying Date**").

Between the Listing Date and the Qualifying Date there will be limited trade on the A Preference Shares to only the investors that have signed the Financial Waiver. Post the Qualifying Date, all restrictions on trading of the A Preference Shares will be lifted.

2.7 Terms and conditions of the issue of the Securities

The Ordinary Shares forming part of the Issued Share Capital will be brought to Listing by means of an introduction, and the A Preference Shares will be Listed by means of a placement.

2.8 Securities offered by way of a rights offer

No Shares are to be offered by way of a rights offer as part of the Listing.

2.9 Statement of the net tangible asset backing for each class of security

The Company has been incorporated as a special purpose REIT to facilitate the investments into renewable energy assets, with no trading history up to the Last Practicable Date. Accordingly, the Company has no information in respect of the consolidated NTAVPS.

2.10 Anticipated date upon which the dealing in the Securities to be listed is to commence

The dealing in the Ordinary Shares and the A Preference Shares is expected to commence on the Listing Date, being Thursday, 31 August 2023.

2.11 Distribution policy relating to the Securities issued

In accordance with clause 6 of the Preference Share Terms, the following payment waterfall is applicable to the Company. To note, subject to compliance with section 46 of the Companies Act, more than 75% of the Rental Income will be distributed on profitability:

- 2.11.1. first, to provide for and pay any taxes, listing fees and operational expenses as contemplated in the Asset Management Agreement;
- 2.11.2 thereafter, to pay, or make provision for payment of, any asset management fees as contemplated in the Asset Management Agreement;
- 2.11.3. thereafter, to pay the Preference Share Sweep Rate cash available as the Preference Dividends as at that date, including any associated taxes; and
- 2.11.4 finally, to pay the Gaia Distribution of 3% of the cash available as the Preference Dividends as at that date, including any associated taxes.

2.12 Amount or estimated amount of the expenses of the issue and to whom such expenses are payable

The expenses that are expected to be incurred by the Company in relation to the Listing are estimated at an aggregate amount of R1,529,900.00 (including VAT) as set out below:

PAYABLE IN RESPECT OF	PAYABLE TO	Amount (ZAR)
Listing Fees - Exchange	CTSE	R250,000
Listing Fees – Security Depository	Strate Proprietary Limited	R34,500
Legal Fees	White & Case Incorporated, Themis Commercial Legal Advisors (Pty) Ltd and RH Legal Consulting (Pty) Ltd	R880,400
Tax, Book Runner and Financial Model Auditing Expenses	Grayston Elliot, Valeo Capital and Ernst & Young	R365,000

2.13 Statement as to the intended use of the proceeds of any new Securities issued

In accordance with the Preference Share Terms and Asset Management Agreement, the proceeds from the issuance of the A Preference Shares will be used to make the following payments (including VAT):

- 2.13.1 The Company will raise R151,449,487.68 from the issuance of the A Preference Shares.
- 2.13.2 Of the R151,449,487.68:
 - 2.13.2.1 R220,000.00 will be utilised to provide for ongoing listing fees and statutory cost of the Company;
 - 2.13.2.2 R174,644.08 will be utilised to provide the Management Fee for the initial period to 31 October 2023;
 - 2.13.2.3 R1,304,843.60 will be utilised to provide for future unforeseen costs; and
 - 2.13.2.4 the remaining R149,750,000.00 will be utilised to subscribe for ordinary shares in GRR Property SPV 1.
- 2.13.3 Of the R149,750,000.00:
 - 2.13.3.1 R1,529,900.00 will be utilised to pay listing, legal and other listing associated fees;
 - 2.13.3.2 R85,000.00 will be utilised to provide for statutory costs of GRR Property SPV 1;
 - 2.13.3.3 R658,205.85 will be cash on hand available for future unforeseen investment costs; and
 - 2.13.3.4 the remaining R147,476,894.15 will be utilised to acquire the renewables assets through GRR Property SPV 1.

SECTION 3: INFORMATION REGARDING THE COMPANY'S AUTHORISED AND ISSUED SHARE CAPITAL

Set out in this section 3 is information regarding the Company's Authorised Share Capital and Issued Share Capital post Listing.

3.1 The Authorised and Issued Share Capital, the number of Securities agreed to be issued, details of the amount paid up and/or par value/no par value of the Securities

Following the Listing, the Authorised and Issued Share Capital of the Company will be as follows:

SECURITY	AUTHORISED	ISSUED	Par-Value	Issue Price
Ordinary Shares	100,000,000	100,000,000	N/A	R0.00001
A Preference Shares	10,000	3,029	N/A	R49,999.83
Unspecified Shares	90,000	N/A	N/A	N/A

Notes:

- The Ordinary Shares will be listed by means of an introduction and the A Preference Shares will be listed by means of a placement on the Listing Date.*
- The A Preference Issue Price is currently shown as a blended price held by A Preference Share Holders.*

The Company will be utilising the unspecified shares for further listings in 2023 and 2024 with a target to grow total assets under management to R800m by Q2-24.

3.2 The preferences, rights, limitations, and other terms attaching to the Shares

3.2.1 The salient preferences, rights, limitations, and other terms attaching to the Ordinary Shares are set out in Annexure 2 to this Listing Particulars Document.

3.2.2 The salient preferences, rights, limitations, and other terms attaching to the A Preference Shares are set out in Annexure 3 to this Listing Particulars Document.

3.3 The number of Securities agreed to be issued

In accordance with the Preference Share Subscription Agreement up to 10,000 A Preference Shares will be issued.

3.4 Details of intended increase in the Company's capital

In accordance with the Preference Share Subscription Agreement 10,000 A Preference Shares will be issued for an aggregate subscription price of R500,000,000.00. In this regard:

3.4.1 these will be issued over a period of three (3) months up to a maximum of 6 (six) months;

3.4.2 upon listing, 3,029 A Preference Shares will be issued for an aggregate subscription price of R151.5 million; and

3.4.3 the remaining 6,971 A Preference Shares will be issued through a specific issue of A Preference Shares for R348.5 million to provide capital to invest, through GRR Property SPV 1, into additional renewable assets which adhere to the investment criteria as determined by the Investment Committee. The total commitment from Investors for the specific issue of A Preference Shares will expire on 29 February 2024, as agreed to in the Preference Share Subscription Agreement.

3.5 Details of the amount of any outstanding convertible debt Securities and terms relating thereto

There will be no outstanding convertible debt Securities in issue upon the date of Listing.

3.6 Particulars of any alterations in the Authorised and Issued Share Capital of the Company

No alterations were made in the Authorised Share Capital and Issued Share Capital in the 2 years immediately preceding the issue date of the Listing Particulars Document.

3.7 Particulars of any capital of any member of the Group, which is under option, or to be put under option

No capital of any member of the Group is or is expected to be under option as at the issue date of the Listing Particulars Document.

SECTION 4: GENERAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES AND MARKET OVERVIEW

Set out in this section 4 is a general overview of the Company's business activities and operations, as well as an overview of the industry in which it operates.

4.1 Brief history and description of the general objectives and nature of the business of Gaia Renewables REIT

- 4.1.1 Gaia Fund Managers was formed in Cape Town in 2012, and incorporated in 2015, for the purpose of facilitating the investment of long-term investor capital in sustainable infrastructure in Southern Africa.
- 4.1.2 Gaia Fund Managers 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;
 - delivering the first listed pure play infrastructure company on the Johannesburg Stock Exchange main board through Gaia Infrastructure Capital; and
 - listing of a CISCA compliant renewable energy infrastructure focussed fund, Gaia Renewables 1 Ltd, and the first Southern Africa REIT compliant fibre network assets fund, Gaia Fibonacci Fibre REIT 1, on the CTSE (previously the 4AX).
- 4.1.3 Gaia Fund Managers as first mover and brand leader has concluded investments into South African fibre network infrastructure, 12 renewable energy and one toll road transaction to a value in excess of R4.6 billion.
- 4.1.4 Blue Energy Africa is a leading South African based, Africa focussed, developer and operator of embedded renewable energy utility infrastructure. They partner with their clients to develop lasting and impactful solutions that aid their resilience and assist with their transition to "net-zero". Blue Energy's senior management team has a combined 80 years' worth of experience in the energy engineering, energy management, sustainability, and financial sectors, making Blue Energy one of the continents' most experienced renewable energy teams. Blue Energy uses best of breed technologies and have developed in house data management technology to give their clients and funders, real time accurate data points on energy saving, carbon mitigation and consumption habits. Blue Energy has deep relationships in the commercial and industrial sectors and look to expand on their large pipeline of blue-chip clients that trust them with their energy transition.
- 4.1.5 Gaia Fund Managers, through its private equity investment vehicle, Gaia Private Equity Holdings Proprietary Limited (registration number 2022/616623/07) ("**Gaia Private Equity**"), holds 49% of the shareholding in Blue Energy Africa and provides preference share funding exposure to Blue Energy Africa for its limited partner investors. Gaia Private Equity investors are represented through an independent board member on Blue Energy Africa's board. Gaia Fund Managers and its employees only hold board seats on the Board and has no direct influence over Blue Energy Africa. It is anticipated that Gaia Private Equity's shareholding in Blue Energy Africa will reduce over time as Blue Energy Africa's management and founders participate in an incentive scheme to be introduced by Blue Energy Africa. Such dilution will mitigate any perceived conflicts of interests there may arise from investments introduced to the Company by Blue Energy Africa.
- 4.1.6 The Company was established by the Manager as a REIT for the express purpose of providing institutional investors access to renewable energy assets in South Africa.
- 4.1.7 GRR, through its subsidiaries, will invest in the development of renewable energy assets to service blue chip clients, with an initial focus in the agricultural sector, being able to prove the required track record and credit standing as approved by the investment committee in alignment with the investment mandate. The Property SPVs will seek to suitably mitigate risks via fully wrapped turn-key construction and operations & maintenance contracts with stringent performance guarantees. Investor return will be generated through:
- indirect ownership in the renewable energy assets through the Property SPV;
 - preference shares which gives it the right to a portion of the economic benefit generated by a specific Property SPV;
 - a Property SPV's total renewable energy assets' capacity will be leased out to special purpose operating entities (being GRR OpCo 1 in the case of the A Preference Shares) in turn for Rental Income,
 - the Rental Income is subject to the revenue generated through the R/kWh energy generation and equipment use agreement paid by the off-taker, with this relationship being managed through an IFRS16 compliant rental agreement; and
 - the sale of the renewable energy assets or the sale of the ordinary shares in a Property SPV at the end of the PPA and/or equipment use agreement period.
- 4.1.8 It is the objective of the Manager to utilise the multiple benefits provided by a REIT to conclude renewable energy asset investments on behalf of its investors.
- 4.1.9 Gaia Fund Managers, via the Asset Management Agreement, will manage the Company as well as the interests of the respective A Preference Shareholders in the underlying renewable energy assets.

4.2 REITs, their benefits and their value to South African energy resilience

- 4.2.1 REIT legislation provides for a qualifying dividend without incurring income tax within the Company or the underlying Property SPVs. These dividends are then taxed in the hands of the investor as if the asset is owned directly by the investor with distributions being considered as income.
- 4.2.2 The Gaia Renewables REIT will provide investors with a semi-annual cash distribution yield through their A Preference Share. The cash yield plays an attractive compounding effect when reinvested within the constructs of a CIS. This benefit is further bolstered through the tax benefits afforded to it.
- 4.2.3 The REIT benefits makes South Africa and renewable energy assets roll out an attractive investment product providing for increased capital, a pipeline through which asset roll-out can be accelerated resulting in direct jobs being created and reducing the South African economy's dependence on the government utility.

- 4.2.4 A country's productive output is a function of the labour, capital and the productive efficiency possible in that given country. The productive efficiency is a product of the country's ability to successfully access and productively apply the basic requirements to support its business through technological advances.
- 4.2.5 The REIT, through its impact objectives (see Section 6) will accelerate climate infrastructure project development through funding infrastructure to support a just transition to a net-zero South Africa through renewable energy deployment and provide financial additionality through crowding in private investors.
- 4.2.6 This can only be supported through exemplary governance structures, policies, and procedures to ensure effective operation and continued supply of clean energy driving increased energy resilience for the South African business ecosystem.
- 4.2.7 A limitation on capital should not inhibit the rollout of renewable energy assets to the South African private sector, which is why Gaia Fund Managers will be utilising the attractive tax benefits of a REIT to channel the much-needed funding to these investments whilst providing institutional and retail investors alike, with access to an attractive long-term return through an investment into a sustainable South African future.

4.3 Company structure

- 4.3.1 A schematic diagram depicting the immediate group structure pursuant to the listing of the Ordinary and A Preference Shares is provided in Annexure 1.A to this Listing Particulars Document.
- 4.3.2 A schematic diagram of the proposed future high-level structure of the Group is provided in Annexure 1.B to this Listing Particulars Document.

4.4 Background to the Company's first investment in the renewable energy asset company, GRR Property SPV 1

- 4.4.1 GRR Property SPV 1's first investment will comprise a portfolio of 8 renewable assets generating 3.9MW with 9.0MW storage concentrated in Gauteng and Western Cape provinces.
- 4.4.2 The Board of Directors add that there is no intention or contemplation to change the nature of the business in the future.
- 4.4.3 GRR Property SPV 1 is constructed to align the off-taker, the A Preference Shareholders and the Manager to mutually beneficial outcomes:
- the transaction will only close on the passing of a credit check on the off-taker;
 - a development agreement has been entered into between GRR OpCo 1 and Blue Energy Africa mandating Blue Energy Africa to oversee and implement the development of the renewable energy facilities;
 - a 10 to 20 year PPA and/or an equipment use agreement have been entered into with the off-taker;
 - a fully finalised and ready to execute engineering, procurement, and construction ("EPC") agreement ensuring key performance deliverables with risk being placed on the construction company;
 - a 2 to 5 year operations and maintenance ("O&M") agreement with 1 year automatic annual renewal; and
 - GRR Property SPV 1 being mandated to enter into a PPA linked duration to ensure IFRS 16 compliant rental agreement with GRR OpCo 1.

4.5 Employment details of Gaia

- 4.5.1 As an investment vehicle the Company has no permanent employees.
- 4.5.2 As at the Last Practicable Date, Gaia Fund Managers (and associated group of companies which provide services to Gaia Fund Managers) as the manager employs 6 permanent employees, and 2 retained consultants situated in Europe.
- 4.5.3 The categories of activity of the employees of Gaia Fund Managers are as follows:
- 1) Executive Chairman;
 - 2) Managing Director;
 - 3) Chief Investment Officer;
 - 4) Chief Risk and Impact Officer;
 - 5) Chief Operating Officer;
 - 6) European Investor Relations Liaison; and
 - 7) 2x Fund Associates.

SECTION 5: INFORMATION ABOUT THE FINANCIAL POSITION OF THE COMPANY AND ITS PROSPECTS

Set out in the section below is information about the financial position of the Company and its prospects.

5.1 Historical financial information and Reporting Accountant & Auditor's Report

5.1.1. The Company was incorporated on 14 March 2023. Other than the agreements relating to the Preference Share Subscription Agreement and the agreements relating to the investment by the Company into GRR Property SPV 1, the Company has no liabilities and no assets. Accordingly, the Company has been dormant since the date of incorporation and has no trading history.

5.1.2. As at the Last Practicable Date, the Company had no historical financial statements.

5.2 Business Plan

Infrastructure as an asset class can provide investors with stable inflation-linked cash returns whilst preserving their capital. The Company was established by Gaia Fund Managers as an investment vehicle for the express purpose of providing institutional investors access to renewable energy investments in South Africa. It is the objective of Gaia Fund Managers to continue to utilise the Company for this purpose on behalf of its clients. Gaia Fund Managers, via an Asset Management Agreement, will manage the Company as well as the interests of the respective Preference Shareholders in the underlying renewable assets.

5.3 Qualified Accountant's report

5.3.1 Subject to the Financial Information Waiver signed by the Investors, the Reporting Accountant & Auditor is not required to provide a report on the historical financials or financial forecasts as at the date of Listing. Provided that the Investors have signed the Financial Information Waiver, the pro forma financials are required to be signed off by the Board of Directors and the Issuer Agent.

5.3.2 The pro forma financials are provided for through the use of a financial model which was audited by EY. EY however, is not responsible for the inputs and output of the model. A letter detailing and confirming the audit of the model is available for the assessment and perusal of the Investors with a summary letter provided in Annexure 11.

5.4 Consolidated basis statement

As at the Last Practicable Date, save for the obligation to issue the A Preference Shares and the Guarantee, Cession and Pledge Agreement the Company has:

5.4.1 no loans outstanding;

5.4.2 no borrowings or indebtedness in the nature of borrowings;

5.4.3 zero mortgages and charges; and

5.4.4 zero contingent liabilities or guarantees.

5.5 Statements on the trend of the Group's business and as to the financial and trading position of the Group

GRR Property SPV 1, as the Company's first investment vehicle, will be making an initial investment generating Rental Income from 8 renewable energy assets generating 3.9MW with 9.0MW storage capacity with a focus on the Gauteng and Western Cape provinces owned by GRR OpCo 1. This investment qualifies the mandate as assessed by the Investment Committee and is expected to reach targeted returns.

5.6 Principle and commercial assumptions upon which profit forecasts are concluded

5.6.1 As detailed in 5.1.1 above, the Company is a newly incorporated structure with no historical financial information however, forecast pro forma financial information of the Company is provided for the 8-month period ending 30 April 2024 and the 12-month period ending 31 April 2025. The pro forma accounts together with the principle and commercial assumptions have been incorporated in Annexure 5 of this Listing Particulars Document.

5.6.2 Income received as a lease payment from GRR OpCo 1 as per the assumptions in Annexure 5, sections 5 and 7. The percentage of distributions to shareholders of total Investment Income (Rental Income) being greater than 75%. All the property entities' forecast revenue for the forecast above will be confirmed Rental Income as dictated by the rental agreement with GRR OpCo 1.

5.6.3 The CTSE has provided that the Board of Directors and the Issuer Agent can sign-off on the financial information provided in this Listing Particulars Document given that the Investors have signed the Financial Information Waiver.

The Financial Information Waiver to be signed off by the Investors is provided in Annexure 9.

5.7 Working capital statement by the Directors

The Board believes that the working capital available to the Company is sufficient for the Company's present requirements, that is, for at least the next 12 (twelve) months from the date of issue of the Listing Particulars Document.

5.8 Statement by the Directors regarding any Material adverse change in the financial or trading position of the Group

No Material adverse changes have occurred in the financial or trading position of the Company since the publication of the Listing Particulars.

5.9 Litigation statement

As at the Last Practicable Date, the Company was not involved in any current, pending or threatened legal or arbitration proceedings which may have or have had in the recent past (covering at least the previous 12 (twelve) months) a significant effect on the Company's financial position.

5.10 Details at a Company and on a consolidated level for each of the last three financial years for EPS, fully diluted EPS, Distributions per Security, NAV per Security, fully diluted NAV per Security

As stated in 5.1.1 above, the Company was recently incorporated with no assets and liabilities at the date of inception. In addition, the Company has been dormant since the date of incorporation, with no trading history up to the Last Practicable Date. Accordingly, the Company has no information in respect of the EPS, Distributions and NAV.

SECTION 6: INFORMATION ABOUT THE COMPANY'S IMPACT

Set out in the section below is information about the Company's impact

6.1 Measurable Impact and Environmental, Social and Governance considerations

Gaia Renewables REIT aims to invest in assets with a primary focus on renewable energy contributing to climate change mitigation through the reduction of carbon emissions (hereinafter referred to as the "**Sustainable Investment Objective**").

The Company's mission is to play a catalytic role in promoting a sustainable project development cycle and crowd in more investors at all stages of the funding ecosystem by (1) being the preferred partner to increase business resilience by reducing risk and stabilise future potential energy expenditure and dependence on sustainable energy provision and (2) drawing in private capital into the project funding ecosystem.

In particular, the Company aims to reach its Sustainable Investment Objective by catalysing the infrastructure development cycle, and ultimately providing access to sustainable clean energy by:

- i. **Renewable Energy development capital**
Accelerate the development of climate infrastructure projects through the funding of energy infrastructure to support a just transition to a net-zero South Africa, by supporting renewable energy deployment and provide financial additionality through crowding in private investors.
- ii. **Providing Access to Clean Energy**
Prioritise and promote exemplary governance structures, policies, and procedures to ensure effective operation and continued supply of clean energy.
- iii. **Energy Resilience of Businesses**
Increasing energy resilience for businesses in South Africa.

UN SDGs supported are SDG 7 *Affordable and Clean Energy*, SDG 9 *Industry, Innovation and Infrastructure*, SDG 11 *Sustainable Cities and Communities*, SDG 12 *Responsible consumption and production* and SDG 13 *Climate Action*.

6.2 SFDR and EU Taxonomy

Gaia Renewables REIT has voluntarily adopted to comply with SFDR and EU Taxonomy requirements and disclosures as per Annexure 4, Annex III – Pre-Contractual Disclosure for the Financial Products Referred to in Article 9, Paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, First Paragraph, of Regulation (EU) 2020/852.

The Sustainable Investment Objective of Gaia Renewables REIT takes an environmental facet as it directly contributes to the EU Taxonomy Environmental Objectives. Sustainable Investments will contribute to climate change mitigation in alignment to the Paris Agreement adopted in 2015.

No index has been selected as a reference benchmark for the Gaia Renewables REIT as no EU-approved index is currently available in the market in alignment with Gaia Renewables REIT's investment strategy. Nonetheless, Gaia Renewables REIT will monitor and report on the progress of its portfolio by providing stakeholders with an indication of the performance of its key performance indicators ("**KPIs**") against its baseline and pre-set targets. As outlined in the following section, KPIs align with the UN SDGs and IRIS+.

6.3 Key Performance Indicators

Set out in the table below is the Issuer's Key Performance Indicators:

IMPACT OBJECTIVE	UN SDGs	KEY PERFORMANCE INDICATORS
i. Renewable Energy development capital	SDG 9.4 SDG 12.a SDG 13.a	Access to reliable clean energy. <ul style="list-style-type: none"> • Number of business connections to reliable energy (IRIS+ PI8053) • MW under development (own KPI) • MW completed (own KPI) Reduced GHG emissions. <ul style="list-style-type: none"> • Clean energy produced for sale (kWh) (IRIS+ PI8706) • GHG emissions avoided (IRIS+ PI2764) Number and ZAR amount of private capital investments made/mobilised in the structure (own KPI).
ii. Providing Access to Clean Energy	SDG 7.2, 7.b SDG 9.4 SDG 11.6	Reduced GHG Emissions <ul style="list-style-type: none"> • Amount of greenhouse gas (GHG) emissions avoided by the organisation during the reporting period. (IRIS+ PI2764) • Clean energy produced for sale (kWh) (IRIS+ PI8706) Access to reliable clean energy <ul style="list-style-type: none"> • Number of business connections to reliable energy (to utilities and services provided by the organization as of the end of the reporting period) (IRIS+ PI8053)
iii. Energy resilience of businesses	SDG 7.1 SDG 12.a	Number of households and Business Connections <ul style="list-style-type: none"> • Number of residential and commercial connections to utilities and services provided by the organization as of the end of the reporting period (IRIS+ PI8053)

6.4 Cause no significant harm

Gaia Renewables REIT is committed to measuring the negative impacts of its Sustainable Investments by implementing the best sustainability market practices across its investment process.

6.5 Principal Adverse Impacts

The indicators for PAIs n sustainability factors are taken into account by Gaia Renewables REIT, during the due diligence process, prior to the investment decision, and during the life of the investment. In particular Mandatory PAIs (or proxies when not available) and two Additional PAIs will be monitored and reported annually. Where no data is available, proxies shall be used. The Additional PAIs considered are as follows:

- Environmental Additional PAI #6: Non-recycled waste ratio
- Social Additional PAI #2: Rate of accidents.

Compliance with the mandatory and additional SFDR PAIs are stipulated in the Gaia Renewables REIT ESMS, which the Board of Directors has adopted.

Gaia Fund Managers, acting as the investment advisor of the Company, will endeavour to assess its investment opportunities and monitor the performance of its investees against the PAIs as follows:

- Due diligence process: PAIs indicators (or proxies if no direct data is available) are collected before the investment decision during the due diligence phase. They may lead to deciding not to invest or a mitigation plan.
- Investment Commitment: The letters of intent and finalised legal contract structure may include a mitigation plan in case of gaps. In that case, the manager can also provide some assistance to improve the performance on the PAIs.
- Portfolio life: PAIs indicators will be collected on a rolling basis or quarterly according to the KPI to monitor the portfolio effectively. An annual verification will be made.

Given the nature of the Gaia Renewables REIT Investments and its small team size, investees do not fall under the OECD Guidelines for Multinational Enterprises.

As outlined in the ESMS, the UN Guiding Principles on Business and Human Rights, especially the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights, the compliance with minimum safeguards will be ensured as follows across the different stages of the investment process:

- Pre-investment phase: Verified during the origination, screening, and due diligence process.
- Investment Commitment: Investees will be required to commit and ensure compliance with these principles and rights in the letter of intent and the agreed legal contract structure.
- Portfolio life: An annual verification through a questionnaire will be made.

Gaia Renewables REIT considers principal adverse impacts on sustainability factors. Accordingly, Gaia undertakes to screen potential investments and monitor investments against the principal adverse impact indicators set out in the Regulatory Technical Standards. Furthermore, the Company will ensure that information regarding such principal adverse impacts on sustainability factors will be available in the annual statements following the closing of the relevant financial year of Gaia Renewables REIT, where such data, indicators, and assessments are available. When no direct data is available, proxies shall be used.

Pursuant to the indicators set out in Annex 1 of the Regulatory Technical Standards under the EU 2019/2088 SFDR Regulation, the Company will endeavour to assess its investment opportunities and monitor the performance of its investees against:

- the mandatory Principal Adverse Impacts in Annex 1,
- two additional indicators were chosen for the Financial Product:
 1. Environmental Additional PAI #6: Non-recycled waste ratio
 2. Social Additional PAI #2: Rate of accidents.

Gaia Renewables REIT's assessment of PAIs occurs at two stages in its investment lifecycle.

These are:

1. **Pre-investment Due Diligence:** As part of a comprehensive evaluation of a potential investee's sustainability factors, the Investment Committee will assess the investment opportunity against the identified PAIs. In addition, given the unique industry, geography, risk factors, or circumstances of the investee, The Investment Committee may choose, on a discretionary basis, to identify Additional PAIs relevant to the investee and mutually agree to track the individual investee's performance on an ad-hoc basis.
2. **Portfolio Monitoring and Reporting:** Gaia Renewables REIT will endeavour to periodically assess an asset's performance against the PAIs and disclosure the relevant indicators through its annual reporting requirements; the Company, through Gaia Fund Managers, retains the operational capacity to support the assessment, measurement, and reporting of its PAIs on the invested assets.

Gaia Renewables REIT will not knowingly approve any investment which could significantly harm the Sustainable Investment Objective and will ensure the proper exchange of information between the investment service providers, fund management, and its Board to ensure that all the investments underlying the Partnership qualify as sustainable in compliance with eligibility requirements further outlined in the ESMS.

6.6 Investment Strategy

In its endeavour to meet the Sustainable Investment Objective, the Gaia Renewables REIT adopts a broad-based but rigorous approach to its sustainable investment strategy – investing in assets with a primary focus on renewable energy contributing to climate change mitigation through the reduction of carbon emissions.

Gaia Renewables REIT has integrated sustainability considerations across all its stages of the investment processes.

The Company's guiding principles describe how the Sustainable Investment Objective will be achieved in alignment with their commitments. The elements outlined below are binding, and failure to meet any one of them is grounds for rejection.

Accordingly, Gaia Renewables REIT will adhere to the guiding principles as listed below:

- the Company will ensure that the adopted ESMS is fully communicated to, understood by, and implemented at all levels throughout the Company, including its investees;
- exclude investment activities outlined in the Gaia Exclusion List in line with IFC, EDFI Exclusion List, and BII Fossil Fuel Policy;
- assess investments against the minimum safeguards, good governance practices, Taxonomy Eligibility, and Principal Adverse Impacts;
- ensure ongoing compliance with minimum safeguards and good governance practices;
- ensure transparent and ongoing reporting of the pre-defined PAIs;
- implement the IFC Performance Standards and the World Bank Group's General Environmental and Health and Safety ("H&S") Guidelines to assess and manage ESG Risks of investments; and
- apply the Impact Management Project framework to assess and manage the impact risks of investments.

6.7 Good Governance Practices

The ESG factors framework incorporated into the Company's investment evaluation and monitoring processes (where applicable and material) include the following considerations on a governance level:

- King IV (on an apply and explain basis) as set out in 7.13;
- Corporate governance, sound management structures, and oversight;
- Tax compliance;
- Compliance with laws and regulations;
- Employee relations and remuneration of staff;
- Fraud, anti-bribery and anti-corruption controls; and
- Fraud & cyber security.

In the case of any gaps, the Company will assess such gaps and can determine a tailored mitigation clause to be implemented within a limited timeframe.

6.8 2X Challenge

Gaia Renewables REIT supports the 2X Challenge and through the leadership criteria complies with the 2X Criteria. Gaia Fund Managers support women as entrepreneurs, leaders, employees, and consumers and are committed to increase gender equality, reduce poverty, and promote a more inclusive and robust economic growth.

SECTION 7: INFORMATION ABOUT THE COMPANY'S EXECUTIVE TEAM

Set out in the section below is information about the Company's executive committee

7.1 Current and proposed Directors' details

With Gaia Fund Managers managing the Company, the Company has no employees. Set out in the table below are the full names, age, nationality, business address, designation, qualification, occupation, and the position the Director holds on any of the Board committees of the Company on the Last Practicable Date:

Name:	Matthys Michiel Nieuwoudt
Age:	51
Nationality:	South African
Business address:	146 Campground Road, Newlands, Cape Town, Western Cape, 7780
Designation:	Executive Chairman: Gaia Fund Managers
Qualifications:	Pr Eng, BEng (Elec), MBA
Occupation:	Investment Professional
Position held on statutory committees:	Chairman of the Board of Directors

Name:	Hendrik Andries Snyman
Age:	37
Nationality:	South African
Business address:	146 Campground Road, Newlands, Cape Town, Western Cape, 7780
Designation:	Chief Investment Officer: Gaia Fund Managers
Qualifications:	PhD (Engineering), MCom (Corporate Finance), MEng (Management), BEng (Industrial)
Occupation:	Investment Professional
Position held on statutory committees:	Director

Name:	Tersia Lister
Age:	42
Nationality:	South African & British
Business address:	146 Campground Road, Newlands, Cape Town, Western Cape, 7780
Designation:	Chief Risk and Impact Officer: Gaia Fund Managers
Qualifications:	MBA, CA (SA), BAcc (Hons)
Occupation:	Chief Financial Officer
Position held on statutory committees:	Director

Name:	Nandi Khoza
Age:	46
Nationality:	South African
Business address:	Southdowns Office Park, Block D 1st Floor, 22 Karee Street, Irene 0157
Designation:	Chief Financial Officer, N3 Toll Concessions
Qualifications:	MBA, BCom(Hons) (Acc.), BCompt (Acc)
Occupation:	Chief Financial Officer
Position held on statutory committees:	Director

Name:	Yvette Louise Labuschagne
Age:	40
Nationality:	South African
Business address:	10 Bryanston Place, 41 Grosvenor Road, Bryanston, 2191
Designation:	Corporate Finance Professional
Qualifications:	MBA, BCom Hons (Investment Management, BCom (Financial Management)
Occupation:	Corporate Finance & Regulatory
Position held on statutory committees:	Independent Director

Name:	Dorita Smit
Age:	41
Nationality:	South African
Business address:	10 Heze Place, Midstream Ridge, Olifantsfontein, 1692
Designation:	Financial Director
Qualifications:	CA (SA)
Occupation:	Financial Director
Position held on statutory committees:	Independent Director

7.2 Issuer Agent details

The Company has appointed the following Issuer Agent:

Company Name:	Gaia Fund Managers Proprietary Limited
Represented by:	Hendrik Snyman and Kilian Schabort
Representatives' qualifications:	Hendrik Snyman: PhD (Engineering), MCom (Fin Man.), MSc Eng, BEng, Kilian Schabort: BEng, MCom (Corporate Finance), CFA Charterholder

Contact Details:	146 Campground Road, Newlands, Cape Town, Western Cape, 7780 Email: Hendrik@gaia.group Kilian@gaia.group Tel: Hendrik Snyman: (083) 295 3667 Kilian Schabort: (072) 441 1772
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7.3 Company Secretary details

Set out in the table below is the salient information regarding the Company Secretary:

Company Name:	The Office in Stellenbosch Proprietary Limited
Business Address:	12 Meson Close, Techno Park, Stellenbosch, 7600
Designation	Company Secretary
Contact Person:	Ilzemarie Knoetze
Email:	ilzemarie@sfo.co.za
Tel:	(021) 882 9872

7.4 The address of the premises at which the statutory records of the Company are kept

The registered office of the Company and the address of the premises at which the statutory records of the Company are kept is:
12 Meson Close, Techno Park, Stellenbosch, 7600

7.5 Directors (including Associates of Directors) Beneficial Interest in the Securities of the Company

Director holding a Beneficial Interest	Number of Shares held	Percentage of Issued Share Capital
None	N/A	N/A

7.6 Details of any Person (other than a Director of the Company) who is beneficially interested in 5% or more of the Securities of the Company

Shareholder holding a Beneficial Interest of 5% or more	Number of Shares held	Percentage of Issued Share Capital
None	N/A	N/A

7.7 Directors emoluments receivable from a member of the Group in respect of the last completed financial year

No emoluments are receivable from a member of the Group with the Company incorporated just prior to the financial year end.

7.8 Directors' emoluments receivable from a member of the Group in respect of the current financial year and any particulars of any arrangement under which a Director of the Company has waived or agreed to waive future emoluments

Directors under the employ of Gaia Fund Managers will not be remunerated by the Company. The independent Directors are remunerated R10,000 per board meeting and for travel and other direct costs associated with carrying out their Director's duties.

7.9 Details of any contract or arrangement subsisting at the date of the Listing Particulars Document, in terms of which a Director of the Company is materially Beneficially Interested and which is Material to the business of the Group

Gaia Fund Managers has entered into an Asset Management Agreement with the Company to manage the company and underlying investments on behalf of the Company. This is detailed further in Section 8.

7.10 Details of any outstanding loans by any member of the Group to a Director, including details of any guarantees provided by any member of the Group

There are no outstanding loans or guarantees provided by any member of the Group.

7.11 Details of any incentive schemes

The company has no incentive scheme.

7.12 Issuer's interests in Properties

The strategy of the Issuer is to invest in renewable energy assets. Prior to listing however, the Issuer has no investment in properties or renewable energy assets.

7.13 Advisory Committee

7.13.1 Within 30 Business Days as from the Listing, the Manager shall set up the Advisory Committee which shall compose of a minimum of 3 members and a maximum of 5 members. Each member of the Advisory Committee shall have one vote. Decisions of the Advisory Committee will be taken by majority vote.

7.13.2 Members of such Advisory Committee shall be members as nominated by the 3 majority preference shareholders having invested a minimum of R100million. No preference shareholder shall be entitled to appoint more than one representative to the Advisory Committee.

7.13.3 The Advisory Committee shall meet annually or on an as needed basis upon call by the Advisory Committee chairperson, the Manager, the Board of Directors or any 2 members of the Advisory Committee.

7.13.4 The Advisory Committee shall not receive any remuneration or fees.

7.13.5 No Advisory Committee member, nor the preference shareholder appointing such member, shall owe any fiduciary duty to the Company or any other preference shareholder in the Company in connection with the activities of the Advisory Committee, and no member, nor the preference shareholder appointing such member, shall be obligated to act in the interests of the Company or any other preference shareholder.

7.13.6 Any member of the Advisory Committee shall immediately cease to be a member of the Advisory Committee if the preference shareholder that it represents a) becomes a defaulting preference shareholder holding less than the qualifying number of preference shares, or b) sells its full exposure to the Company.

7.13.7 The Advisory Committee shall advise the Board of Directors and Manager on strategic matters relating to the Company. In particular, the Advisory Committee shall provide views and advice, consultation and forward looking thinking with respect to certain topics as they affect the Company, including but not limited to the following:

- reviewing of the implementation of the investment strategy and the Company's performance;
- being informed and consulted in case of conflicts of interest in accordance with conflict of interest policy,
- reviewing and discussing with the Board a strategic investment plan,
- receiving informal reports and providing feedback on relevant market developments and sharing of industry knowledge,
- being notified of any change to the composition of the Board, and
- advising on ESG matters.

7.13.8 The Advisory Committee will make recommendation to the Board where appropriate.

7.14 Corporate Governance:

Compliance or non-compliance with the King Code:

7.14.1 Particulars of the Company's policy for the appointment of Directors

Directors are appointed by Gaia Fund Managers as the Manager and the only Ordinary Shareholder of the Company. Those directors in the employ of the Manager will be bound by the FSCA rules and regulations, as the manager is an authorised FSP (46028). Independent Directors with the requisite knowledge and understanding of the investments and investment mandate of the Company will be appointed.

7.14.2 Particulars of the Company's policy for Directors' remuneration

Directors under the employ of Gaia Fund Managers will not be remunerated by the Company. The independent Directors will be remunerated R10,000 per board meeting and for travel and other direct costs associated with carrying out Director's duties.

7.14.3 Details of the Company's sub-committees, including audit committee and social and ethics committee

7.14.3.1 Audit and Risk Committee:

The Board has delegated the responsibility for screening the appointment of the external auditor, ensuring the independence of the external and the internal auditor, checking the integrity and the completeness of the financial statements, the Directors' report and the sustainability information, assessing the effectiveness of the external and the internal audit functions, the risk management process, the accounting policy and practices and the internal financial control system to the audit and risk committee.

The audit committee comprises three independent non-executive directors in Yvette Labuschagne, Nandi Khoza and Dorita Smit.

7.14.3.2 Social and Ethics Committee:

The social and ethics committee will monitor the Company's activities with regard to its contribution to social and economic development, good corporate citizenship, the environment, health, and public safety as well as labour and employment.

The social and ethics committee comprises three independent non-executive directors in Yvette Labuschagne, Nandi Khoza and Dorita Smit and Tersia Lister as executive director.

7.14.4 Reasons for non-compliance and plans, if any, to achieve compliance with the King Code

As far as possible and where appropriate, the Board of Directors will ensure reasonable steps are taken to ensure compliance with the King Code.

Non-compliance in terms of the King Code is due to the size of the operations of the Company. The Company will not have any employees as the Company is a ring-fenced entity, mandated for investment into Southern African renewable energy assets. The Company will be managed by Gaia Fund Managers, an authorised FSP governed by the FSCA regulations. The initial investors include a CIS portfolio which is governed by the Cisca. As such the Company complies with stringent regulations and does not want to add further to the regulatory burden for no additional benefit.

The King Code 'Triple Context' is the focus on the three pillars of economy, society, and environment. As per Section 6, the Sustainable Investment Objective is to invest in assets with a primary focus on renewable energy contributing to climate change mitigation through the reduction of carbon emissions. In order to reach this Sustainable Investment Objective, the Company needs to catalyse the infrastructure development cycle, ensure the required skills transfer takes place and ultimately providing access to sustainable clean energy.

SECTION 8: CONTRACTS OF SIGNIFICANCE AND DOCUMENTS AVAILABLE FOR INSPECTION

Set out in the section below is information about the any contracts of significance, which may have a material impact on the Company.

8.1 Asset Management Agreement

Other than the Asset Management Agreement detailed below, the Directors are not aware, having made due and careful enquiry, of any other contracts involving cash flows amounting to or valued equal to 10% or more of the aggregate of the Company's share capital and reserves within the 2 years immediately preceding the announcement of the Listing Particulars.

8.2 Details of where and when documents may be inspected

The following documents, or certified copies thereof, will be available for inspection by Shareholders at any time during normal business hours at the Company's registered office, from the issue date of this Listing Particulars Document until Thursday, 7 September 2023 (both days inclusive):

8.2.1. the Company's MOI;

8.2.2. service agreements with Directors, the Company Secretary, accountant, and auditors;

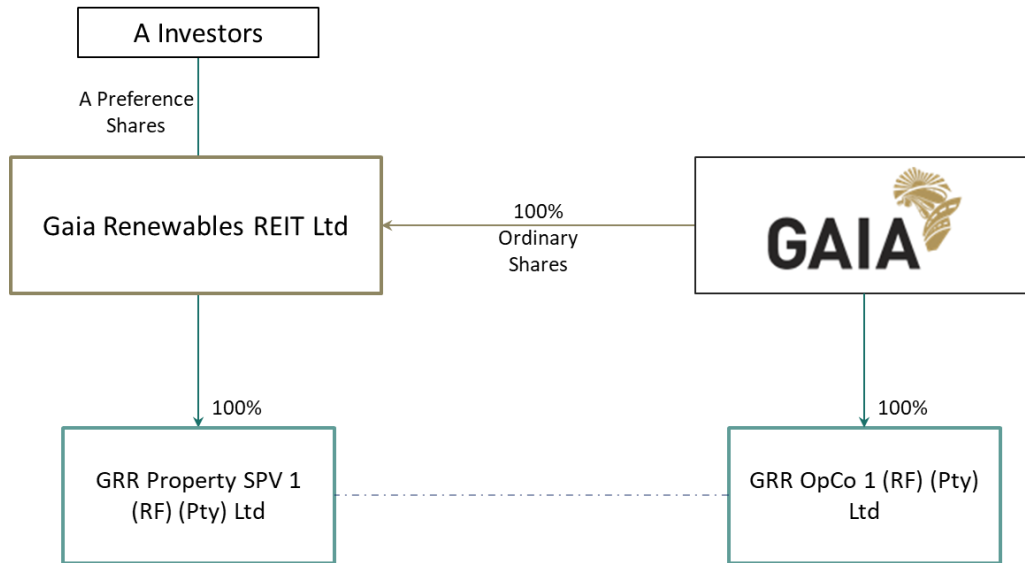
8.2.3. the pro forma financial information of the Company;

8.2.4. the Board of Directors and Issuer Agent's report on the pro forma financial information; and

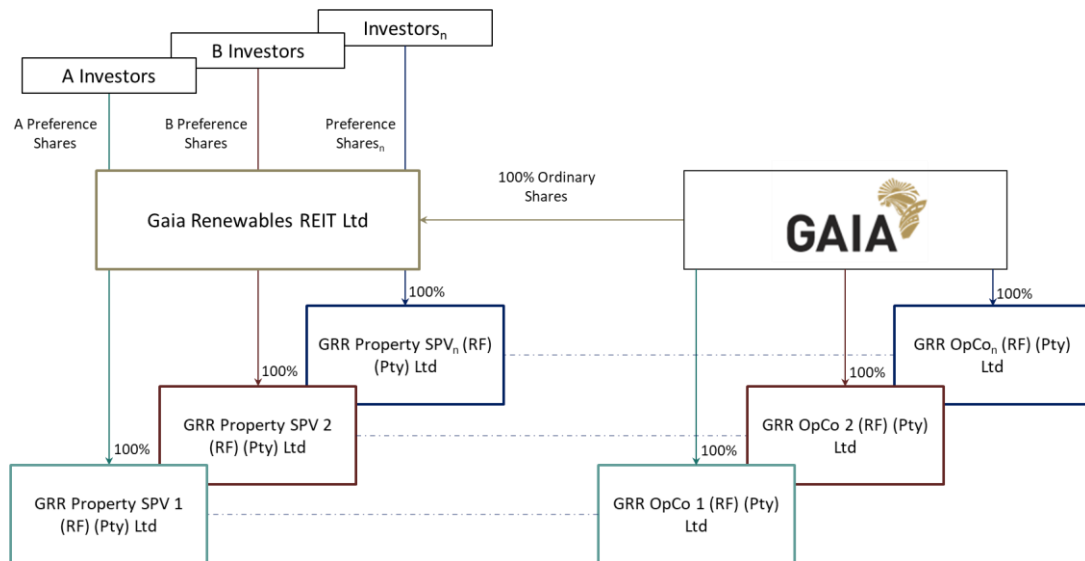
8.2.5. abridged tax opinion.

ANNEXURE 1: GROUP STRUCTURE

1.A Group structure pursuant to the listing of the Ordinary and A Preference Shares.



1.B Future high-level Group structure pursuant to additional listings of preference shares.



ANNEXURE 2: EXTRACTS FROM THE MOI OF THE COMPANY

In accordance with paragraph 1.5 of the Listing Particulars Document, set out below are additional extracts (where deemed necessary) from the MOI of the Company with regards to the relevant provisions detailed in the table set out in paragraph 1.5.

2.1 Issue of shares and Variation of rights

6.3 The Board shall not have the power to –

6.3.1 increase or decrease the number of authorised Shares of any Class of the Company's Shares;

6.3.2 create any new Class or Classes of authorised but unissued Shares;

6.3.3 consolidate and reduce the number of the Company's issued and authorised Shares of any Class;

6.3.4 subdivide its Shares of any Class by increasing the number of its issued and authorised Shares of that Class without an increase of its capital;

6.3.5 convert any Class of Shares into one or more other Classes of Shares;

6.3.6 reclassify any classified Shares that have been authorised but not issued;

6.3.7 classify any unclassified Shares that have been authorised but not issued;

6.3.8 vary any preference rights, limitations or other terms attaching to any Class of Shares; or

6.3.9 change the name of the Company,

and such powers shall only be capable of being exercised by the Ordinary Shareholders by way of a Special Resolution of the Ordinary Shareholders and (to the extent required) an amendment to the Memorandum of Incorporation.

2.2 Issue of shares and Variation of rights

6.5 Each Share issued by the Company has associated with it an irrevocable right of the Shareholder of that Class of Shares to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that Share as contemplated in clause 24.2. The variation of any preferences, rights, limitations and other terms associated with any Class of Shares as set out in this Memorandum of Incorporation may be enacted only by an amendment of this Memorandum of Incorporation by Special Resolution of the Ordinary Shareholders. If any amendment of the Memorandum of Incorporation relates to the variation of any preferences, rights, limitation or any other terms attaching to any other Class of Shares already in issue, that amendment must not be implemented without a Special Resolution first having been adopted by the holders of Shares of that Class at a separate meeting.

2.3 Debt Instruments

14.1 The Board may authorise the Company to issue secured or unsecured Debt Instrument as set out in section 43(2), but, save to the extent permitted in terms of clause 14.2, no special privileges associated with any such Debt Instruments as contemplated in section 43(3) may be granted, and the authority of the Board in such regard is accordingly limited by this Memorandum of Incorporation.

14.2 The Board may, pursuant to a Special Resolution of the Ordinary Shareholders, permit holders of Debt Instrument to be granted special privileges, as contemplated in section 43(3), provided that such special privileges –

14.2.1 shall only consist of such rights as are specifically provided for in the applicable Special Resolution of the Ordinary Shareholders; and

14.2.2 shall lapse immediately on the debt, being the subject of such Debt Instrument, being extinguished..

2.4 Acquisition by the Company of its own shares

18.1 Subject to the CTSE Listing Requirements, the provisions of the Act, including sections 46 and 48, and the further provisions of this clause 18, the Board may, subject to clause 18.3, determine that the Company acquire a number of its own Shares.

18.2 The Company may not acquire its own Shares unless –

- 18.2.1 for as long as it is required in terms of the CTSE Listing Requirements, the acquisition has been approved, in respect of the acquisition contemplated in clause 18.1, by an Ordinary Resolution of the Ordinary Shareholders, whether in respect of a particular repurchase or generally approved by Ordinary Shareholders (in terms of section 14.4 of the CTSE Listing Requirements) and unless such acquisition otherwise complies with sections 14.2 to 14.8 of the CTSE Listing Requirements (or such other sections as may be applicable to corporate actions from time to time);
- 18.2.2 the acquisition –
- 18.2.2.1 is pursuant to an existing legal obligation of the Company, or a court order; or
- 18.2.2.2 the Board, by resolution, has authorised the acquisition;
- 18.2.3 it reasonably appears that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition; and
- 18.2.4 the Board, by resolution, has acknowledged that it has applied the Solvency and Liquidity Test and reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition.
- 18.3 A decision of the Board referred to in clause 18.1 –
- 18.3.1 must be approved by a Special Resolution of the Ordinary Shareholders if any Shares are to be acquired by the Company from a Director or prescribed officer of the Company, or a person related to a Director or prescribed officer of the Company (as contemplated in the Act); and
- 18.3.2 is subject to the requirements of sections 114 and 115 if considered alone, or together with other transactions in an Integrated Series of Transactions, it involves the acquisition by the Company of more than 5% of the issued Shares of any particular Class of Shares.
- 18.4 Notwithstanding any other provision of this Memorandum of Incorporation, the Company may not acquire its own Shares, and no Subsidiary of the Company may acquire Shares of the Company if, as a result of that acquisition, there would no longer be any Shares in issue other than –
- 18.4.1 Shares held by one or more subsidiaries of the Company; or
- 18.4.2 convertible or redeemable Shares.

2.5 Votes of shareholders

- 24.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with this Memorandum of Incorporation, at a meeting of the Company –
- 24.1.1 every person present and entitled to exercise voting rights shall be entitled to 1 vote on a show of hands, irrespective of the number of voting rights that person would otherwise be entitled to exercise;
- 24.1.2 on a poll any person who is Present at the Meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Securities held by that Shareholder; and
- 24.1.3 the holders of Securities other than Ordinary Shares shall not be entitled to vote on any resolution at a meeting of Shareholders, except as provided in clause 24.2.
- 24.2 The holders of Securities other than Ordinary Shares shall be entitled to vote on a resolution applicable to that Class of Shares held by the applicable Shareholders at a meeting of the Shareholders only –
- 24.2.1 pursuant to a Special Resolution of the Ordinary Shareholders authorizing such holders of Securities to vote on such matter as stipulated in the Special Resolution; or
- 24.2.2 if any resolution is proposed as contemplated in clause 6.5 or a Shareholder holding a Class of Shares is entitled to vote in terms of the preferences, rights, limitations and other terms associated with such Class of Shares, then the holder of such Shares ("Affected Shareholders") is entitled to vote at the meeting of Ordinary Shareholders as contemplated in clause 24.1, provided that the votes of the Shares of that Class held by the Affected Shareholders shall not carry any special rights or privileges and each Affected Shareholder shall be entitled to exercise such number of voting rights prescribed by the preferences, rights, limitations and other terms associated with such Class of Shares.
- 24.3 Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a meeting of Shareholders if a demand is made for such a vote by –

- 24.3.1 at least 5 persons having the right to vote on that matter, either as Shareholders or as proxies representing Shareholders; or
- 24.3.2 a Shareholder who is, or Shareholders who together are, entitled, as Shareholders or proxies representing Shareholders, to exercise at least 10% of the voting rights entitled to be voted on that matter; or
- 24.3.3 the chairperson of the meeting.

2.6 Shareholder Resolutions

- 26.1 For an Ordinary Resolution to be approved it must be supported by more than 50% of the voting rights exercised on the resolution, as provided in section 65(7). Notwithstanding anything to the contrary contained in this Memorandum of Incorporation, to the extent that the CTSE Listing Requirements require a higher percentage in respect of any particular Ordinary Resolution, the Company shall not implement such Ordinary Resolution unless the Company has obtained the support of the applicable percentage prescribed in terms of the CTSE Listing Requirements.
- 26.2 For a Special Resolution to be approved it must be supported by the holders of at least 75% of the voting rights exercised on the resolution, as provided in section 65(9).
- 26.3 No matters, except –
 - 26.3.1 those matters set out in section 65(11); or
 - 26.3.2 and any other matter required by the Act to be resolved by means of a Special Resolution; or
 - 26.3.3 for so long as the Company's Securities are listed on the CTSE, any other matter required by the CTSE Listing Requirements to be resolved by means of a Special Resolution,require a Special Resolution of the Company.
- 26.4 If any Shareholder abstains from voting in respect of any resolution, such Shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised a vote in respect thereof.

ANNEXURE 3: ASSET MANAGEMENT AGREEMENT, PREFERENCE SHARE SUBSCRIPTION AGREEMENT, A PREFERENCE SHARE TERMS AND GUARANTEE, CESSION AND PLEDGE AGREEMENT

Set out below are extracts from the Asset Management Agreement, the A Preference Share Subscription Agreement, the Preference Share Terms and Guarantee, Cession and Pledge Agreement (collectively the "Agreements"). Words and expressions defined in the Agreements shall, when used herein, bear the same meanings as ascribed to them in the Agreements.

ASSET MANAGEMENT AGREEMENT

3.1 Clause 3 – Duration and Termination

This Agreement commences on the Commencement Date and shall endure indefinitely, unless terminated by mutual agreement between the relevant Parties or in accordance with the provisions of this Agreement.

3.2 Clause 4 – Service Provisions

4.1 The Manager must provide the Services to the Client Parties in accordance with the provisions of this Agreement as read with the Services Schedule.

4.2 Notwithstanding anything to the contrary in this Agreement, the Manager may elect to outsource, at GRR or the Manager's cost, from time to time, certain functions, including legal advisory, administrative, company secretarial and accounting functions to third party service providers, provide that PropCo shall not be liable in any form or manner to the third party service providers for the service so rendered. The Manager shall procure that the third party service providers perform any work outsourced to it diligently and prudently.

3.3 Clause 6 – Manager's Expenses

6.1 Fees

6.1.1 In consideration for the provision of the Services rendered by the Manager, the Manager shall receive, and GRR shall pay to the Manager –

6.1.1.1 a Management Fee for which the Manager provides the Services in respect of GRR's Investment, which Management Fee shall be calculated in accordance with Clause 6.1.2; and

6.1.1.2 an allowance for Manager's Additional Expenses, which the Manager may incur from time to time, in addition to GRR's Operational Expenses as contemplated in Clause 7,

(collectively the "Fees").

6.1.2 The following fees (each a "Management Fee") will be calculated as follows –

6.1.2.1 as consideration for deal costs and expenses incurred by the Manager an initial management fee of 0.6% multiplied by the value of the Investment, calculated from the date of Investment (the "Investment Date") until the next ensuing Calculation Date; and

6.1.2.2 as consideration for ongoing Services, an amount equal to 0.6% per year, multiplied by the value of each Investment at the applicable Calculation Date (which value shall be determined with reference to the Real IRR), calculated semi-annually during each Year from the Calculation Date up to (but excluding) the next Calculation Date based on the number of days elapsed during such period.

6.2 Payment of Management Fees by GRR

6.2.1 Notwithstanding the fact that the Management Fees may have accrued at a point in time, and subject to the relevant Priority of Payments, the Manager shall invoice GRR in respect of the amounts in –

6.2.1.1 Clause 6.1.2.1, not earlier than the Investment Date; and

6.2.1.2 Clause 6.1.2.2, semi-annually in advance,

and GRR must pay the amount so invoiced within 5 Business Days on receipt of the invoice without any deductions.

- 6.2.2 If any portion of the Management Fee becomes due and is not paid on the due date, GRR shall pay interest on the outstanding amount calculated at the Prime Rate, calculated daily and compounded monthly in arrears from the due date for payment thereof until the date on which GRR pays the Management Fee, or the relevant portion.
- 6.3 In addition to the Fees and the costs and expenses in Clause 6.1.1, subject to the relevant Preference Share Subscription Agreement and Preference Share Terms, the Manager shall be entitled to the Manager Distribution in accordance with the Preference Share Terms.
- 6.4 Other than as stated in this Agreement and unless otherwise agreed in writing from time to time by the Majority Holders, the Manager shall receive no fees for the rendering of the Services.
- 6.5 If any dispute arises as to the liability for and/or payments of the Fees or the amount thereof in terms of clause 6.1, then either GRR and/or PropCo (on the one hand) or the Manager (on the other) may give the other of them a written notice ("Dispute Notice") declaring a dispute for resolution by an Independent Expert in accordance with the remainder of this clause 6.
- 6.6 A copy of the Dispute Notice shall be furnished to the Independent Expert and the Independent Expert shall thereafter draw up and finally determine the Fees on the basis that the Independent Expert shall:
- 6.6.1 act as an expert and not as an arbitrator;
- 6.6.2 hear the matter informally and as soon as possible; and
- 6.6.3 give a ruling as soon as possible.

SUBSCRIPTION AGREEMENT

3.4 Clause 7 – The Subscriptions

- 7.1 The Subscriber shall, with effect from the relevant Subscription Date, subscribe for the relevant Subscription Shares at the relevant Subscription Price.
- 7.2 The Subscriber shall pay the relevant aggregate Subscription Prices to the Company by no later than the relevant Subscription Date by electronic transfer into the Company's CSDP Account.
- 7.3 The Company shall, subject to payment by the Subscriber of the aggregate Subscription Prices pursuant to Clause 7.2 –
- 7.3.1 on the relevant Subscription Date cause the Subscription Shares to be delivered, in dematerialised form, by crediting the Subscription Shares to the Subscriber's CSDP Account;
- 7.3.2 on the relevant Subscription Date procure that name of the Subscriber is entered in the securities register of the Company as the holder and owner of the relevant Subscription Shares;
- 7.3.3 ensure that the Subscription Shares are listed on the CTSE on or as soon as practicable after the relevant Subscription Date; and
- 7.3.4 pay the Upfront Listing Costs in respect of the Subscription Shares, it being recorded that no issue duty is payable.
- 7.4 The CSD will hold the Subscription Shares issued in uncertificated form, subject to the Financial Markets Act and the CSD Rules.
- 7.5 While Subscription Shares are held in the CSD, the registered holder of the Subscription Shares, determined in accordance with the CSD Rules, will be named in the Company's securities register as the sole holder of such Subscription Share.
- 7.6 The Company shall apply the net proceeds from each Subscription (after Upfront Listing Costs) to discharge the obligation of the Company to subscribe for shares in the Property SPV, who shall use such proceeds to acquire the relevant Renewable Infrastructure specified in respect of the Subscription.
- 7.7 All amounts payable in terms of this Agreement and not paid on due date shall attract interest at the Prime Rate calculated from the due date to the date of actual payment thereof.
- 7.8 The Parties shall perform all other reasonable acts as may be necessary or required to facilitate the implementation of each Subscription on the Subscription Date.

3.5 Clause 12 – Subscriber Undertakings and Confirmations

- 12.1 The Subscriber confirms that the Investment Documents have been made available to the Subscriber for perusal and consideration.
- 12.2 The Subscriber accepts and confirms that its investment in the Company is made solely and only on the basis of the Investment Documents, and that the Subscriber has not relied on any other information, representations or warranties, whether express or implied, whether oral or written, whatsoever made by the Company or any of the officers, employees, directors or affiliates.
- 12.3 The Subscriber understands and confirms that it has evaluated the risks connected with becoming an investor in the Company, or with making a further investment therein, as may be applicable.
- 12.4 The Subscriber undertakes –
- 12.4.1 to sign and deliver, in respect of each Subscription, a Listings Waiver;
- 12.4.2 to vote in favour of all such shareholders resolutions and provide all such waivers and consents in its capacity as shareholder of the Company for purposes of each Subscription;
- 12.4.3 to deliver such documentation and other evidence as is reasonably requested by the Company (for itself or on behalf of any of its associates) to carry out any know your customer or similar identification procedures under applicable laws and regulations, and any other information requested by the CTSE.
- 12.5 Without limiting Clause 12.4.1, the Subscriber hereby irrevocably and *in rem suam* nominates, constitutes and appoints the Company or any one of its duly authorised directors (the “Representative”), as its agent and true and lawful attorney to act on its behalf, with full power and authority in its name, place and stead to execute, under seal or otherwise, –
- 12.5.1 to sign and/or grant any waiver and/or consent required under applicable legislation or the MOI; and/or
- 12.5.2 to exercise (including to execute a form of proxy in favour of such person or persons as the Representative may think fit to attend and vote as the Subscriber’s proxy at any shareholders meeting) all voting rights attaching to the Shares of that Subscriber or to execute written resolutions for and on behalf of the Subscriber in this regard,
- as may reasonably be necessary for any Subscription or the implementation thereof.
- 12.6 The Subscriber ratifies and confirms and agrees to ratify and confirm all and any acts whatsoever which the Representative shall lawfully do or cause to be done in pursuance of the power of attorney granted by Clause 12.5 and declares that the power of attorney in Clause 12.5 shall be irrevocable.

PREFERENCE SHARE TERMS

3.6 Clause 4 – Dividend Rights

The A Pref Dividends shall be determined, declared, paid and distributed in accordance with the provisions of this Clause 4.

- 4.1 Preference
- 4.1.1 Each A Pref shall confer upon the A Holder thereof the right to have A Pref Dividends declared and paid out of any Available A Pref Cash from time to time, all in terms of the A Pref Terms contained in these A Pref Terms.
- 4.1.2 The A Pref Dividends in respect of the A Prefs, if any, shall be paid in priority to any Distributions to the holders of the Ordinary Shares or the Other Prefs, or any other holder of such Ordinary Shares or Other Prefs, as the case may be.
- 4.2 A Pref Dividends
- 4.2.1 Each A Holder registered as such on each Dividend Payment Date shall have the right to receive and be paid on each Dividend Payment Date the A Pref Dividend.
- 4.2.2 The Company shall on or before each Dividend Payment Date, apply the Solvency and Liquidity Test and, once the Board is reasonably satisfied that the Company will satisfy the Solvency and Liquidity Test immediately after paying the relevant A Pref Dividend payable or to become payable on that Dividend Payment Date, the Board shall pass a resolution acknowledging that the Board has applied the Solvency and Liquidity Test and has reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after paying the relevant A Pref Dividend.
- 4.2.3 The Company shall declare and pay the A Pref Dividend on each Dividend Payment Date in respect of each A Pref.

4.2.4 Should any amount be due and payable by the A Holders to the Preference Share Agent in terms of Clause 1.1.32.8, 12.11 or 12.12 on the record date for participation in an A Pref Dividend, the Company shall be entitled (but not obliged), and the A Holders shall have authorised the Company, to apply the after-Tax proceeds (or applicable portion thereof) of such A Pref Dividend in discharge of the A Holders' liability to pay to the Preference Share Agent the amount so due and payable, provided that if the amount so due and payable to the Preference Share Agent by the A Holders exceeds the after-Tax proceeds of the A Pref Dividends, then the A Holders shall remain liable, pro rata to their proportionate holdings of the Outstanding A Prefs, to pay to the Preference Share Agent such remainder.

4.3 Declaration of A Pref Dividends

4.3.1 Each A Pref Dividend shall become payable on its Dividend Payment Date in accordance with the provisions of these A Pref Terms.

4.3.2 If any A Pref Dividend of any A Pref is not paid on its Dividend Payment Date, such amounts shall bear interest at a rate equal to the Prime Rate, calculated from its Dividend Payment Date to the actual date of payment of such amount in full (both days inclusive), which interest shall be compounded monthly in arrears on the last day of each calendar month and be payable on demand.

3.7 Clause 5 – Redemption

The A Prefs shall be redeemed from Available A Pref Cash in accordance with the provisions of this Clause 5.

5.1 Scheduled Redemption

The Company shall, subject to the Priority of Payments, redeem each Outstanding A Pref on the date not later than 10 Business Days after the Property SPV Disposal Date (the "Scheduled Redemption Date") by paying the Redemption Amount of each such Outstanding A Pref to its A Holder (and the Company shall, prior to such redemption, pay all outstanding A Pref Dividends in respect of that A Pref to its A Holder).

5.2 Compulsory Early Redemption

5.2.1 Upon the occurrence of a Trigger Event set out in Clauses 8.1 to 8.12 (both inclusive), the Preference Share Agent shall be entitled, but not obliged, to deliver a written notice ("**Trigger Notice**") to the Company calling upon the Company to remedy the Trigger Event within a period of 10 Business Days, (or such other period as may be indicated by the Preference Share Agent in its sole discretion) from the date of the Trigger Notice.

5.2.2 If the Trigger Event is not remedied within the period set out in Clause 5.2.1, then the Preference Share Agent may, on written notice to the Company ("Enforcement Notice"), require the Company to redeem all of the Outstanding A Prefs on a date set out in the Enforcement Notice, by –

5.2.2.1 declaring and paying all A Pref Dividends, where appropriate; and

5.2.2.2 thereafter redeeming the Outstanding A Prefs at the applicable Redemption Amount.

5.2.3 Should any amount be due and payable by the A Holders to the Preference Share Agent in terms of clause 1.1.32.8, 12.11 or 12.12 on the record date for receipt of the Redemption Amount, the Company shall be entitled (but not obliged), and the A Holders shall have authorised the Company, to apply the after-Tax proceeds (or applicable portion thereof) of such Redemption Amount in discharge of the A Holders' liability to pay to the Preference Share Agent the amount so due and payable, provided that if the amount so due and payable to the Preference Share Agent by the A Holders exceeds the after-Tax proceeds of the Redemption Amount, then the A Holders shall remain liable, pro rata to their proportionate holdings of the Outstanding A Prefs on such date to pay to the Preference Share Agent such remainder.

5.3 Redemption Amounts

5.3.1 An A Pref may only be redeemed –

5.3.1.1 in accordance with the A Pref Terms, in cash only from the proceeds of the A Pref Return (and not, for the avoidance of doubt, from any other asset of the Company); and

5.3.1.2 subject to Applicable Laws and the requirements of the A Pref Terms, from the profits or reserves of the Company that are attributable to the A Pref Return and the Property SPV Shares; and

5.3.1.3 if all (and not only some) the A Prefs are redeemed, unless the Majority A Holders agree otherwise by ordinary resolution.

- 5.3.2 On the Actual Redemption Date of an A Pref –
- 5.3.2.1 the Redemption Amount payable on each A Pref to be redeemed shall be the aggregate amount of any A Pref Return received by the Company as at the Actual Redemption Date, divided by the aggregate number of A Prefs in issue as at the Actual Redemption Date; and
- 5.3.2.2 the Redemption Amount payable in respect of such redemption shall be paid wholly in cash, utilising receipts of the Company that are solely attributable to the A Pref Return received by the Company.
- 5.3.3 Should any amount be due and payable by the A Holders to the Preference Share Agent in terms of Clause 1.1.32.8, 12.11 or 12.12 on the record date for receipt of the Redemption Amount, the Company shall be entitled (but not obliged), and the A Holders shall have authorised the Company, to apply the after-Tax proceeds (or applicable portion thereof) of such Redemption Amount in discharge of the A Holders' liability to pay to the Preference Share Agent the amount so due and payable, provided that if the amount so due and payable to the Preference Share Agent by the A Holders exceeds the after-Tax proceeds of the Redemption Amount, then the A Holders shall remain liable, pro rata to their proportionate holdings of the Outstanding A Prefs on such date to pay to the Preference Share Agent such remainder.
- 5.4 Procedure for redemptions
- 5.4.1 The Company shall, in respect of each redemption of an A Pref, redeem that A Pref on the Actual Redemption Date for that A Pref by authorising and paying the Redemption Amount in respect of that A Pref to the A Holder holding that A Pref.
- 5.4.2 If any A Pref is redeemed and the Redemption Amount of any such A Pref is not paid on the Actual Redemption Date of that A Pref, such amounts shall bear interest at a rate equal to the Prime Rate, calculated from that Actual Redemption Date to the actual date of payment of such amount in full (both days inclusive), which interest shall be compounded monthly in arrears on the last day of each calendar month and be payable on demand.
- 5.4.3 The Company shall be liable for any STT and/or any other similar Tax which may be or become payable by an A Holder in South Africa on the redemption of any A Prefs for any reason. To the extent that any A Holder becomes liable to pay such STT or any other similar Tax in South Africa, the Company shall pay to the relevant A Holder on demand an amount equal to such STT and/or other similar Tax paid by that A Holder and the Company hereby indemnifies and holds that A Holder harmless accordingly.
- 5.4.4 Where the Company is obliged to redeem the A Prefs the Company shall be entitled to redeem the A Prefs in any manner permissible at law, including by applying any amounts outstanding to the credit of the contributed tax capital account or any other share capital account (if any and howsoever described) of the Company in providing for the amounts payable on the redemption of the A Prefs in accordance with the terms herein.
- 5.4.5 In the case of partial redemption if there is more than one A Holder, the Company must redeem a pro rata number of the Outstanding A Prefs of each A Holder.
- 5.4.6 Against payment of the Redemption Amount of any Outstanding A Pref the applicable A Holder shall, provided that all the outstanding A Pref Dividends in respect of that Outstanding A Pref have been paid, instruct its CSDP or authorised user to deliver the A Prefs to the Company in uncertificated form in accordance with the CSD Rules. For as long as the A Prefs are listed on the CTSE, –
- 5.4.6.1 the redemption and partial redemption of the A Pref shall take place in accordance with the CSD Rules and the Financial Markets Act; and
- 5.4.6.2 the details of any redemption or partial redemption of A Prefs will be announced on the news services of the CTSE in such manner and within such time lines as may be required by CTSE Listings Requirements.

3.8 Clause 7 – Priority of Payments

- 7.1 The Company shall pay (or shall procure payment of) the amount of any Available A Pref Cash, immediately upon receipt of such Available A Pref Cash, for application in accordance with Clause 7.2.
- 7.2 All Available A Pref Cash shall be applied in the following order of priority on the applicable Dividend Payment Date and/or the Actual Redemption Date –
- 7.2.1 first, towards payment of all and any Taxes incurred and required to be paid by the Company (and not paid) and attributable to and allocated to the A Class Fund;

- 7.2.2 thereafter, to the full extent possible taking into account the remaining amount of Available A Pref Cash, to pay or make provision for –
- 7.2.2.1 any Operational Expenses of the Company allocated to the A Class Fund in the reasonable discretion of the Board;
- 7.2.2.2 the Continual Common Listing Fees (on behalf of the A Holders in terms of and subject to the Management Agreement); and
- 7.2.2.3 the Continual A Pref Listing Fees (for and on behalf of the A Holders in terms of and subject to the Management Agreement);
- 7.2.3 thereafter, to the extent to which there is still remaining Available A Pref Cash and to the fullest extent possible, as follows –
- 7.2.3.1 in the case of Available A Pref Cash consisting of Disposal Proceeds, as to 97% of such Available A Pref Cash, at the Company's election (i) to retain such amount in the Class A Bank Account, or (ii) to redeem Outstanding A Prefs (in proportion to the aggregate capital values of the Outstanding A Prefs held by each A Holder) in accordance with Clause 5;
- 7.2.3.2 in the case of Available A Pref Cash not consisting of Disposal Proceeds, as to 100% of such Available A Pref Cash, to make Distributions to the A Holders registered as such as at that date, and pay any associated Taxes; and
- 7.2.4 thereafter, and only to the extent that the Company has complied with the provisions of Clauses 7.2.3.1 and 7.2.3.2, to use such available cash to make payments or Distributions to the Ordinary Shareholders or retain such proceeds to fund the working capital requirements of the Company.

3.9 Clause 8 – Trigger Events

Each of the events set out in this Clause 8 is a Trigger Event (however arising).

8.1 No declaration

8.1.1 The failure by the Company to declare any A Pref Dividend on its Dividend Payment Date for any reason whatsoever and such failure is not remedied within 30 days of receipt of written notice from the Preference Share Agent calling upon the Company to remedy such failure.

8.1.2 The failure by the Company to pass any resolution in respect of an A Pref Dividend required under section 46 of the Act for any reason whatsoever and such failure is not remedied within 30 days of receipt of written notice from the Preference Share Agent calling upon the Company to remedy such failure.

8.2 Non-payment of Preference Dividends

The Company fails to pay any A Pref Dividends when due.

8.3 Misrepresentation

8.3.1 Any representation, warranty or statement made or deemed to be made by the Company in the Finance Documents and/or any other document delivered by or on behalf of the Company under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

8.3.2 No Trigger Event under Clause 8.3.1 will occur if the relevant circumstances are capable of remedy and is remedied within 30 days of the date of receipt of written notice by the Company from the Preference Share Agent calling for circumstances to be remedied.

8.4 Breach of the Finance Documents

8.4.1 The breach by the Company of any material term of the Finance Documents to which it is a party, and where such breach is capable of remedy, the Company fails to remedy such breach within 30 days of receipt of written notice from the Preference Share Agent calling upon the Company to remedy such breach.

8.4.2 The Company breaches any material term of the MOI and fails to remedy such breach within 30 days of receipt of written notice from the Preference Share Agent calling upon the Company to remedy such breach.

8.5 Distributions

The Company declares and/or pays any Distributions other than in accordance with the provisions of, or as permitted by, the Finance Documents.

8.6 Financial Indebtedness

The Company incurs indebtedness which ranks pari passu with, or ahead, of the A Holders' rights under the Finance Documents without having obtained the prior approval of the Majority A Holders by way of ordinary resolution.

8.7 Finance Documents

8.7.1 The termination, unlawfulness, repudiation or unenforceability of any Finance Document or amendment (other than as permitted in terms thereof) of any Finance Document (to which it is a party).

8.7.2 No Trigger Event under Clause 8.7.1 will occur if the relevant circumstances either (i) are capable of remedy and is remedied within 30 days of the date of receipt of written notice by the Company from the Preference Share Agent calling for circumstances to be remedied or (ii) arise not as a result of any action (or inaction) of the Company.

8.7.3 The security granted in terms of any Finance Document ceases to be effective or to confer the security rights it purports to confer in favour of the Preference Share Agent (as agent on behalf of the A Holders) or it becomes apparent that any Finance Document did not validly create the security contemplated or failed to validly confer the security rights in favour of the Preference Share Agent (as agent on behalf of the A Holders).

8.7.4 No Trigger Event under Clause 8.7.3 will occur if the relevant circumstances either (i) are capable of remedy and is remedied within 30 days of the date of receipt of written notice by the Company from the Preference Share Agent calling for circumstances to be remedied or (ii) arise not as a result of any action (or inaction) of the Company.

8.8 Insolvency and business rescue

8.8.1 Any Insolvency Event occurs in relation to the Company and (where such event is capable of remedy), such Insolvency Event is not remedied within 30 days of receipt of written notice from the Preference Share Agent calling upon the Company to remedy, or procure the remedy of, such event.

8.8.2 If any Finance Document is entirely, partially or conditionally suspended during business rescue proceedings commenced in relation to any party to such Finance Document, and such suspension is not lifted within 30 days of receipt of written notice from the Preference Share Agent calling upon the Company to remedy or procure the remedy of such event.

8.9 Creditors' process

Any expropriation or attachment of or execution in respect of, any asset or assets of the Company relating to the Property SPV and having an aggregate value in excess of R100,000,000 in aggregate and such expropriation, attachment, sequestration or execution is not set aside or withdrawn within a period of 30 days after it occurs.

8.10 Disposals

The Company disposes of the Property SPV Shares without having obtained the prior approval of the Majority A Holders, by way of ordinary resolution.

8.11 Litigation

Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes (which, if adversely determined would or would reasonably likely result in a Material Adverse Change) ("Proceedings") are commenced against the Company or the Property SPV and such Proceedings are not set aside within 30 days of receipt by the Company of written notice from the Preference Share Agent demanding that such Proceedings be set aside; provided that no Trigger Event will occur where the Company, within 10 days of such Proceedings being commenced, demonstrates to the reasonable satisfaction of the Preference Share Agent that it has a bona fide defence to such Proceedings and that it is contesting or opposing such Proceedings in good faith.

8.12 Unlawfulness

It becomes unlawful for the Company to perform its obligations under the Finance Documents or to comply with the privileges, rights and terms of the A Prefs and such unlawfulness cannot be remedied or resolved within 30 days of the date of receipt of written notice by the Company from the Preference Share Agent calling for circumstances to be remedied. No Trigger Event under this Clause 8.12 will occur if the relevant circumstances arise not as a result of any action (or inaction) of the Company.

8.13 Illegality Events

An Illegality Event occurs in the manner contemplated in Clause 6.3 and either (i) the Company fails to timeously propose such a new structure contemplated in Clause 6 or (ii) the Majority A Holders do not approve such new structure proposed by the Company.

3.10 Clause 12 – Preference Share Agent

- 12.1 Each A Holder hereby appoints the Preference Share Agent as its agent (whether or not by or through employees or agents), –
- 12.1.1 to enter into the Cession and Pledge Agreement and to receive all entitlements and proceeds, on each A Holder's behalf;
- 12.1.2 for receiving and holding (on behalf of the A Holders) the documentation listed in clause 8 (Perfection) of the Cession and Pledge Agreement; and
- 12.1.3 for taking or implementing any Enforcement Action (together with such powers and discretions as are reasonably incidental thereto).
- 12.2 Other than the appointment in relation to the performance by the Preference Share Agent of the actions listed in Clause 12.1.1, which shall commence in effect from the initial Subscription Date and remain in effect until the Discharge Date, the appointment relating to Enforcement Action is only with effect from only the occurrence of any Trigger Event and will remain in place only for the period during which that Trigger Event is continuing and not remedied to the satisfaction of the Preference Share Agent.
- 12.3 None of the A Holders may itself take any Enforcement Action, and may only procure that such Enforcement Action is taken via the Preference Share Agent in the manner contemplated in this Clause 11.6.1.
- 12.4 The Preference Share Agent is hereby irrevocably authorised by each A Holder to proceed with such Enforcement Action as instructed by the Majority A Holders. In so acting the Preference Share Agent shall not be required to have regard to the interests of any individual A Holder and shall have no liability to any such A Holder for so acting unless due to gross negligence, or wilful or fraudulent acts or omissions.
- 12.5 It is recorded that the memorandum of incorporation of the Preference Share Agent ("PSA MOI") provides as follows –
- 12.5.1 the Majority A Holders are entitled, pursuant to the occurrence of a Trigger Event which is continuing, to appoint and remove or replace a set number of ex officio directors (each an "Appointed Director") to the board of the Preference Share Agent ("PSA Board") on the basis that –
- 12.5.1.1 the PSA Board shall, pursuant to the appointment of any such ex officio Appointed Directors, (i) constitute a committee of the PSA Board comprising all and only the ex officio Appointed Directors and (ii) irrevocably and unconditionally delegate all its authority in relation to the applicable Trigger Event and resultant Enforcement Action to such committee, which committee shall, pursuant to such delegation, have the sole and exclusive authority in relation to such matters until such Enforcement Action is finalised; and
- 12.5.1.2 all Appointed Directors shall be precluded from attending any meetings or exercising any votes on matters before the PSA Board, save for those matters which have been delegated to the committee comprising the Appointed Directors relating to the applicable Enforcement Action; and
- 12.5.2 any amendment of the PSA MOI which seeks to amend the provisions in terms of which the matters contemplated in Clause 12.5.1 are regulated, requires the approval of the Majority A Holders in order to be valid.
- 12.6 Nothing in these A Pref Terms or any Finance Document constitutes the Preference Share Agent as a trustee or fiduciary of any other person.
- 12.7 Notwithstanding any other provision of any Finance Document to the contrary, the Preference Share Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or a breach of a fiduciary duty or duty of confidentiality.
- 12.8 Following the occurrence of a Potential Trigger Event or Trigger Event and for the period during which a Potential Trigger Event or Trigger Event is continuing and not remedied to the satisfaction of the Preference Share Agent –
- 12.8.1 the giving of any written notice by the Company to the Preference Share Agent shall constitute due notice to the A Holders; and
- 12.8.2 the giving of any written consent, approval, indulgence or the like by the Preference Share Agent shall constitute the giving of such consent, approval, indulgence or the like by the A Holders or the Majority A Holders (as may be applicable).
- 12.9 Unless caused directly by its gross negligence, wilful misconduct or fraud, the Preference Share Agent shall not accept responsibility or be liable for –
- 12.9.1 the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Preference Share Agent or any other person given in or in connection with any Finance Document;

- 12.9.2 any losses to any person or any liability arising as a result of taking or refraining from taking any Enforcement Action in accordance with the Finance Documents; or
- 12.9.3 the exercise of, or the failure to exercise (in each case in accordance with the Finance Documents), any judgement, discretion or power given to it by or in connection with any of the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, pursuant to or in connection with the Finance Documents.
- 12.10 The Preference Share Agent shall not be –
 - 12.10.1 bound to enquire as to whether any Potential Trigger Event or Trigger Event has occurred;
 - 12.10.2 under any obligations other than those which are specifically provided for in these A Pref Terms and the Finance Documents;
 - 12.10.3 concerned with the interests of, or have or be deemed to have any duty, obligation or responsibility to, or relationship of agency with, any persons other than the A Holders;
 - 12.10.4 obliged to monitor or supervise the actions of any party to any Finance Document or to investigate or examine their records or procedures and shall be and is hereby authorised to assume without enquiry, in the absence of actual knowledge or actual notice to the contrary, that all other parties to the Finance Documents are duly performing and observing all the undertakings, obligations and provisions contained in the Finance Documents which are to be performed and observed by them;
 - 12.10.5 bound to investigate –
 - 12.10.5.1 the execution, delivery, legality, validity, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any Finance Document;
 - 12.10.5.2 any recitals, statements, warranties or representations of any party to any Finance Document;
 - 12.10.5.3 its ability to exercise the rights, powers or authorities purported to be conferred on it by any of the Finance Documents (except as to its own constitutive documents);
 - 12.10.5.4 the capacities, powers or credit standing of any party to any of the Finance Documents;
 - 12.10.6 obliged, notwithstanding any other provisions of this Agreement or any other Finance Document, to assume the obligations of any person under any Finance Document or to take any action which would otherwise, in its opinion (acting in good faith), be reasonably expected to render it liable to any person unless, in each case, it has been indemnified and/or secured to its satisfaction against all liabilities, including any liabilities in respect of applicable environmental or taxation legislation, which it may incur as a consequence of so acting.
- 12.11 The A Holders indemnify the Preference Share Agent against, and shall pay to the Preference Share Agent any properly evidenced cost, loss or liability incurred by the Preference Share Agent as a result of –
 - 12.11.1 acting in its capacity or performing its functions as Preference Share Agent under and in terms of the Finance Documents;
 - 12.11.2 investigating or taking any other action in connection with any event which it reasonably believes is a Potential Trigger Event or a Trigger Event; or
 - 12.11.3 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised by the A Holders or Majority A Holders, as the case may be.
- 12.12 The A Holders indemnify the Preference Share Agent and hold the Preference Share Agent harmless against any claims which may be made against it by any third person whatsoever, arising out of anything done, or omitted to be done, by the Preference Share Agent in connection with acting in its capacity and/or performing its functions as Preference Share Agent under and in terms of the Finance Documents, other than as a result of any gross negligent act or omission by the Preference Share Agent.
- 12.13 If any dispute arises between any A Holder and the Preference Share Agent arising out of anything done, or omitted to be done, by the Preference Share Agent in connection with acting in its capacity and/or performing its functions as Preference Share Agent under and in terms of the Finance Documents –
 - 12.13.1 such Holder shall deliver written notice (“Holder Notice”) to the Preference Share Agent which sets out the facts and/or circumstances which have given rise to the applicable dispute; and

- 12.13.2 such dispute will be decided first by negotiation between duly appointed senior representatives of each party. If the dispute is not resolved within 10 days after receipt by the Preference Share Agent of a Holder Notice, the Preference Share Agent shall refer the matter to an independent attorney or advocate nominated by the Registrar of the Arbitration Foundation of Southern Africa for the time being, who shall determine the dispute, acting as an expert and not as an arbitrator.
- 12.14 The provisions of this Clause 11.6.1 constitute a *stipulation alteri* in favour of the Preference Share Agent which is capable of acceptance by it at any time.
- 12.15 Should any amount become due and payable by the A Holders to and in favour of the Preference Share Agent in terms of this Clause, the A Holders hereby authorise the Company to make such payment to the Preference Share Agent for and on behalf of the A Holders in accordance with the provisions of Clause 4.2.4 or Clause 5.3.3, as applicable, provided that the Company shall not tender any such payment on behalf of the A Holders at any time when a dispute between an A Holder and the Preference Share Agent remains unresolved in terms of the dispute resolution mechanisms contemplated in Clause 12.13.

3.11 Clause 13 – Delivery of Physical Assets

- 13.1 Each A Holder authorises and appoints the Preference Share Agent (acting through any of its directors, senior executives or any other authorised representative) irrevocably and *in rem suam* as its attorney and agent in the A Holder's name, place and stead to –
- 13.1.1 take delivery of any physical assets that the A Holder may require to take delivery of in connection with, or arising out of, any transaction contemplated in the Cession and Pledge Agreement;
- 13.1.2 sell or otherwise realise the abovementioned physical assets;
- 13.1.3 sign and execute such documents as may be necessary to enable the Preference Share Agent to exercise any of its rights granted to it under this Clause 11.6.1.
- 13.2 The Company shall procure that the Preference Share Agent, following the sale or realisation of the physical assets, remits the proceeds of the sale or realisation to the relevant A Holders.
- 13.3 The provisions of this Clause 11.6.1 constitute a *stipulation alteri* in favour of the Preference Share Agent which is capable of acceptance by it at any time.

GUARANTEE, CESSION AND PLEDGE AGREEMENT

“**Ceded Rights**” means, in respect of a Cedent, all the Cedent's rights, title and interest, of any nature whatsoever, in and to, the relevant Pledged Shares and the Claims, whether actual, prospective or contingent, direct or indirect, whether a claim for the payment of money (whether in respect of interest, principal or otherwise) or for the performance of any other obligation, and whether or not the said rights and interests were within the contemplation of the Parties as at the Signature Date;

“**Cedents**” means the Issuer and Gaia Holdco, and “**Cedent**” shall refer to either one of them, as the context may indicate;

“**Cession**” means the pledge and cession *in securitatem debiti* of the Ceded Rights by the Cedents to the Cessionary in terms of Clause 5.4;

“**Cessionaries**” means the pledge and cession *in securitatem debiti* of the Ceded Rights by the Cedents to the Cessionaries in terms of Clause 5.4;

“**Parties**” means the Cedents and the Cessionaries, and “**Party**” shall refer to any one of them, as the context may require;

3.12 Clause 2 – Introduction

- 2.1 In terms of the Preference Share Terms, each of the A Holders has appointed the Custodian as its agent (whether or not by or through employees or agents) for the purposes set out in Clause 4.1 of this Agreement. The Custodian has agreed to accept such appointment as a stipulation for the benefit of the A Holders, on the terms and conditions set out in this Agreement.
- 2.2 As security for the due and punctual payment and performance of the Secured Obligations, the Cedents have agreed, with effect from the first Subscription Date, to pledge the relevant Pledged Shares and cede *in securitatem debiti* all of the relevant Ceded Rights attaching to the Pledged Shares and the Claims in favour of the Cessionaries, jointly and severally, (herein represented by the Custodian), on the terms and conditions contained in this Agreement.

- 2.3 The Parties wish to record the terms and conditions governing the cession and pledge and associated arrangements contemplated in this Clause 2.

3.13 Clause 3 – Preference Share Agent & Custodian

- 3.1 The Cessionaries have appointed the Custodian as agent of the Cessionaries and have authorised and empowered the Custodian –
- 3.1.1 to enter into this Agreement, and to receive all entitlements and proceeds, on behalf of the Cessionaries;
- 3.1.2 represent the Cessionaries in their dealings with the Issuer, as stipulated in this Agreement;
- 3.1.3 for receiving and holding (on behalf of the Holders) the documentation listed in Clause 8;
- 3.1.4 for taking or implementing any Enforcement Action (together with such powers and discretions as are reasonably incidental thereto); and
- 3.1.5 discharging all obligations incumbent on the Cessionaries as contemplated in the Share Terms, as such terms are constituted as at the first Subscription Date.
- 3.2 The Custodian therefore concludes this Agreement, for and on behalf of the Cessionaries, and the Custodian will represent the Cessionaries in their dealings with the Issuer and any other applicable person in terms of the Finance Documents in respect of the matters listed in Clause 3.1.
- 3.3 Other than the appointment of the Custodian as agent in relation to the performance by the Custodian of the actions contemplated in Clause 3.1, which shall be in effect from the first Subscription Date and remain in effect until the Discharge Date, the appointment relating to any Enforcement Action is only with effect from the occurrence of a Trigger and will remain in place only for the period during which such Trigger Event is continuing.
- 3.4 Under the Share Terms –
- 3.4.1 none of the Cessionaries may themselves take any Enforcement Action, and may only procure that such Enforcement Action is taken via the Custodian, as contemplated in this Clause 3 as read with the relevant provisions of the Share Terms; and
- 3.4.2 the Custodian is irrevocably authorised by each Cessionary to proceed with such Enforcement Action as instructed by the Majority A Holders. In so acting the Custodian shall not be required to have regard to the interests of any individual Cessionary and shall have no liability to such Cessionary for so acting unless due to gross negligence, or wilful or fraudulent acts or omissions.
- 3.5 Nothing in the Share Terms or any Finance Document constitutes the Custodian as a trustee or fiduciary of any other person.
- 3.6 Notwithstanding any other provision of any Finance Document to the contrary, the Custodian is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or a breach of a fiduciary duty or duty of confidentiality.
- 3.7 Under the Share Terms, following the occurrence of a Trigger Event and for the period during which such Trigger Event is continuing to the satisfaction of the Cessionaries –
- 3.7.1 the giving of any written notice to the Custodian shall constitute due notice to the Cessionaries; and
- 3.7.2 the giving of any written consent, approval, indulgence or the like by the Custodian shall constitute the giving of such consent, approval, indulgence or the like by the Cessionaries or the Majority A Holders (as may be applicable).
- 3.8 Unless caused directly by its gross negligence, wilful misconduct or fraud, the Custodian shall not accept responsibility or be liable for –
- 3.8.1 the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Cessionaries or any other person given in or in connection with any Finance Document;
- 3.8.2 any losses to any person or any liability arising as a result of taking or refraining from taking any Enforcement Action in accordance with the Finance Documents; or
- 3.8.3 the exercise of, or the failure to exercise (in each case in accordance with the Finance Documents), any judgement, discretion or power given to it by or in connection with any of the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, pursuant to or in connection with the Finance Documents.

- 3.9 The Custodian shall not be –
- 3.9.1 bound to enquire as to whether any Trigger Event has occurred;
- 3.9.2 bound to account to any Cessionary for any sum or the profit element of any sum received by it for its own account;
- 3.9.3 under any obligations other than those which are specifically provided for in this Agreement, the Share Terms and the Finance Documents;
- 3.9.4 concerned with the interests of, or have or be deemed to have any duty, obligation or responsibility to, or relationship of agency with, any persons other than the Cessionaries;
- 3.9.5 obliged to monitor or supervise the actions of any party to any Finance Document or to investigate or examine their records or procedures and shall be and is hereby authorised to assume without enquiry, in the absence of actual knowledge or actual notice to the contrary, that all other parties to the Finance Documents are duly performing and observing all the undertakings, obligations and provisions contained in the Finance Documents which are to be performed and observed by them;
- 3.9.6 bound to investigate –
- 3.9.6.1 the execution, delivery, legality, validity, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any Finance Document;
- 3.9.6.2 any recitals, statements, warranties or representations of any party to any Finance Document;
- 3.9.6.3 its ability to exercise the rights, powers or authorities purported to be conferred on it by any of the Finance Documents (except as to its own constitutive documents);
- 3.9.6.4 the capacities, powers or credit standing of any party to any of the Finance Documents;
- 3.9.7 obliged, notwithstanding any other provisions of this Agreement or any other Finance Document, to assume the obligations of any person under any Finance Document or to take any action which would otherwise, in its opinion (acting in good faith), be reasonably expected to render it liable to any person unless, in each case, it has been indemnified and/or secured to its satisfaction against all liabilities, including any liabilities in respect of applicable environmental or taxation legislation, which it may incur as a consequence of so acting.
- 3.10 Under the Share Terms, the Cessionaries promptly indemnify the Custodian against, and shall pay to the Custodian any properly evidenced cost, loss or liability incurred by the Custodian as a result of –
- 3.10.1 acting in its capacity or performing its functions as “Preference Share Agent” under and in terms of the Finance Documents;
- 3.10.2 investigating or taking any other action in connection with any event which it reasonably believes is a Trigger Event; or
- 3.10.3 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.
- 3.11 Under the Share Terms, the Cessionaries indemnify the Custodian and hold the Custodian harmless against any claims which may be made against it by any third person whatsoever, arising out of anything done, or omitted to be done, by the Custodian in connection with acting in its capacity and/or performing its functions as “Preference Share Agent” under and in terms of the Finance Documents.
- 3.12 Under the Share Terms, if any dispute arises between any Cessionary and the Custodian arising out of anything done, or omitted to be done, by the Custodian in connection with acting in its capacity and/or performing its functions as “Preference Share Agent” under and in terms of the Finance Documents –
- 3.12.1 such Cessionary shall deliver written notice (“Holder Notice”) to the Custodian which sets out the facts and/or circumstances which have given rise to the applicable dispute; and
- 3.12.2 such dispute will be decided first by negotiation between duly appointed senior representatives of each party. If the dispute is not resolved within 10 days after receipt by the Custodian of a Holder Notice, the Custodian shall refer the matter to an independent attorney or advocate nominated by the Registrar of the Arbitration Foundation of Southern Africa for the time being (“Expert”), acting as an expert and not as an arbitrator.
- 3.13 The provisions of this Clause 3 constitute a *stipulatio alteri* in favour of the Cessionaries which is capable of acceptance by any Cessionary at any time.

3.14 Clause 4 – Guarantee

4.1 Guarantee and indemnity

Gaia HoldCo, as principal obligor and not merely as a surety and on the basis of discrete obligations enforceable against it, –

- 4.1.1 guarantees to the Cessionaries the Guaranteed Obligations;
- 4.1.2 undertakes to the Cessionaries that whenever the Issuer does not pay any amount when due under or in connection with any Guaranteed Obligations and then fails to remedy that breach within any applicable grace or demand period, Gaia HoldCo shall, within 5 Business Days of receipt of written demand by the Custodian, pay that amount as if Gaia HoldCo was the principal obligor; and
- 4.1.3 agrees with the Cessionaries that if any Guaranteed Obligation is or becomes unenforceable, invalid or illegal, Gaia HoldCo shall, as an independent and primary obligation, within 5 Business Days of receipt of written demand by the Custodian, indemnify and hold the Cessionaries harmless against any reasonable cost and/or any loss or liability the Cessionaries incur as a result of the Issuer not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Guaranteed Obligation on the date when it would have been due (and the amount payable by Gaia HoldCo under this indemnity will not exceed the amount Gaia HoldCo would have had to pay under this Clause 4.1 if the amount claimed had been recoverable on the basis of a guarantee).

4.2 Limited recourse guarantee

The Guarantee is a limited guarantee with recourse only to the Cession. Accordingly, the maximum aggregate amount receivable from under the Guarantee shall be limited to the net proceeds of realisation of the Pledged Shares pledged and ceded by Gaia HoldCo *in securitatem debiti* to the Cessionaries under this Cession plus costs and expenses incurred as a result of such realisation.

4.3 Continuing guarantee and termination

The Guarantee is a continuing guarantee and indemnity and will extend to the ultimate balance of sums payable by the Issuer under the Guaranteed Obligations. Accordingly, and unless the Cessionaries agree otherwise in writing, the Guarantee shall only terminate on the Discharge Date or on the date on which Gaia HoldCo has fully and finally discharged its obligations in respect of this Agreement.

4.4 Reinstatement

If any payment by any Cedent or any discharge, release or arrangement given by the Cessionaries (whether in respect of the obligations of the Issuer or any security for those obligations or otherwise) is avoided or reduced for any reason (including as a result of insolvency, business rescue proceedings, liquidation, winding-up or otherwise) the liability of Gaia HoldCo shall continue and the Cessionaries shall be entitled to recover the value or amount of that security or payment from Gaia HoldCo, as if the payment, discharge, avoidance or reduction had not occurred, but only to the extent the aforesaid discharge, release or arrangement given by the Cessionaries is avoided or reduced.

4.5 Waiver of defences

- 4.5.1 The obligations of Gaia HoldCo under the Guarantee will not be affected by an act, omission, matter or thing which, but for this Clause 4.5 or otherwise, would reduce, release or prejudice any of its obligations under the Guarantee (without limitation and whether or not known to Gaia HoldCo or the Cessionaries) including –
 - 4.5.1.1 any time, waiver or consent granted to, or composition with, any Cedent or other person;
 - 4.5.1.2 the release of the Issuer or any other person under the terms of any composition or arrangement with any creditor of the Issuer or such other person;
 - 4.5.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, execute, take up or enforce, any rights against, or security over assets of, any Cedent or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - 4.5.1.4 any legal limitation, incapacity or lack of power, authority or legal personality of or dissolution or change in the shareholders or status of a Cedent or any other person;
 - 4.5.1.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of the Preference Share Subscription Agreement, the Share Terms and/or any other Finance Document (or any other document or security);

- 4.5.1.6 any irregularity, unenforceability, illegality, invalidity, suspension or cancellation of any obligation of any person under the Preference Share Subscription Agreement and/or the Share Terms and/or any other Finance Document (or any other document or security);
- 4.5.1.7 any insolvency, liquidation, winding-up, business rescue or similar proceedings (including receipt of any distribution made under or in connection with those proceedings); or
- 4.5.1.8 any other factor or circumstance arising on which Gaia HoldCo might otherwise be able to rely on a defence based on prescription or estoppel.

4.5.2 The amounts to be paid by Gaia HoldCo under the Guarantee shall be unaffected by any compromise of any claim that the Cessionaries may have against the Issuer, whether pursuant to the adoption of a business rescue plan or otherwise, and accordingly the claims of the Cessionaries under the Guarantee shall be for the amount owing by the Issuer prior to any such compromise.

4.5.3 If the Preference Share Subscription Agreement or the Share Terms are amended or varied in any manner whatsoever (including any increase in the amount of the facility provided to the Issuer thereunder), the Guarantee shall apply in respect of the Issuer's obligations under the Preference Share Subscription Agreement or Share Terms, as amended or varied.

4.6 Immediate recourse

Gaia HoldCo waives any right it may have of first requiring the Cessionaries to proceed against or enforce any other rights or Security or claim payment from the Issuer or any other person before claiming from Gaia HoldCo under the Guarantee. The Cessionaries shall not be obliged to immediately, or within any applicable limited period, exercise its rights under the Guarantee if and when those rights arise and the Cessionaries shall, accordingly, be entitled to exercise their rights under the Guarantee if and when the Cessionaries, in their sole and unfettered discretion, consider it opportune to do so.

4.7 Deferral of rights

Until all amounts which may be or become payable by the Issuer under or in connection with the Guaranteed Obligations have been irrevocably paid in full and unless the Cessionaries provide their prior written consent otherwise, Gaia HoldCo will not exercise any rights which it may have by reason of performance by it of its obligations under the Guarantee or by reason of any amount being payable, or liability arising, under this Agreement –

- 4.7.1 to be indemnified by the Issuer;
- 4.7.2 to claim any contribution from any other guarantor of or provider of security for the Issuer's obligations under the Finance Documents;
- 4.7.3 to take the benefit (in whole or in part and whether by way of subrogation, cession of action or otherwise) of any rights of the Cessionaries under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Cessionaries;
- 4.7.4 to bring legal or other proceedings for an order requiring the Issuer to make any payment, or perform any obligation, in respect of which Gaia HoldCo has given a guarantee, undertaking or indemnity under the Guarantee;
- 4.7.5 to exercise any right of set-off against the Issuer; and/or
- 4.7.6 to claim, rank, prove or vote as a creditor or shareholder of the Issuer in competition with the Cessionaries.

4.8 Additional security

The Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Cessionaries in respect of the Guaranteed Obligations. The rights of the Cessionaries hereunder are in addition to and not exclusive of those provided by law.

4.9 Tax gross-up

- 4.9.1 Any payment whatsoever to be made by Gaia HoldCo to the Cessionaries under this Agreement shall be made free and clear of and without deduction for or on account of any Tax whatsoever, unless Gaia HoldCo is, under law, required to make such payment subject to the deduction or withholding of Tax, in which case the amount payable by Gaia HoldCo in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of the required deduction or withholding, each Cessionary receives and retains (free from any liability in respect of any such deduction or withholding) a net amount equal to the amount which they would have received and so retained had no such deduction or withholding been required to be made.
- 4.9.2 If at any time Gaia HoldCo is required under any law to make any deduction or withholding as contemplated in Clause 4.9.1 (or if thereafter there is any change in the rates at which or the manner in which such deductions or withholdings are calculated), then Gaia HoldCo shall promptly notify the Custodian, who shall forthwith notify the Cessionaries.
- 4.9.3 If Gaia HoldCo makes any payment under this Agreement in respect of which it is required to make any deduction or withholding, it shall pay the full amount required to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under law and shall deliver to the Custodian, within 20 Business Days after it has made such payment to the applicable authority, an original receipt (or a certified copy) issued by such authority evidencing the payment to such authority of all amounts so required to be deducted or withheld.
- 4.9.4 Notwithstanding anything to the contrary contained herein, the provisions of Clause 4.9.1 shall not apply in respect of any deductions which Gaia HoldCo becomes obliged to make from any amounts payable by it to a Cessionary as a result of the fact that the Commissioner: South African Revenue Services has declared Gaia HoldCo to be that Cessionary's agent in terms of section 179 of the Tax Administration Act (No 28 of 2011) or any other law, provided that Gaia HoldCo shall, to the extent permitted in law, notify the Cessionary of such declaration, or in respect of any Taxes which become payable as a result of any failure by a Cessionary to comply with any law.
- 4.9.5 If Gaia HoldCo becomes obliged to pay any additional amounts to a Cessionary in terms of Clause 4.9.1 and that Cessionary is entitled to a credit (against Taxes payable by it) or a refund of any Taxes in respect of the corresponding amount paid, as envisaged in Clause 4.9.3, by Gaia HoldCo to the relevant Taxation authority, the Cessionary shall repay the amount of such payment to Gaia HoldCo within 5 Business Days of the date on which the Cessionary receives payment of the refund from such taxation authority.

3.15 Clause 5 – Pledge and Cession in Security

5.1 Reinstatement

If any discharge, release or arrangement is made by the Cessionaries in whole or in part on the basis of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration, business rescue or otherwise, without limitation, then the liability of the Cedents under this Agreement will continue or be reinstated as if the discharge, release or arrangement had not occurred.

5.2 Waiver of Defences

The obligations of the Cedents under this Agreement will not be affected by an act, omission, matter or thing which, but for this Clause 5.2, would reduce, release or prejudice any of its obligations under this Agreement (without limitation and whether or not known to the Cedents or the Cessionaries) including –

- 5.2.1 any time, waiver or consent granted to, or composition with a Cedent or any other person;
- 5.2.2 the release of a Cedent or any other person under the terms of any composition or arrangement with any creditor;
- 5.2.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, a Cedent or any other person, or any non-presentation or non-observance of any formality or other requirement in respect of any instrument, or any failure to realise the full value of any Security;
- 5.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the shareholders or status of a Cedent or any other person;
- 5.2.5 any amendment, novation, supplement, extension (whether of maturity or otherwise), restatement (in each case, however fundamental, of whatsoever nature and whether or not more onerous) or replacement of any Finance Document or any other

document or Security including without limitation any change in the purpose of, any extension of, or any increase in any facility or the addition of a new facility under any Finance Document or other document or Security;

5.2.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security;

5.2.7 any Insolvency Event or similar proceedings; or

5.2.8 any other fact or circumstance arising on which a Cedent might otherwise be entitled to rely on a defence based on prejudice, waiver or estoppel.

5.3 Cedent Intent

Without prejudice to the generality of this Clause 5, the Cedents expressly confirm that they intend that this Agreement shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any amount scheduled or otherwise expressed to be required to be paid under any of the Finance Documents until the Discharge Date.

5.4 Pledge and Cession in Security

Subject to Clause 5.6, as continuing covering security for the due, proper and timeous payment and performance by the Cedents of the Secured Obligations, with effect from the 1st Subscription Date, the Cedents hereby cede *in securitatem debiti* its rights, title and interest in and to the Ceded Rights applicable to the Pledged Shares and the Claims and pledges the Pledged Shares to the Cessionaries, jointly and severally, (herein represented by the Custodian), which cession and pledge the Custodian (as agent for and on behalf of the Cessionaries) hereby accept.

5.5 Perfection

5.5.1 The Parties hereby confirm and agree that the Cedents shall, on or before the 1st Subscription Date, deliver to the Custodian –

5.5.1.1 the share certificates in respect of the relevant Pledged Shares;

5.5.1.2 the share transfer forms in respect of the relevant Pledged Shares, duly completed and signed (but undated) and otherwise in blank as to the transferee;

5.5.1.3 a copy of a resolution of the board of directors of the Property SPV or the Operating SPV, as the case may be, noting the pledge and cession in relation to the relevant Pledged Shares and Ceded Rights applicable to the relevant Pledged Shares and the Claims, as contained in this Agreement, consenting thereto, and agreeing to the exercise by the Cessionaries of their rights hereunder; and

5.5.1.4 to the extent applicable, a copy of the waiver of pre-emptive rights, executed by the Manager (in its capacity as ordinary shareholder of the Cedents), in favour of the Cessionaries, waiving any pre-emptive or similar rights in and to the relevant Pledged Shares and the Ceded Rights applicable to the relevant Pledged Shares and the Claims, to enable the Cedents to enter into this Agreement and for the Cessionaries to exercise their rights under this Agreement.

5.5.2 The Cedents shall –

5.5.2.1 replace any share transfer forms delivered in accordance with the provisions of this Clause 5.5 by further signed share transfer forms as often as so reasonably requested by the Cessionaries and deliver such forms to the Custodian; and

5.5.2.2 deliver to the Custodian any other documents relating to the relevant Pledged Shares and/or the Ceded Rights for which the Cessionaries may at any time reasonably call,

which documents shall be delivered to the Custodian within such period as may be agreed between the Parties, and failing such agreement, within 5 Business Days of written demand by the Cessionaries.

5.6 Dividends, Voting and Ceded Rights

5.6.1 Notwithstanding that the rights to receive all and any amounts payable in respect of the Ceded Rights and the Pledged Shares, and to vote in respect of the Ceded Rights and the Pledged Shares, as well as all other rights, title and interest in and to the Ceded Rights and the Pledged Shares, are ceded, *in securitatem debiti*, and pledged to the Cessionaries in accordance with the provisions of this Agreement, the Cedents shall be entitled, subject to the provisions of the Finance Documents and Clause 5.11.5, to exercise all voting and other rights (including, without limitation, all rights, powers and privileges attaching to the relevant Ceded Rights and the Pledged Shares) in respect of the relevant Ceded Rights and the Pledged Shares until the occurrence of a Trigger Event, in which event the Cedent's rights under and in terms of this Clause 5.6 shall automatically terminate on the date on which a Trigger Event occurs.

5.6.2 To the extent that it is necessary in terms of applicable law or otherwise, the Cessionaries hereby agree to promptly, on written request by the Cedents, do all such things as may be necessary to re-cede all or any of the Ceded Rights to the Cedents in order for the Cedents to be able to enforce its rights against the Property SPV or the Operating SPV, as the case may be, in respect of the relevant Pledged Shares, provided that no breach of the Secured Obligations has occurred and is continuing or is likely to occur as a result.

5.7 Duration

5.7.1 The pledge of the relevant Pledged Shares and the cession of the Ceded Rights in terms of this Agreement shall commence on the 1st Subscription Date and shall continue and endure in accordance with the provisions of this Agreement until the Discharge Date.

5.7.2 When the pledge of the Pledged Shares and the cession of the Ceded Rights terminates in accordance with Clause 5.7.1 the Custodian shall, to the extent that such documents have been delivered to it pursuant to Clause 5.5 and to the extent that the Cessionaries have not exercised their rights under and in terms of Clause 5.11, deliver to the Cedents the share certificates in respect of the Pledged Shares, together with the share transfer forms, delivered by the Cedents to the Custodian in accordance with the provisions of Clause 5.5, within 10 Business Days after receipt of written request by the Cedents, provided that the Discharge Date has occurred.

5.8 Continuing Covering Security

The obligations of the Cedents as contemplated in this Agreement are irrevocable and shall operate as continuing covering security for the Cedents' obligations under and in terms of the Secured Obligations, and shall continue to be of full force and effect until the Discharge Date notwithstanding –

5.8.1 any intermediate discharge or settlement of, or fluctuation in, the Cedents' obligations arising under or in connection with the Secured Obligations (or any of them), in which event the cession and pledge contained in this Agreement shall operate as security for any indebtedness of the Cedents subsequently arising in favour of the Cessionaries;

5.8.2 the Cedents' legal disability and/or any variation or amendment of or addition to or deletion from or cancellation or termination of any agreement giving rise to any of the rights of the Cessionaries against the Cedents;

5.8.3 any latitude, indulgence or extension of time which may be allowed or shown by the Cessionaries (or the Custodian as their agent);

5.8.4 the receipt by the Cessionaries of any dividend or benefit in any insolvency, liquidation, business rescue proceedings or any compromise or composition whether in terms of any statutory enforcement or the common law; and/or

5.8.5 the release by the Cessionaries, in whole or in part, of any security and/or the release by the Cessionaries of the Cedents from some, but not all, of the applicable Secured Obligations.

5.9 Warranties, Representations and Undertakings

5.9.1 Each warranty, representation and undertaking set out in this Agreement shall be a separate warranty, representation and undertaking and shall in no way be limited or restricted by reference to or inference from the terms of any other warranty, representation and/or undertaking.

5.9.2 The Cedents acknowledge that they make the representations and give the warranties and undertakings in this Agreement with the intention of inducing the Cessionaries (represented by the Custodian) to enter into the Finance Documents and that the Cessionaries have entered into the Finance Documents on the basis of, and in full reliance on, each such warranty, representation and undertaking.

5.9.3 The warranties, representations and undertakings set out below shall be continuing and shall be deemed to be repeated on each day from the Signature Date until the Discharge Date.

5.9.4 Each Cedent hereby warrants to and in favour of the Cessionaries that, with effect from the Signature Date –

5.9.4.1 it has the legal capacity and has taken all necessary action required to empower and authorise it to enter into this Agreement;

5.9.4.2 this Agreement constitutes an agreement valid and binding on it and enforceable against it in accordance with its terms;

5.9.4.3 the execution of this Agreement and the performance of its obligations hereunder does not and shall not –

5.9.4.3.1 contravene any law or regulation to which it is subject;

- 5.9.4.3.2 contravene any provision of its constitutional documents;
- 5.9.4.3.3 conflict with, or constitute a breach of any of the provisions of any other agreement, obligation, restriction or undertaking which is binding on it; or
- 5.9.4.3.4 result in the creation or imposition of (or enforceability of) any encumbrance on any of its assets or the provisions of any agreement or document, save for as contemplated in this Agreement;
- 5.9.4.4 it is not aware of the existence of any fact or circumstance that may impair its ability to comply with all of its obligations in terms of this Agreement;
- 5.9.4.5 it is entering into this Agreement as principal (and not as agent or in any other capacity);
- 5.9.4.6 the natural person who signs and executes this Agreement on its behalf is validly and duly authorised to do so;
- 5.9.4.7 no other party is acting as a fiduciary for it;
- 5.9.4.8 it is not relying upon any statement or representation by or on behalf of any other party, except those expressly set forth in this Agreement;
- 5.9.4.9 all authorisations, approvals, consents, licences, exemptions, filings, regulations, notarisations and other matters, official or otherwise, required of the Cedent in connection with the entry into and performance by the Cedent and the validity and enforceability against it of this Agreement have been obtained or effected and, if obtained and effected, are in full force and effect and all fees (if any) payable by the Cedent in connection therewith, if due, have been paid and there has been no default in the performance of any of the terms or conditions thereof which is material to the effectiveness of any of the foregoing;
- 5.9.4.10 as at the Signature Date, no –
- 5.9.4.10.1 action, legal proceeding or other procedure or step contemplated by the definition of Insolvency Event; or
- 5.9.4.10.2 creditors' process contemplated by the definition of Insolvency Event,
- has been taken, or threatened in relation to the Cedent, and no Insolvency Event applies to the Cedent;
- 5.9.4.11 for so long as it qualifies as a Cedent for purposes of this Agreement, it is not Financially Distressed (as defined in the Companies Act);
- 5.9.4.12 as at the Signature Date, the assets of the Cedent, fairly valued, exceed its liabilities determined in accordance with the International Financial Reporting Standards;
- 5.9.4.13 the obligations of the Cedent under this Agreement will rank at least simultaneously and in equal measure with all of the Cedent's other unsecured indebtedness;
- 5.9.4.14 the relevant Pledged Shares pledged and the Ceded Rights ceded by the Cedent to the Cessionaries under this Agreement have not been pledged, ceded (either outright or as security), discounted, factored, mortgaged under notarial bond or otherwise disposed of or hypothecated to anyone else, and the Cedent agrees, without prejudice to anything contained in this Agreement, that should it nevertheless transpire that it has at any time pledged, ceded or otherwise disposed of any of the rights, title and/or interest in and to any of the relevant Pledged Shares and/or the Ceded Rights held by it, then this Agreement will operate as a pledge and cession of all the Cedent's reversionary rights and all the Cedent's remaining right, title and interest in and to such Pledged Shares and/or Ceded Rights held by it, including all the Cedent's rights of action whatsoever against any prior cessionary, pledgee or other person of such Pledged Shares and/or Ceded Rights for the time being;
- 5.9.4.15 it is and will remain the sole and beneficial owner of all the relevant Pledged Shares and the Ceded Rights, to the exclusion of all others, and no person will have an option, right of first refusal and/or analogous right over any such Ceded Rights and/or Pledged Shares; and
- 5.9.4.16 if the Cedent is required to give notice to or obtain consents or waivers from any third party to pledge and cede the relevant Pledged Shares and/or Ceded Rights under this Agreement, all such notices have been given and consents or waivers obtained.
- 5.9.5 Each Cedent undertakes and agrees –
- 5.9.5.1 that if it is required to give notice to or obtain consents or waivers from any third party to pledge or cede any of the Pledged Share and/or Ceded Rights under this Agreement, it will obtain those third party consents before the Signature Date;
- 5.9.5.2 in respect of the Ceded Rights for which the Cedent may hold promissory notes, bills of exchange, cheques or other liquid documents, not to pledge or otherwise encumber such promissory notes, bills of exchange, cheques or other liquid documents;

- 5.9.5.3 not to exercise any or all rights in respect of the relevant Ceded Rights and/or Pledged Shares which it may have which will be in conflict with the rights of the Cessionaries (or any of them) in terms of this Agreement and/or any other Finance Document;
- 5.9.5.4 to sign all other documents which the Cessionaries may, in their sole discretion, regard as necessary to give effect to this Agreement;
- 5.9.5.5 from time to time, and within 5 Business Days of written demand by the Cessionaries, to make such entries in or endorsements on its records relating to this Agreement as the Cessionaries may reasonably require;
- 5.9.5.6 not to do any wilful act or suffer any wilful omission, or wilfully permit any other person to do any act or suffer any omission, which will have or may be calculated to have the effect of materially diminishing or adversely affecting the rights of the Cessionaries hereunder or the value or effectiveness of the security conferred by the pledge of the relevant Pledged Shares or the cession of the Ceded Rights in terms of this Agreement;
- 5.9.5.7 that it may not Dispose of, cede, assign, transfer or pledge or in any other manner encumber or deal with the relevant Ceded Rights and/or Pledged Shares without the prior written consent of the Majority A Holders, which consent will not be unreasonably withheld or delayed, save as permitted pursuant to the Finance Documents;
- 5.9.5.8 to allow the Cessionaries and/or their duly authorised representatives, upon reasonable written notice by the Cessionaries, such reasonable rights of access to and right of inspection of such of its books, records and financial information as the Cessionaries may from time to time reasonably require for purposes of ascertaining or verifying any information with regard to the relevant Ceded Rights and/or Pledged Shares; and
- 5.9.5.9 to prevent any variation of the rights relating to the relevant Ceded Rights and/or Pledged Shares or any of them, which could reduce their value; and
- 5.9.5.10 that, after the initiation of any Enforcement Action by the Cessionaries, it will forthwith pay over to the Cessionaries any benefit of any nature accrued and/or received in respect of the relevant Ceded Rights and/or the Pledged Shares held by it on and after the date of occurrence of the Trigger Event giving rise to the Enforcement Action, by depositing the same into a nominated account as the Cessionaries may from time to time direct in writing.

5.10 Additional Security

This Agreement is in addition to and not in substitution for any other security held or hereafter to be held by the Cessionaries from any person in connection with the Secured Obligations or otherwise and the Cessionaries shall, without prejudice to its rights hereunder, be entitled to release any such additional security held by it.

5.11 Realisation

- 5.11.1 Should a Trigger Event occur and be continuing, the Cessionaries shall be entitled to pursue any Remedy available in law including any one of the forms of relief set out in Clauses 5.11.2 to 5.11.5, which shall only be capable of exercise in the circumstances contemplated in this Clause 5.11.1.
- 5.11.2 Upon initiation of any Enforcement Action the Cessionaries may, in their discretion, effect transfer of the relevant Pledged Shares (or any of them) and/or an outright cession of the Ceded Rights (or any of them) into their own name or the name of their nominee(s), with the intention to do so not as beneficial owner(s) but as a temporary repository pending disposal of such Ceded Rights and/or Pledged Shares or pending the realisation of the applicable Ceded Rights and/or Pledged Shares or the underlying value thereof, in pursuance of the pledge and cession recorded in this Agreement, whether in terms of clause 5.11.3 or 5.11.4.
- 5.11.3 Whether or not the Cessionaries have effected transfer of the Pledged Shares (or any of them) and/or an outright cession of the relevant Ceded Rights (or any of them) in terms of Clause 5.11.2, they may elect to effect transfer of the applicable Pledged Shares and/or an outright cession of the applicable Ceded Rights into their own name (or the name(s) of their nominee(s)) as beneficial owner(s)), to the extent permitted in law, in which event a fair market value of those Ceded Rights and/or Pledged Shares, as the case may be, at the time the election is made, shall be agreed in writing between the Parties. Failing written agreement as to the applicable fair market value within 5 Business Days of the Cessionaries' aforesaid election, the fair market value of the applicable Ceded Rights and/or Pledged Shares, as the case may be, will be determined by an Independent Auditor, which Independent Auditor shall act as an expert and not as an arbitrator. Any amount by which the fair market value of the Ceded Rights and/or Pledged Shares (determined in accordance with this Clause 5.11.3) exceeds the amounts owing by the Cedent to the Cessionaries in respect of the Secured Obligations shall be paid by the Cessionaries to the Cedent within 5 Business Days of the agreement as to, or the determination of, the fair market value therefor, provided that the Cedent shall be liable for any shortfall in respect of such amounts. The Cedent shall be responsible for and shall pay such Independent Auditor's

charges for determining the fair market value for the Ceded Rights and/or Pledged Shares, as the case may be. If the Cessionaries shall have paid the Independent Auditor, the same shall be recoverable from the Cedents on demand.

- 5.11.4 Upon the initiation by the Cessionaries of any Enforcement Action and without first obtaining an order of court, the Cessionaries shall, to the extent permitted in law, be entitled to –
- 5.11.4.1 exercise all the rights, powers and privileges attaching to the Ceded Rights and/or Pledged Shares (or any of them);
- 5.11.4.2 sell, assign, transfer or otherwise dispose of or realise the Ceded Rights and/or Pledged Shares (or any of them), or to realise the underlying value of the Ceded Rights and/or Pledged Shares (or any of them) in such manner by public auction or by private treaty (on an arm's length basis) and on such terms as may appear to it most expedient;
- 5.11.4.3 institute legal proceedings which it may deem necessary in connection with the Ceded Rights and/or Pledged Shares (or any of them);
- 5.11.4.4 give good, valid and sufficient receipts and discharges for the purchase price or proceeds of the Ceded Rights and/or Pledged Shares (or any of them) or the proceeds of any underlying assets; and
- 5.11.4.5 effect transfer of the Pledged Shares (or any of them) and/or convey valid title in the Ceded Rights (or any of them) on behalf of the Cedents, using the power of attorney granted to the Cessionaries in terms of Clause 7.
- 5.11.5 The Parties agree that from the date of occurrence of a Trigger Event, the Cessionaries shall be entitled, jointly and severally, to exercise the voting rights attaching to the Pledged Shares, and to receive all Distributions and other amounts payable in respect of the Pledged Shares and/or Ceded Rights (for application in accordance with the provisions of Clause 5.12).
- 5.11.6 Notwithstanding anything to the contrary contained in this Agreement, the Cessionaries shall not be obliged to take any particular steps to collect or otherwise enforce any rights in respect of any of the Ceded Rights and/or Pledged Shares (or any of them).
- 5.12 Appropriation of Proceeds

The Cessionaries may appropriate all amounts received pursuant to the collection, sale or other realisation of the Ceded Rights and/or Pledged Shares (or any of them), firstly to pay any taxes that are or will become payable by the Cedents pursuant to such collection, sale or other realisation of the Pledged Shares and/or the Ceded Rights, thereafter to pay all costs and expenses in connection with the realisation of the Pledged Shares and/or the Ceded Rights (including any securities transfer tax or any other tax that may be imposed), and thereafter to the repayment of amounts due and payable under the Secured Obligations.

3.16 Clause 13 - Assignment

- 13.1 No Cessionary shall be entitled to cede or delegate any of its rights or obligations under this Agreement without the prior approval of the Majority A Holders in accordance with the Preference Share Terms, unless such transfer is to another A Holder and pursuant to the Disposal by that Cessionary of its A Prefs (in whole or in part).
- 13.2 Subject to Clause 13.1, a Cessionary shall be entitled and obliged to cede, delegate or assign a pro rata portion of its rights or obligations under this Agreement, without the prior written consent of the Cedents.
- 13.3 To the extent that any such cession and/or delegation gives rise to a splitting of claims against the Cedents, the Cedents hereby agree to such splitting of claims.
- 13.4 No Cedent shall cede and/or delegate any or all of its rights and/or obligations under this Agreement without the prior written consent of the Cessionaries.

ANNEXURE 4: PRE-CONTRACTUAL DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 9, PARAGRAPHS 1 TO 4A, of REGULATION (EU) 2019/2088 AND ARTICLE 5, FIRST PARAGRAPH, of REGULATION (EU) 2020/852

ANNEX III

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Gaia Renewables REIT Limited

Legal entity identifier: N/A

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 90% <ul style="list-style-type: none"> <input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



What is the sustainable investment objective of this financial product?

Gaia Renewables REIT Limited ("The Fund" or "Gaia Renewable REIT" or "the REIT") aims to invest in assets with a primary focus on renewable energy contributing to climate change mitigation through the reduction of carbon emissions (hereinafter referred to as the "Sustainable Investment Objective").

The REIT's mission is to play a catalytic role in promoting a sustainable project development cycle and crowd in more investors at all stages of the funding ecosystem by (1) being the preferred partner to increase business resilience by reducing risk and stabilise future potential energy

expenditure and dependence on sustainable energy provision and (2) drawing in private capital into the project funding ecosystem.

In particular, the REIT aims to reach its Sustainable Investment Objective by catalysing the infrastructure development cycle, and ultimately providing access to sustainable clean energy by:

- i. **Renewable Energy development capital**
Accelerate the development of climate infrastructure projects through the funding of energy infrastructure to support a just transition to a net-zero South Africa, by supporting renewable energy deployment and provide financial additionality by crowding in private investors.
- ii. **Providing Access to Clean Energy**
Prioritise and promote exemplary governance structures, policies, and procedures to ensure effective operation and continued supply of clean energy.
- iii. **Energy Resilience of Businesses**
Increasing energy resilience for businesses in South Africa.

UN SDGs supported are SDG 7, *Affordable and Clean Energy*, SDG 9 *Industry, Innovation and Infrastructure*, SDG 11 *Sustainable Cities and Communities*, SDG12 *Responsible Consumption and Production* and SDG 13 *Climate Action*.

The Sustainable Investment Objective of the Fund takes an environmental facet as it directly contributes to the EU Environmental Objectives. Sustainable Investments will contribute to **Climate Change Mitigation** in alignment to the Taxonomy Regulation.

No index has been selected as a reference benchmark for the Fund as no EU-approved index is currently available in the market in alignment with the Fund’s investment strategy. Nonetheless, GAIA Renewables REIT will monitor and report on the progress of its portfolio by providing stakeholders with an indication of the performance of its Key Performance Indicators (“KPIs”) against its baseline and pre-set targets. As outlined in the following section, KPIs align with the [UN Sustainable Development Goals](#) (“UN SDGs”) and [IRIS+](#).

● *What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*

To measure the attainment of the Sustainable Investment Objective of the Fund, identified KPIs at Portfolio Level will be measured, monitored, and reported. Most KPIs are aligned to the IRIS+ framework, while additional tailored indicators have been identified on a case-by-case basis.

IMPACT OBJECTIVE	UN SDGs	KEY PERFORMANCE INDICATORS
i. Renewable Energy development capital	SDG 9.4	Access to reliable clean energy.
	SDG 12.a	<ul style="list-style-type: none"> • Number of business connections to reliable energy (IRIS+ PIB053) • MW under development (own KPI) • MW completed (own KPI)
	SDG 13.a	

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

		<p>Reduced GHG emissions.</p> <ul style="list-style-type: none"> • Clean energy produced for sale (kWh) (IRIS+ P18706) • GHG emissions avoided (IRIS+ P12764) • Number of private capital investments made in the structure (own KPI).
ii. Providing Access to Clean Energy	<p>SDG 7.2, 7.b</p> <p>SDG 9.4</p> <p>SDG 11.6</p> <p>SDG 13.a</p>	<p>Reduced GHG Emissions</p> <ul style="list-style-type: none"> • Amount of greenhouse gas (GHG) emissions avoided by the organisation during the reporting period. (IRIS+ P12764) • Clean energy produced for sale (kWh) (IRIS+ P18706) <p>Access to reliable clean energy</p> <p>Number of business connections to reliable energy (to utilities and services provided by the organization as of the end of the reporting period) (IRIS+ P18053)</p>
iii. Energy resilience of businesses	<p>SDG 7.1</p> <p>SDG 12.a</p>	<p>Number of households and Business Connections</p> <ul style="list-style-type: none"> • Number of residential and commercial connections to utilities and services provided by the organization as of the end of the reporting period (IRIS+ P18053)

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The Fund is committed to measuring the negative impacts of its Sustainable Investments by implementing the best sustainability market practices across its investment process. The Fund has integrated sustainability considerations across all its stages of the investment processes, and sustainability due diligence will be completed on investees prior to the investment decision. In particular, investments are screened and assessed against the following:

- GAIA Renewables REIT Limited Exclusion List in line with IFC and EDFI Exclusion List
- BII Fossil Fuel Policy
- Minimum Safeguards (The OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business & Human Rights, The Declaration of the International Labour Organisation on Fundamental Principles and Rights at work & The International Bill of Human Rights)
- Taxonomy technical screening criteria-
- Good Governance Practices (IFC Corporate Governance and Business Integrity)
- Principal Adverse Impacts (“PAIs”)
- IFC Performance Standards (“IFC PS”), to assess & categorize ESG risks
- World Bank Group’s General Environmental and Health and Safety (“H&S”) Guidelines (“WBG EHS Guidelines”)
- Impact Management Project (“IMP”) framework, use the Impact due diligence on the investees.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Fund considers principal adverse impacts on sustainability factors. Accordingly, GAIA Fund Managers Proprietary Limited ("GAIA"), acting as the Investment Manager of the Fund, undertakes to screen potential investments and monitor investments against the principal adverse impact indicators set out in the Regulatory Technical Standards. Furthermore, GAIA will ensure that information regarding such principal adverse impacts on sustainability factors will be available in the annual statements following the closing of the relevant financial year of the respective Fund, where such data, indicators, and assessments are available. When no direct data is available, proxies shall be used.

The indicators for Principal Adverse Impacts ("PAIs") on sustainability factors are taken into account by the Fund, and the investment manager, during the due diligence process, prior to the investment decision, and during the life of the investment. In particular mandatory PAIs (or proxies when not available) and two additional PAIs will be monitored and reported annually. Where no data is available, proxies shall be used.

Pursuant to the indicators set out in Annex 1 of the Regulatory Technical Standards under the EU 2019/2088 SFDR Regulation, GAIA will endeavour to assess its investment opportunities and monitor the performance of its investees against:

- the mandatory Principal Adverse Impacts in Annex 1,
- two additional indicators were chosen for the financial product.

The additional PAIs considered are as follows:

- Environmental Additional PAI #13: Non-recycled waste ratio
- Social Additional PAI #2: Rate of accidents

Compliance with the mandatory and additional SFDR PAIs are stipulated in the Fund's Environment and Social Management System, which the Board of Directors has adopted.

Pursuant to the indicators set out in Annex 1 of the Regulatory Technical Standards under the EU 2019/2088 SFDR Regulation, GAIA, acting as the investment manager of the Fund, will endeavour to assess its investment opportunities and monitor the performance of its investees against the PAIs as follows:

- **Due diligence process:** Principal Adverse Impacts indicators (or proxies if no direct data is available) are collected before the investment decision during the due diligence phase. They may lead to deciding not to invest or a mitigation plan.
- **Investment Commitment:** The term sheets may include a mitigation plan in case of gaps. In that case, GAIA can also provide some assistance to improve the performance on the PAIs.
- **Portfolio life:** Principal Adverse Impacts indicators will be collected on a rolling basis or quarterly according to the KPI to monitor the portfolio effectively. An annual verification will be made.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Given the nature of the Fund Investments and small team size, investees do not fall under the OECD Guidelines for Multinational Enterprises.

As outlined in the Environmental and Social Management System ("ESMS"), the UN Guiding Principles on Business and Human Rights, especially the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights, the compliance with minimum safeguards will be ensured as follows across the different stages of the investment process:

- **Pre-investment phase:** Verified during the origination, screening, and due diligence process
- **Investment Commitment:** Investees will be required to commit and ensure compliance with these principles and rights in the term sheets.
- **Portfolio life:** An annual verification through a questionnaire will be made.

The information to be disclosed on principal adverse impacts on sustainability factors pursuant to Article 11(2) of Regulation (EU) 2019/2088, is available in the Fund's periodic publications.

Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

Please see above.

● *What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?*

The Fund's guiding principles describe how the Sustainable Investment Objective will be achieved in alignment with Fund's commitments. The elements outlined below are binding, and failure to meet any one of them is grounds for rejection. Accordingly, the Fund will adhere to the Guiding Principles as listed below:

- The Fund will ensure that the adopted ESMS is fully communicated to, understood by, and implemented at all levels throughout the Fund, including its investees.
- Exclude investment activities outlined in the Gaia Exclusion List as set out in the Fund's ESMS in line with IFC, EDFI Exclusion List, and Bill Fossil Fuel Policy
- Assess investments against the Minimum Safeguards, Good Governance practices, Taxonomy Eligibility, and Principal Adverse Impacts
- Ensure ongoing compliance with Minimum Safeguards and Good Governance practices
- Ensure transparent and ongoing annual reporting of the pre-defined Principal Adverse Impacts
- Implement the IFC Performance Standards ("IFC PS") and the World Bank Group's General Environmental and Health and Safety ("H&S") Guidelines ("WBG EHS Guidelines") to assess and manage ESG risks of investments.
- Apply the Impact Management Project ("IMP") to assess and manage the impact risks of investments.

● *What is the policy to assess good governance practices of the investee companies?*

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

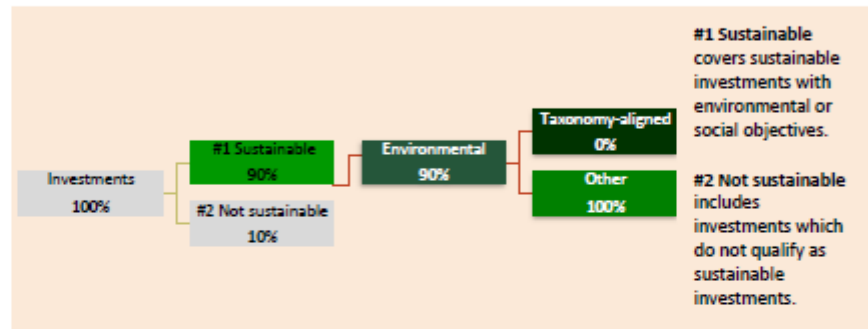
To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules. Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The ESG factors framework incorporated into GAIA's investment evaluation and monitoring processes (where applicable and material) include the following considerations on a governance level:

- Corporate governance, sound management structures, and oversight;
- Tax compliance;
- Compliance with laws and regulations;
- Employee relations and remuneration of staff;
- Fraud, anti-bribery and anti-corruption controls; and
- Fraud & cyber security.

In the case of any gaps, the Fund will assess such gaps and can determine a tailored mitigation clause to be implemented within a limited timeframe.

#What is the asset allocation and the minimum share of sustainable investments?



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

The Fund will not make investment that are not fitting its investment strategy and consequently, the Fund commits to invest at least 90% of its assets in investments considered as sustainable under the SFDR (#1 Sustainable).

The Sub-Fund is only allowed to keep up to 10% of its assets in liquid instrument to ensure the right level of liquidity (#2 Not sustainable).

90% of the sustainable investments of the Fund (#1 Sustainable) have environmental objectives.

Out of the sustainable investments with environmental objectives, 0% will be taxonomy aligned.

● How does the use of derivatives attain the sustainable investment objective?

The financial product does not intend to use derivatives.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?

Yes:

In fossil gas

In nuclear energy

No

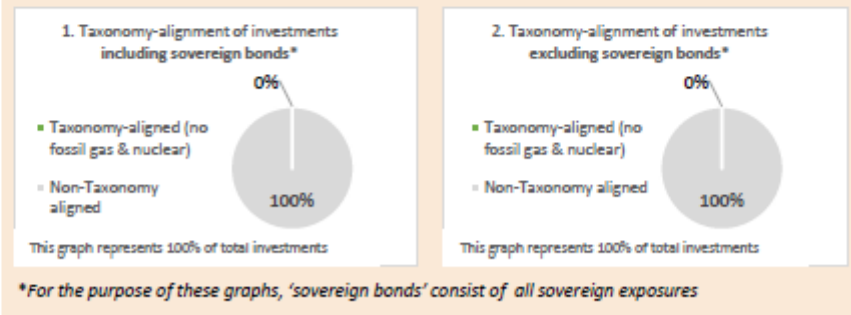
Gaia Renewables REIT aims to invest in assets with a primary focus on renewable energy contributing to climate change mitigation through the reduction of carbon emissions.

The Fund's investment strategy is to invest 90% in investments with an environmentally sustainable objective. The current minimum extent of Taxonomy alignment of the Fund Environmentally Sustainable Investments is set at 0% of Fund Commitments (as determined on the basis of the total amounts invested) as:

- It might be difficult to collect data from secondary investments to prove their taxonomy alignment;
- Investee activities may not yet be covered by the EU taxonomy; and
- The Taxonomy Regulation is not yet exhaustive given that no Delegated Acts and Technical Screening criteria have been defined for Objective 3 for which percentage of alignment to the Taxonomy cannot be calculated. However, once the European Commission has outlined the requirements for such an Objective of the Taxonomy, sustainable investments will be assessed, monitored, and reported on accordingly.

In the avoidance of doubt, the Fund will not make any investments into fossil fuel and/or nuclear activities. In addition, the Fund does not intend to invest in sovereign bonds. Therefore the first graph (1. Taxonomy-alignment of investments including sovereign bonds*) does not apply.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What is the minimum share of investments in transitional and enabling activities?**
There is no minimum for this category.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

There is no minimum for this category. Please refer to our previous paragraph related to EU taxonomy alignment.



What is the minimum share of sustainable investments with a social objective?

Not applicable. The Fund does not target sustainable investments with a social objective.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Cash may be temporarily held across the year but not at a significant level. During the investment period, cash will be held temporarily on the balance sheet “ring-fenced” for the implementation and investment of the first sustainable investment.

While these non-sustainable investments may not contribute to a social objective within the meaning of the SFDR, the Fund aims to ensure a minimum level of minimum environmental and social safeguards. As such, the investments which are not sustainable investments are not expected to affect the delivery of the Fund’s overarching sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No index has been selected as a reference benchmark for the Fund as no EU-approved index is currently available in the market in alignment with the Fund’s investment strategy. Nonetheless, Gaia Renewable REIT will monitor and report on the progress of its portfolio by providing stakeholders with an indication of the performance of its Key Performance Indicators (“KPIs”) against its baseline and pre-set targets. As outlined in the following section, KPIs align with the [UN Sustainable Development Goals](#) (“UN SDGs”) and [IRIS+](#).

are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.gaia.group/#impact>

ANNEXURE 5: CONSOLIDATED PRO FORMA FINANCIAL INFORMATION OF THE COMPANY

1. Introduction

- 1.1. The Company was incorporated on the 14th of March 2023 to facilitate investments into renewable energy assets.
- 1.2. Other than the agreements relating to the Preference Share Subscription Agreement and the agreements relating to the investment by the Company into GRR Property SPV 1, the Company has no liabilities with its only material asset being all the ordinary shares in GRR Property SPV 1, a special purpose vehicle incorporated on the 14th of March 2023 for the purpose of acquiring the Company's first indirect interest in renewable energy assets.
- 1.3. The Company and its subsidiary in GRR Property SPV 1 have been dormant since the date of incorporation and accordingly has no trading history.
- 1.4. The balance sheet of the Company as at the Last Practicable Date is presented below along with the pro forma statement of financial position after the investment in the GRR Property SPV 1 is concluded upon listing. Because of its nature, the pro forma statement of financial position may not fairly present the Company's financial position, changes in equity, results of operations or cash flows after the transaction.
- 1.5. The Directors are responsible for the preparation of the pro forma financial information.
- 1.6. The pro forma statement of financial position of the Company as "Day of Listing" has been prepared under the assumption that the transaction is concluded on Thursday, the 31st of August 2023.
- 1.7. These pro formas have been prepared in accordance with the SAICA Guide on Profit forecasts.
- 1.8. The role of the reporting accountant is to provide users of the forecast with some assurance that it has been properly compiled and presented. It is emphasised that forecasts necessarily depend on subjective judgments and are, to a greater or lesser extent, dependent on the nature of the business and subject to numerous and substantial inherent uncertainties. These uncertainties increase markedly the further forward in time the forecasts are projected. Therefore, it is not possible for the reporting accountant to express any assurance concerning the accuracy of the forecast.

2. Transaction Use of Funds

- 4.1 The Company will raise R151,449,487.68 from the issuance of the A Preference Shares.
- 4.2 Of the R151,449,487.68:
 - 4.2.1 R220,000.00 will be utilised to provide for ongoing listing fees and statutory cost of the Company,
 - 4.2.2 R174,644.08 will be utilised to provide the Management Fee for the initial period to 31 October 2023,
 - 4.2.3 R1,304,843.60 will be utilised to provide for future unforeseen costs, and
 - 4.2.4 The remaining R149,750,000.00 will be utilised to subscribe for Ordinary Shares in GRR Property SPV 1.
- 4.3 Of the R149,750,000.00:
 - 4.3.1 R1,529,900.00 will be utilised to pay listing, legal and other listing associated fees,
 - 4.3.2 R85,000.00 will be utilised to provide for statutory costs of GRR Property SPV 1,
 - 4.3.3 R658,205.85 will be cash on hand available for future unforeseen investment costs, and
 - 4.3.4 The remaining R147,476,894.15 will be utilised to acquire the renewables energy infrastructure assets through GRR Property SPV 1.

3. Background

- 3.1 GRR Property SPV 1's first investment will comprise Rental Income arising from a portfolio of 8 renewable assets generating 3.9MW with 9.0MW storage capacity initially focussed on the Gauteng and Western Cape provinces in South Africa .
- 3.2 GRR Property SPV 1 and GRR OpCo 1 are constructed to align the off-taker, the A Preference Shareholders and the Manager to mutually beneficial outcomes:
 - the transaction will only close on the passing of a credit check on the off-taker;
 - a development agreement has been entered into between GRR OpCo 1 and Blue Energy Africa mandating Blue Energy Africa to oversee and implement the development of the renewable energy facilities;
 - a 10 to 20 year PPA and/or an equipment use agreement have been entered into with the off-taker;
 - a fully finalised and ready to execute an EPC agreement ensuring key performance deliverables with risk being placed on the construction company;
 - a 2 to 5 year O&M agreement with 1 year automatic annual renewal; and
 - GRR Property SPV 1 being mandated to enter into a PPA linked duration to ensure IFRS 16 compliant rental agreement with GRR OpCo 1.
- 3.3 There is no debt in the Company or its underlying investment into GRR Property SPV 1.
- 3.4 Distribution variability in the model is as a result of the lease income payments which is dependent on:
 - 3.4.1 Fluctuations in the resource (sun), and
 - 3.4.2 Inflation as the tariff received for energy produced and stored and the costs associated with the O&M and MSA agreements are explicitly linked to inflation (CPI) as published by Statistics South Africa.

4. Assumptions

4.1 Resource and energy production

Resource certainty is quoted in terms of estimated solar generation and expected plant performance. The base solar generation and project performance is used in the project model to derive future cash flow forecasts of the Project and is believed to be a best guess estimate of future energy production.

4.2 Inflation

The project financial model utilises the long-term consensus inflation forecast as forecasted on Consensus view by the four big South African banks.

4.3 Structure costs

The costs within the structure with regards to operational expenses, asset management fees as well as ongoing listing fees are based on the allowable contractual deductions.

5 Pro Forma Balance Sheet

Figures in South African Rand	As at Last Practical Date	Day of Listing	30 April 2024	30 April 2025
Assets				
Non-Current Assets				
Investment in subsidiary	-	149 750 000	145 265 850	143 990 560
Current Assets				
Cash & cash equivalents	1 000	1 326 298	869 530	869 530
Total Assets	1 000	151 076 298	146 135 380	144 860 090
Equity & Liabilities				
Equity				
Issued Capital	1 000	1 000	1 000	1 000
Retained Earnings	-	(424 702)	559 302	181 618
Non-Current Liabilities				
A Preference Shares	-	151 500 000	145 575 078	144 677 472
Total Equity & Liabilities	1 000	151 076 298	146 135 380	144 860 090
NAV	1 000	(423 702)	560 302	182 618
NTAV	1 000	(423 702)	560 302	182 618

6 Pro Forma Income Statement

Figures in South African Rand	30 April 2024 ¹	30 April 2025
Investment Income ²	18 239 841	18 761 353
Interest	-	-
Fair Value Adjustment	5 924 922	897 605
Total Income	24 164 763	19 658 959
Fund Management Fees ³	(903 484)	(1 046 636)
Operating Expenses ⁴	(227 131)	(237 373)
Fair Value Adjustment	(4 484 150)	(1 275 289)
Total Expenses	(5 614 765)	(2 559 299)
Operating Profit	18 549 998	17 099 660
Taxes	-	-
Net Profit	18 549 998	17 099 660
Preference Share Dividends ⁵	(17 039 014)	(16 953 024)
Ordinary Dividends ³	(526 980)	(524 320)
Retained Earnings	984 004	(377 684)
Number of Shares	100 000 000	100 000 000
EPS	0.00527	0.00524

Notes:

1. To note that Pro Forma to 30 April 2024 is for the 8 months from listing to FY24 year end.
2. Income received as a lease payment from GRR OpCo 1 as per the assumptions in paragraph 4 above. All the property entities' forecast revenue for the forecast above will be confirmed Rental Income as dictated by the rental agreement with GRR OpCo 1. Rental Income comprises more than 75% of GRR Property SPV 1's income.
3. As per the Asset Management Contract – See Annexure 3
4. Operating Expenses as per the allowable REIT Operational Expenses, the Management Fee (as per the Asset Management Contract – see Annexure 3) and the upfront listing fees. These are subject to the expected 12 months working capital requirements which include: listing costs, statutory, accounting, and other costs. The Company is not required to pay any salaries and/or office rental costs. All bookkeeping and company secretarial services are outsourced.
5. As per the Preference Share Terms: A Preference Shareholders will receive 97% of all available cash that is distributed up to the Company from GRR Property SPV 1. This 97% is calculated based on post statutory costs, applicable taxes and other operational and listing expenses in the Company, the remaining 3% will be distributed to the Ordinary Shareholders.

ANNEXURE 6: PROPERTY ENTITY INVESTORS REPORT

Property Entity Investors Report



Reporting for: Gaia Renewables REIT Limited

As at: 22 Aug 23

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

The objectives, investment policy and strategy

Objectives:

The REIT aims to invest into renewable energy assets which generates electricity to high quality, blue chip clients with a focus on agricultural clients.

These investments need to adhere to the investment criteria as determined by the REIT's Investment Committee who ensures that investors are provided with investments that meet the expected returns.

The aim is to cooperate and maintain these renewable assets to best-in-market standards to ensure the client is provided with consistent, reliable, and clean energy. The REIT looks to a benchmark return of CPI +7% (net of fees).

Investment Policy and Strategy:

The investment policy which is governed by the Investment Committee applies this strategy before approving any investment decision. Additionally, the policy and strategy is to only allow investments into assets which provide the required comfort around the client's creditworthiness, position in the market and requisite comfort around the management of risks. This, coupled with the benchmark return of CPI +7%, provides the board with comfort over downside risk on networks not meeting return expectations.

All investments are made with the requisite legal structure supporting the predictable CPI linked cashflows whilst managing the downside risks through the appropriate best in breed O&M providers, a robust PPA and strict controls in the management of the EPC of each investment.

Gaia Renewables REIT adopts a broad-based but rigorous approach to its sustainable investment strategy – investing in assets with a primary focus on renewable energy contributing to climate change mitigation through the reduction of carbon emissions.

Gaia Renewables REIT has integrated sustainability considerations across all its stages of the investment processes.

Market outlook

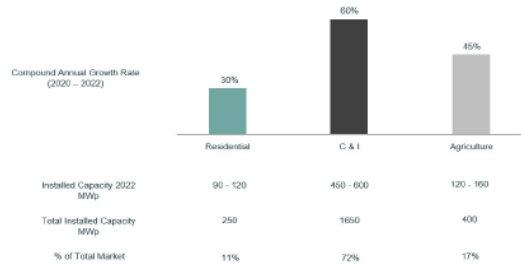
Eskom is struggling to continue to provide businesses with reliable energy with 57% of its baseload Capacity of 49,804 MW being older than 30 years.

The period from 2020-2022 saw customers driving the pull to alternatives to reliance on the grid with C&I, Agriculture, and Residential seeing installed capacity increasing by 60%, 45% and 30% (CAGR) over the period, respectively.

The scale of the requirements shows a current market with more than R200billion worth of energy infrastructure investment required which is required at an accelerated pace to keep up with the National Development Plan.

The market is currently looking for financial solutions which can support businesses by funding their non-core, but critical, business supporting functions. Eskom's current applications to Nersa at above inflation pricing increases together with the Eskom's aging infrastructure has increased calls for self-sufficiency in delivering on sustainable business operations.

The REIT has access to a pipeline of projects in excess of R1.2 billion that, in principle meets the criteria as set out by the Investment Committee.



National Development Plan calls for the private sector to address the generation shortfall
(Assumes current Eskom capacity rejuvenated)



Benchmark return to Investors

The benchmark return to A Preference Shareholders is CPI +7%.

Historical performance of the Property Entity against the stated benchmark since listing or, in the case of a new Listing, if applicable, 3 (three) years historical performance against such benchmarks;

The Property Entity will be making its first investment through its listing and as such does not have performance data.

Details and experience of the Directors of the REIT

Matthys Michiel ("Mich") Nieuwoudt
Chairman (Gaia Renewables REIT Ltd),
Pr.Enq. B.Enq (Electronic), MBA

Mich started his career in the petrochemical industry with Polifin and the defence industry with Thales, before joining PSG Investment Bank in 1999. In 2003, he joined Siemens Business Services, where he gained international experience across Europe, particularly in the renewable energy sector. Thereafter Mich joined the Square One Group where he was responsible for group operations. In 2008, he joined the SAGIT group where he worked on the Eden Island Project in the Seychelles and mining operations in West Africa before focusing on SAGIT's renewable energy developments. Mich is a founder member of Gaia Fund Managers.

Hendrik Andries Snyman
Director (Gaia Renewables REIT Ltd)
PhD (Enq.), Mcom (Fin. Man.), MSc Enq (Enq. Man.), BEnq (Industrial Mechanical)

Hendrik is a qualified Industrial Engineer with Masters degrees in both Engineering and Corporate finance. Hendrik started his career in the private equity industry in 2010, developing various mining and agriculture ventures before embarking on a PhD in Strategy focussing on the use of Venture Capital to accelerate SME growth and development. As part of his studies, he taught finance and economics and published several papers. Hendrik joined Gaia in 2016, contributing his finance, management, and engineering skills and currently serves as Director and Chief Investment Officer.

Tersia Lister
Director (Gaia Renewables REIT Ltd)
MBA, CA (SA), BAcc (Hons)

Tersia is a Chartered Accountant, having completed her articles with Deloitte. She later obtained her MBA from the University of Cape Town Graduate School of Business where she completed her research with a focus on impact investing. Tersia has over 16 years of experience in capital markets, focussing primarily on the listed equity capital markets (ECM) with tenure, including advisory and regulatory functions at the JSE Limited and the Cape Town Stock Exchange. Tersia Joined the Gaia team as a risk and impact officer, contributing her corporate law, corporate finance, capital markets, sustainable finance and impact reporting skills.

Property Entity Investors Report



Reporting for: Gaia Renewables REIT Limited

As at: 22 Aug 23

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

Yvette Louise Labuschagne
Independent Director (Gaia Renewables REIT Ltd)
MBA, BCom (Hons) (Inv. Mgmt), BCom (Fin. Mgmt)

Yvette recently completed her MBA at POLIMI Graduate School of Management in Milan. She has more than 15 years' experience in investment banking and has been a JSE Approved Executive since 2010, focusing primarily on structuring and the execution of transactions, as well as equity capital markets (ECM) transactions for listed companies. She has been involved in numerous local and international transactions including capital raisings, listings, disposals, takeovers, mergers and acquisitions. Yvette joined Standard Bank's Investment Banking division in January 2022, and prior to that was a member of the investment banking teams at Renaissance Capital and UBS South Africa.

Nandi Khoza
Independent Director (Gaia Renewables REIT Ltd)
MBA, BCom(Hons) (Acc.), BCompt (Acc)

Nandi has been the Chief Financial Officer of N3 Toll Concession since 1 October 2017, following a brief period spent shadowing the former CFO. She is currently a non-executive director and the chair of the Remuneration Committee of Zimele Investments.

An MBA graduate whose specialist area is infrastructure finance and advisory. She began her career shortly after completing her TOPP articles at FirstRand Banking Group, when she joined Kagiso Financial Services in 2005 as a financial advisor to both the private sector and government in the procurement of infrastructure projects. She has worked as an executive investment manager at the Kagiso Tiso Holdings (KTH) in 2011. During her time at KTH, she served on the internal Investment Committee and was a non-executive director of various investee companies. She managed her own consulting firm from 2011, providing financial modelling and advisory services on renewable energy projects.

Sectors worked on include renewable energy, office accommodation precincts, roads, hospitals, prisons, and sewage treatment. Previous clients include the Department of Statistics, Umoya Energy, REISA, Cookhouse, Gauteng Provincial Department, Basil Read, Department of Justice, City of Tshwane, Netcare and Sedibeng Municipality.

Dorita Smit
Independent Director (Gaia Renewables REIT Ltd)
CA (SA)

Dorita Smit is a Chartered Accountant and has over 15 years of experience in the Construction Industry. She joined Group Five in 2008 fulfilling various financial roles. She is now the Financial Director at T3 Projects which executes projects throughout Africa. She assumes full responsibility for managing the complex financial nature associated with operating across multiple cross-border territories, in multiple currencies and tax regimes.

Details and experience of the Management Company

Name: Gaia Fund Managers (Pty) Ltd
Registration Number: 2015/059447/07
Physical Address: Workshop 17,
146 Campground Road,
Newlands Cricket Ground,
Newlands,
7780

Gaia Fund Managers was formed in Cape Town in 2012, and incorporated in 2015, for the purpose of facilitating the investment of long-term investor capital in sustainable infrastructure in Southern Africa.

Gaia Fund Managers is a registered financial services provider (license number 46028) and is considered a leading specialist secondary market infrastructure transaction team in South Africa. Gaia have concluded multiple fibre network infrastructure, 12 renewable energy and one toll road transaction to a value in excess of R3.6 billion for South African institutional investors.

Gaia Fund Managers 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;
- delivering the first listed pure play infrastructure company on the Johannesburg Stock Exchange main board through Gaia Infrastructure Capital; and
- listing of a CISC compliant renewable energy infrastructure focussed fund, Gaia Renewables 1 Ltd, and the first Southern Africa REIT compliant fibre network assets fund, Gaia Fibonacci Fibre REIT 1, on the CTSE.

Details of the Property Manager

Name: Blue Energy Africa (Pty) Ltd obo GRR OpCo 1 (Pty) Ltd
Registration Number: 2018/501724/07
Address: Workshop 17,
146 Campground Road,
Newlands,
7780

Blue Energy Africa is a leading South African based, Africa focussed, developer and operator of embedded renewable energy utility infrastructure.

They partner with their clients to develop lasting and impactful solutions that aid their resilience and assist with their transition to Net-zero. Blue Energy's Senior management team has a combined 80 years' worth of experience in the energy engineering, energy management, sustainability, and financial sectors, making Blue Energy one of the continents' most experienced renewable energy teams. Blue Energy uses best of breed technologies and have developed in house data management technology to give their clients and funders, real time accurate data points on energy saving, carbon mitigation and consumption habits.

Blue Energy has deep relationships in the commercial and industrial sectors and look to expand on their large pipeline of blue-chip clients that trust them with their energy transition

The Valuation Coverage: 100.00%

The Distribution Policy

Dividends will be paid bi-annually and in accordance with REIT requirements and Preference Share Terms

Property Entity Investors Report



Reporting for: Gaia Renewables REIT Limited

As at: 22 Aug 23

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

The REIT and its current Renewable Energy Infrastructure holdings

Geographic spread

Province	Sites		Generated MW		Stored MW	
	#	%	MW	%	MW	%
Eastern Cape	-	-	-	-	-	-
Free State	-	-	-	-	-	-
Gauteng	6	75.00%	3.0865	78.99%	7.1200	79.16%
KwaZulu-Natal	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-
North West	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-
Western Cape	2	25.00%	0.8210	21.01%	1.8750	20.84%
	8	100.00%	3.9075	100.00%	8.9950	100.00%

Sector spread

Sector	Sites		Generated MW		Stored MW	
	#	%	MW	%	MW	%
Agriculture	2	25.00%	0.8210	21.01%	1.8750	20.84%
Industrial	2	25.00%	1.8190	46.55%	3.2100	35.69%
Industrial Food Processing	-	-	-	-	-	-
Healthcare	2	25.00%	0.8090	20.70%	2.0100	22.35%
Hospitality	1	12.50%	0.1560	3.99%	0.3000	3.34%
Municipalities	-	-	-	-	-	-
Other	1	12.50%	0.3025	7.74%	1.6000	17.79%
	8	100.00%	3.9075	100.00%	8.9950	100.00%

Tenant profile in classes together with the definition for each class;

A: large national tenants, large listed tenants, government and major franchisees;
B: national tenants, listed tenants, franchisees, medium to large professional firms; and
C: other.

Class	Sites		Generated MW		Stored MW	
	#	%	MW	%	MW	%
A	-	-	-	-	-	-
B	2	25.00%	0.5405	13.83%	2.4000	26.68%
C	6	75.00%	3.3670	86.17%	6.5950	73.32%
	8	100.00%	3.9075	100.00%	8.9950	100.00%

Summary lease profile by revenue, term, lettable area, sector and geographic spread;

Current portfolio of assets will be newly acquired with no data on revenue in GRR Property SPV 1 currently existing.

Escalation profile of leases

All PPA and BESS leases are subject to escalation at CPI + on the anniversary of the Commercial Operation date of each investment.

Vacancy profile per sector;

Sector	% Net Grid Consumption
Agriculture	38.20%
Industrial	48.40%
Industrial food processing	-
Residential	35.00%
Hospitality	56.80%
Municipalities	-
Other	78.60%

The Portfolio Yield

The targeted portfolio yield is CPI + 7% (net of fees).

The Distribution Yield

Distribution to preference share holders is based off a 97% cash distribution with 3% being distributed to the Ordinary share holders.

Properties identified for sale within 3 (three) years of the date of the applicable Property Entity Investors Report

Long-term investment focus. No current sales contemplated.

Property portfolio activity for the reporting period or in the case of a new Listing, 12 (twelve) months before the date of the Listings Particulars

Newly incorporated company, no historical data available.

Details of outstanding debt including details, sorted in appropriate categories of the outstanding term, rate, currency, and secured or unsecured.
No outstanding debt facilities.

Property Entity Investors Report



Reporting for: Gaia Renewables REIT Limited

As at: 22 Aug 23

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

COMPILATION

Compiled by:

A handwritten signature in black ink, appearing to be "A. Carelse", written over a horizontal line.

Allen Carelse
Date: 23 Aug-23

Approved by:

A handwritten signature in black ink, appearing to be "H.A. Snyman", written over a horizontal line.
HA Snyman (Aug 23, 2023 12:09 GMT+2)

Dr. Hendrik Snyman
Date: 23 Aug-23

ANNEXURE 7: PROPERTY ENTITY SUMMARY INVESTORS REPORT

Property Entity Summary Investors Report



Reporting for: Gaia Renewables REIT Limited

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

The objective and summarised strategy.

The REIT was established by the Manager as an investment vehicle for the express purpose of providing institutional investors access to renewable energy assets in South Africa.

The REIT will invest in the development of renewable energy assets to service blue chip clients, with an initial focus in the agricultural sector, being able to prove the required track record and credit standing as approved by the investment committee in alignment with the investment mandate. The Property SPVs will seek to suitably mitigate risks via fully wrapped turn-key construction and operations & maintenance contracts with stringent performance guarantees. Investor return will be generated through:

- the holder's indirect ownership in the renewable energy assets through the Property SPV;
- the holder's Preference Share which gives it the right to a portion of the economic benefit generated by a specific Property SPV;
- the Property SPV's total renewable energy assets' capacity will be leased out to GRR OpCo 1 in turn for Rental Income;
- the Rental Income is subject to the revenue generated through the R/kWh energy generation and equipment lease paid by the client; and
- the sale of the renewable energy assets or the sale of the ordinary shares in the Property SPV at the end of the 10 year investment period.

Details and experience of the Management Company

Name:	Gaia Fund Managers (Pty) Ltd
Registration Number:	2015/059447/07
Physical Address:	Workshop 17, 146 Campground Road, Newlands Cricket Ground, Newlands, 7780

Gaia Fund Managers was formed in Cape Town in 2012, and incorporated in 2015, for the purpose of facilitating the investment of long-term investor capital in sustainable infrastructure in Southern Africa.

Gaia Fund Managers is a registered financial services provider (license number 46028) and is considered a leading specialist secondary market infrastructure transaction team in South Africa. Gaia have concluded multiple fibre network infrastructure, 12 renewable energy and one toll road transaction to a value in excess of R3.6 billion for South African institutional investors.

Gaia Fund Managers 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;
- delivering the first listed pure play infrastructure company on the Johannesburg Stock Exchange main board through Gaia Infrastructure Capital; and
- listing of a CISCA compliant renewable energy infrastructure focussed fund, Gaia Renewables 1 Ltd, and the first Southern Africa REIT compliant fibre network assets fund, Gaia Fibonacci Fibre REIT 1, on the CTSE.

Benchmark

The benchmark return to A Preference Shareholders is CPI +7%.

Total value of the property portfolio, and the % of value determined by a whether it has been determined by an Independent Registered Valuer;

Value of Gaia Renewables REIT's property portfolio:
as valued by Blue Energy Africa (Pty) Ltd. R147 443 386

Total value of any debt and average financing rate;

No outstanding debt facilities.

Gearing Ratio;

N/A

Portfolio Yield (on a 1, 3 5 and 10 year basis if applicable);

The targeted portfolio yield is CPI + 7% (net of fees).

Distribution Yield (on a 1, 3 5 and 10 year basis if applicable);

N/A

Top ten Properties as a % of total Properties;

The REIT will only hold 6 sites post conclusion of the initial transactions.

Property portfolio activity;

None other than as per the investment at listing as per the Listing Particulars of Gaia Renewables REIT Ltd on the Cape Town Stock Exchange.

Property Entity Summary Investors Report



Reporting for: Gaia Renewables REIT Limited

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

Market overview

Eskom is struggling to continue to provide businesses with reliable energy with 57% of its baseload Capacity of 49,804 MW being older than 30 years.

The period from 2020-2022 saw customers driving the pull to alternatives to reliance on the grid with C&I, Agriculture, and Residential seeing installed capacity increasing by 60%, 45% and 30% (CAGR) over the period, respectively.

The scale of the requirements shows a current market with more than R200billion worth of energy infrastructure investment required which is required at an accelerated pace to keep up with the National Development Plan.

The market is currently looking for financial solutions which can support businesses by funding their non-core, but critical, business supporting functions. Eskom's current applications to Nersa at above inflation pricing increases together with the Eskom's aging infrastructure has increased calls for self-sufficiency in delivering on sustainable business operations.

The REIT has access to a pipeline of projects in excess of R1.2 billion that, in principle meets the criteria as set out by the Investment Committee.

COMPILATION

Compiled by:

A handwritten signature in black ink, appearing to be "A. Carelse".

Allen Carelse
Date: 23 Aug-23

Approved by:

A handwritten signature in black ink, appearing to be "H.A. Snyman".

HA Snyman (Aug 23, 2023 12:10 GMT+2)

Dr. Hendrik Snyman
Date: 23 Aug-23

ANNEXURE 8: PROPERTY SPECIFIC REPORT

Property Specific Report



Reporting for: Gaia Renewables REIT Limited

22 Aug-23

Managed by:
Gaia Fund Managers (Pty) Ltd FSP: 46028

Property Specific Report

Date of Property Report: 22 Aug 23

General Detail of Sites

Site Detail	Province	Acquisition Date	Acquisition Costs (Ex. VAT)	Acquisition Costs (Incl. VAT)	Physical inspection date
Bayport FS	Gauteng	31 Aug-23	16.31	18.76	15 Aug-23
Smuts Brothers Agri	Western Cape	31 Aug-23	18.73	21.54	11 Aug-23
Oasis Bottling	Gauteng	31 Aug-23	25.90	29.79	26 Jul-23
Vital Engineering	Gauteng	31 Aug-23	27.04	31.10	23 Aug-23
Randies Estate	Gauteng	31 Aug-23	20.12	23.14	04 Aug-23
Blaauwklippen	Western Cape	31 Aug-23	10.73	12.34	15 Aug-23
Morningside CC	Gauteng	31 Aug-23	4.69	5.39	18 Aug-23
Retirement Estate	Gauteng	31 Aug-23	4.69	5.39	18 Aug-23
Total:			128.21	147.44	

Sites were acquired on a portfolio basis.

Market Valuation, Classification and Rental Detail

Site Detail	Market Value	Date of Valuation	Valuation Methodology	Sector Classification	MW Generation Capacity	Planned % Availability Factor	Design Yield (kWh / kWp)	MW Stored Capacity	% Net Grid Consumption
Bayport FS	18.76	10 Aug-23	DCF	Other	0.3025		1505	1.600	78.60%
Smuts Brothers Agri	21.54	10 Aug-23	DCF	Agriculture	0.5830		1750	1.075	38.20%
Oasis Bottling	29.79	10 Aug-23	DCF	Industrial	0.6070		1650	1.500	76.80%
Vital Engineering	31.10	10 Aug-23	DCF	Industrial	1.2120		1614	1.710	20.00%
Randies Estate	23.14	10 Aug-23	DCF	Healthcare	0.6530		1701	1.710	35.00%
Blaauwklippen	12.34	10 Aug-23	DCF	Agriculture	0.2380		990	0.800	78.60%
Morningside CC	5.39	10 Aug-23	DCF	Hospitality	0.1560		1727	0.300	56.80%
Retirement Estate	5.39	10 Aug-23	DCF	Healthcare	0.1560		1727	0.300	56.80%
GRR Property SPV 1 - Total (Note 1):	147.44		DCF		3.9075	24.83%		8.9950	

Note 1:
The portfolio of sites was valued on a discounted cash flow basis by a Non-Independent Valuer

Vacancy Rate

Average Availability Factor 24.83%
* Due to the nature of the greenfields projects, the average planned availability factor equals 24.83%. Reporting will be updated with actual % Availability Factor post construction.

Average Rental Rate

PPA Rate ranges from 1.2 to 1.58 R/kWh
Average R per storage capacity 150 944.33 R/MWh

Material information on the portfolio of sites

Assumptions

10 - 20 year PPA for solar pv - R/kWh	20-year PPA within a range of 1.2 to 1.58 R/kWh
10 year lease on BESS - monthly rental	10-year Lease where applicable
Escalation of PPA - CPI + 1.5%	Other than in select cases
Escalation of lease - CPI + 1.5%	Other than in select cases
Solar yield	Location Specific
Inverter replaced every 10 years.	

Any restrictions and/or conditions

None, all applicable right of use, servitudinal rights and plant generation rights is procured.

Any statutory or regulatory contraventions

None.

Use of sites

Sites are leased out to GRR Opco 1. Blue Energy Africa manages GRR Opco 1 for the benefit of the REIT. GRR Opco 1 sells electricity per kWh as well as long-term leases on BESS (where applicable) to the end client which the client utilises to support its business operations.

Age of the sites

All sites acquired during this round of funding are new sites.

Options over the Sites

In select cases the end client has an option to acquire the rights and equipment from GRR Opco 1 and GRR Property SPV 1 after 5 years. The value of the option price will ensure the investor locks in on a minimum of the targeted IRR.

Source of information used for valuation purposes

Valuations are done according to the discounted cashflow method. No additional information is utilised in the valuation of these properties except for the introductory listing IRR.

Any qualifications in respect of the valuation

Future Cash Flows were determined applying an annual growth in Revenue in line with CPI with the necessary maintenance and upgrade costs taken into account.

Allen Carelse (Blue Energy Africa) is a Non-Independent Valuer.

COMPILATION

Compiled by:

Allen Carelse

Date: 23 Aug-23

Approved by:

Dr. Hendrik Snyman

Date: 23 Aug-23

ANNEXURE 9: FINANCIAL WAIVER TO BE SIGNED BY INVESTORS

As per the restrictions on the trade of the Securities, as highlighted in Section 2.6, Qualifying Investors are required to agree to and sign the Financial Information Waiver.

Gaia Renewables REIT Limited

12 Meson Close,
Techno Park,
Stellenbosch,
7600

For Attention: Mich Nieuwoudt

[Date]

Dear Sirs

GAIA RENEWABLES REIT LIMITED (the "Issuer"): INVESTOR CONSENT AND WAIVER

- 1 We refer to the listing of [●] class A non-cumulative, redeemable participating preference shares (the "**Preference Shares**") the share capital of the Issuer (the "**Listing**").
- 2 We record that, in terms of the listings requirement (the "**Listings Requirements**") of the Cape Town Stock Exchange, the licensed securities exchange operated by The Cape Town Stock Exchange Proprietary Limited (the "**CTSE**") it is a requirement that the Issuer publishes certain financial information (the "**Financial Information**") in respect of the Issuer, which financial information must be approved by the Issuer's reporting accountants in respect of the Listing.
- 3 We confirm that the Issuer has received a waiver and exemption from the CTSE dated [●] (the "**Financial Information Waiver**") pursuant to which the Issuer is exempted from publishing the Financial Information as part of the listing particulars (the "**Listing Particulars**") issued in connection with the Listing, subject to compliance by the Issuer with certain conditions.
- 4 We, the undersigned, hereby –
 - 4.1 confirm that we are a qualifying investor, as contemplated in the Financial Information Waiver;
 - 4.2 confirm and agree that we have no objections regarding the Financial Information Waiver;
 - 4.3 confirm and agree that we are making an informed investment decision regarding our participation in the Listing based on our own due diligence and analysis and in line with our investment mandate and approval processes;
 - 4.4 confirm and agree that we will not hold the CTSE liable for any losses that may arise due to the Financial Information Waiver;
 - 4.5 acknowledge the potential limited liquidity in the Preference Shares by excluding retail investors until the reviewed interim results and audited annual financial information of the Issuer, for the 12 (twelve) months from the day of Listing (whichever comes first) (the "**Results**") have been published; and
 - 4.6 confirm that we have considered the Collective Investment Schemes Control Act, No 25 of 2002 (the "**CIS Act**") and Board Notice 90 of 2014 ("**BN90**") and confirm that the investment in the Preference Shares complies with the CIS Act and BN90, as a qualifying investment.
- 5 The confirmations and acknowledgements in this letter are subject to the following –
 - 5.1 that the Issuer includes the applicable Financial Information in the Listing Particulars with only board of directors and internal issuer agent approval. The Financial Information needs to comply with the Listings Requirements and Companies Act, No 71 of 2008 and the

Listing Particulars must state that such Financial Information has not been approved by a reporting accountant;

- 5.2 that the Issuer makes available the financial model to us in a virtual data room, which shall be approved by the Issuer's auditor; and
- 5.3 that the Issuer publishes the Results when same becomes due for publication.
- 6 For avoidance of doubt, the Results must be either reviewed (in respect of the interim results) or audited (in respect of the annual financial statements) and approved by the Issuer's auditor. The Results must also include detailed information regarding each project from a segmental reporting point of view.
- 7 The provisions of paragraph 4.4 constitute stipulations for the benefit of the CTSE, who may accept such benefit at any time in whatsoever manner.
- 8 This letter shall be governed and construed in accordance with the laws of South Africa.

Yours faithfully

[•]

For and on behalf of:

[•]

who warrants that s/he is duly authorised

ANNEXURE 10: LETTER FROM TAX EXPERT

See the abridged tax practitioner report which provides a tax opinion on Gaia Renewables REIT and its tax adherence to the requirements of a REIT as per the Income Tax Act 58 of 1962 Section 25BB.

Grayston · Elliot

11 April 2023

Denzil Kennon
Gaia Private Equity (Pty) Limited

E-mail: denzil@gaia.group

2nd Floor Ou Kollege Building
35 Kerk Street
Stellenbosch
7600

Telephone (021) 888 4304

Dear Denzil

GAIA RENEWABLES REIT: PROPOSED LISTING ON THE CAPE TOWN STOCK EXCHANGE

- 1 We refer to the above matter.
- 2 We have been requested to provide an opinion on the proposed listing of the renewable energy real estate investment trust ("REIT") to be set-up by Gaia Fund Managers (Pty) Limited ("Gaia") in view of its intended listing as a REIT on the Cape Town Stock Exchange ("CSTE"), specifically whether it would comply with the requirements of section 25BB of the Income Tax Act 58 of 1962 ("the Act").
- 3 The purpose of this document is to provide the abridged opinion as requested. Note that the scope of this opinion is limited to the above, specially to provide confirmation as to whether or not the REIT company ("Renewables REIT"), if listed on the CSTE as a REIT, would adhere to the requirements of section 25BB of the Act and the related tax considerations.
- 4 All references to "section" are to sections of the Act and references to "paragraph" are to paragraphs of the Eighth Schedule to the Act, unless indicated otherwise.

Background

- 5 Renewables REIT has been or will be registered and incorporated as a limited-liability public company that will invest in one or more special purpose vehicles ("Propco") which, in turn, will hold property interests (relating to renewable energy assets).
- 6 It is intended that the shares of Renewables REIT be listed as shares in a REIT on the CTSE, being a licenced exchange as defined in section 1 of the Financial Markets Act 19 of 2012 ("Financial Markets Act"), as a vehicle for investors to earn rental income from such property interests (relating to the renewable energy assets).

REIT requirements

- 7 The term "REIT" is defined in section 1(1) as a company:
 - 7.1 that is a resident; and
 - 7.2 the equity shares of which are listed—
 - on an exchange (as defined in section 1 of the Financial Markets Act and licensed under section 9 of that Act); and

- as shares in a REIT as defined in the listing requirements of that exchange approved in consultation with the Director-General of the National Treasury ("DG") and published, after approval of the listing requirements by the DG, by the appropriate authority, as contemplated in section 1 of the Financial Markets Act, in terms of section 11 of that Act.

8 The requirements for a REIT are therefore that –

- 8.1 it must be a company as defined in section 1(1);
- 8.2 it must be a resident as defined in section 1(1);
- 8.3 its shares must be listed on an exchange; and
- 8.4 its shares must be listed as shares in a REIT as defined in the listing requirements.

9 In what follows below, we apply the above requirements to Renewables REIT.

It must be a company as defined in section 1(1)

10 We understand that Renewables REIT has been or will be set-up as a company as defined in section 1(1).

It must be a resident as defined in section 1(1)

11 We understand that Renewables REIT has been or will be registered and incorporated in South Africa. We further understand that the place of effective management of Renewables REIT will be located in South Africa. It follows that Renewables REIT would in our opinion qualify as a 'resident' as defined in section 1(1).

Its shares must be listed on an exchange

12 As mentioned above, it is intended that the shares of Renewables REIT be listed on CTSE, being a licenced exchange as defined in section 1 of the Financial Markets Act. We are therefore of the opinion that this requirement will be met.

Its shares must be listed as shares in a REIT

13 We understand that, pursuant to compliance with all of the listing requirements of the CTSE in relation to REITs, the shares of Renewables REIT will be listed as shares in a REIT. We are therefore of the opinion that this requirement will also be met.

Conclusion regarding section 25BB requirements

14 Based on the above, we are of the opinion that Renewables REIT would meet the requirements of section 25BB once listed on the CTSE.

15 In addition, as we understand that Renewables REIT would hold all of the ordinary shares in and control the separate entity (i.e. Propco) in which the lease agreement and servitude to be registered will be housed (i.e. Propco would be a subsidiary of Renewables REIT as defined for IFRS purposes), Propco would be a 'controlled company' as envisaged in section 25BB.

Tax considerations relating to Renewables REIT as an approved REIT

16 With effect from 1 April 2013 a unified system was created for taxing REITs.

- 17 The legislation has been drafted in line with international norms on the basis that the objective of a REIT is to provide investors with a steady rental stream whilst also providing capital growth that flows from the investment in the underlying property. This has the benefit of increasing investment into South Africa and results in the development of critical infrastructure which forms the backbone from which to grow the South African economy, resulting in South Africa becoming an increasingly attractive investment destination.
- 18 In order to qualify as a REIT, the entity must be a South African resident whose equity shares are listed on an exchange (as defined in section 1 of the Financial Markets Act and licensed under section 9 of that Act) and as shares in a REIT as defined in the listing requirements of that exchange.
- 19 Section 25BB(2)(a) provides for a 'qualifying distribution' to be made by a REIT or a controlled company for which the REIT or controlled company receives a deduction from its income for the year of assessment to which that qualifying distribution relate.¹ By being able to claim a deduction in respect of these qualifying distributions, the tax liability of a REIT is expected to be minimal.
- 20 The consequence of being able to claim a deduction in respect of qualifying distributions is that the dividends distributed by a REIT to resident shareholders will be subject to normal tax and will not be exempt. However, no additional dividends tax will be payable in respect of these distributions which are subject to income tax. With effect from 1 January 2014, dividends that are distributed by a REIT to foreign shareholders are subject to dividends withholdings tax.
- 21 Pursuant to being classified as a REIT for tax purposes, capital gains or losses that arise in respect of the disposal by a REIT or a controlled company of the following assets are to be ignored for capital gains tax purposes –
- immovable property of a company that is a REIT or a controlled company at the time of the disposal;
 - a share or a linked unit in a company that is a REIT at the time of that disposal; or
 - a share or a linked unit in a company that is a property company at the time of that disposal.
- 22 Proceeds from assets disposed of as part of a scheme of profit making or which were held as trading stock must still be included in the gross income of the REIT and, subject to available deductions, including the deduction of qualifying distributions, may be subject to tax in the hands of the REIT.
- 23 A REIT or controlled company cannot claim allowances in respect of immovable property in terms of sections 11(g), 13, 13bis, 13ter, 13quat, 13quin or 13sex of the Income Tax Act.
- 24 The aggregate amount of the deductions that can be claimed by a REIT in respect of a qualifying distribution may not exceed the taxable income for that year of assessment of that REIT or the relevant controlled company, before taking into account –

¹ If the company is a REIT or controlled company on the last day of that year of assessment.

- any deduction of an amount as envisaged in section 25BB of the Income Tax Act;
- any assessed loss brought forward in terms of section 20 of the Income Tax Act; and
- the amount of taxable capital gain included in taxable income in terms of section 26A of the Income Tax Act.

25 Both the acquisition and disposal of shares in a REIT are exempt from the payment of securities transfer tax.

Conclusion and findings

26 Based on the facts available to us and the discussion above, we are of the opinion that the requirements would be met for Renewables REIT and Propco to be taxed in accordance with the provisions of section 25BB.

27 Our findings are therefore that, subject to being listed as a REIT on the CTSE, Renewables REIT and Propco would qualify for a tax deduction in respect of qualifying distributions under section 25BB of the Act.

General

28 The opinion in this report is based on the facts at our disposal as provided to us, which we have not independently verified.

29 In accepting the advice contained in this writing you consent to our terms of business the details of which is available on www.graystonelliott.co.za.

We trust the above is of assistance. Please do not hesitate to contact us should you have any questions in regard to the above.

Kind regards



Chemus Taljaard



Henry Isaacs

ANNEXURE 11: LETTER FROM MODEL AUDITORS

The following is a letter from the financial model auditors, Ernst & Young Advisory Services Proprietary Limited detailing the scope of work on the investment and financial models utilised to support and track the Company's investment decisions through the Property SPVs.



Page 2

Reliance Restricted

Gaia Renewables REIT, a subsidiary of Gaia Fund Managers
(Pty) Ltd
2nd Floor, Snakepit Building
Workshop 17 Newlands Cricket Ground
146 Campground Road

22 August 2023

Attention: Denzil Kennon

Review of the GAIA Renewables REIT Financial Model

Scope of Work

In accordance with our engagement letter dated 4 July 2023 entered into between Ernst & Young Advisory Services (Pty) Ltd ("us" or "we" or "EY") and Gaia Renewables REIT, a subsidiary of Gaia Fund Managers (Pty) Ltd (referred to as the "Client" or "GR"), we planned and performed a limited scope review, using reasonable skill and care, in the context of your requirements, of the financial model. The scope and limitations to the scope of our work, including our terms of business, are set out in the Engagement Letter and this report should only be read in conjunction with the Engagement Letter.

The scope of the model review work performed included:

1. Confirming that the Model has been constructed appropriately, including, but not limited to, ensuring that all formulae and calculations are arithmetically accurate, and the results are reliable, accurate, complete, and consistent with the assumptions
2. Confirming that the model materially achieves its objectives of:
 - a) Ascertain whether the Model has been adequately constructed so that it provides an accurate view of the:
 - i) Financial Statements, i.e. cash-flow statement, profit and loss statement and balance sheet of the project company;
 - ii) Cashflows applicable to a Preference share investor in GR; and
 - b) Confirming that the Model has been constructed to allow it to meet its objectives as a financing and project evaluation model;
 - c) Confirming that the Model is capable of projecting a Cash Flow Cascade;
 - d) Perform a detailed "cell by cell" review of the logical integrity, internal consistency and, in all material respects, arithmetical accuracy, of the formulae, calculations and algorithms applied within the Model;
 - e) Review the consistency of the Model regarding the management fees, application of tax calculations and accuracy of cashflows due to Preference share investors in GR;
 - f) Review the taxation treatments and assumptions applied within the Model, and comment as to whether they are, in all material respects, in accordance with our understanding of the relevant provisions of current South African corporation tax and legislation;
 - g) Review the accounting treatments and assumptions applied within the Model;
 - h) Reviewing and opining on the Model's suitability for use post Financial Close in monitoring the Project and its ability to continue to operate accurately and consistently in performing its function when projections are replaced by actual experience;
 - i) Confirm that the assumptions have been correctly incorporated in the Model.

- j) Produce preliminary and final reports (as further detailed below) that summarise the comments on the issues set out above. All parties must be kept up to date at all times.
- k) Assess inputs from the Model to ensure that they appear consistent with expectations based on the Model input and assumptions;
- l) Analyse and review Model to identify any unexplained inconsistent or unintuitive cash-flow trends (including revenues, costs, taxes, depreciation) or variations in key financial indicators (e. IRRs) based on the inputs and assumptions applied;
- m) Review whether results produced from changes in underlying assumptions are an accurate reflection of the inputs and of the impact of the changes made to the Model
- n) Review whether the Model locks up cash when distribution criteria are not met;
- o) Ascertain whether the logical integrity and internal consistency of the Base Case are preserved under the defined sensitivity scenarios; and
- p) Discuss and clarify issues in relation to the audit work on the Model and attend virtual meetings as required.

The Financial Models

The Financial Model was developed by GAIA Fund Managers. Key outputs include, but are not limited to, projected quarterly, semi-annual and annual cash flows and investment returns on the basis of assumptions and input data.

Our report is an independent review of the consistency of the Model in meeting its objective as an operational financial model.

The Renewable REIT Financial Model is composed of the file *Fin Model 20-7-2023.xlsx* - 540 KB as at 20 July 2023. Extracts from the Financial Model are attached as appendix A, for identification purposes

Our work considered information made available to us up to 20 July 2023.

Objective of the Financial Model

The Financial Model has been prepared for the purposes of issuing a model review report to Prospective Investors in Gaia Renewable REIT ("GR"). The Client's requirements include, but are not limited to, ensuring that the projected cashflows available adequately account for operational overheads, major replacements and reserving, shareholder required rates of return and the ability of forecasts to reasonably consider assumptions.

Scope Exclusions

Please refer to the engagement letter for limitations to our scope of work.

Conclusion

Based upon the limited scope review we have performed on the Financial Models:

1. We can confirm that the Models have been constructed appropriately, including, but not limited to, ensuring that all formulae and calculations are arithmetically accurate, and the results are reliable, accurate, complete, and consistent with the assumptions; and
2. We can confirm that the models materially achieve its objectives as stated in point 2 of the Scope of Work.

We have not been required to express a view on the validity of the assumptions, commercial risks associated with the project or on the possibility of the financial projections being achieved, and our report therefore provides no comfort on these matters. Actual results are likely to be different from the forecasts since anticipated events frequently occur as expected and the variation may be material.

Distribution of report

The Report was prepared for the Client as per the agreed upon scope of work performed by EY and should not be used or relied upon for any other purpose. This report should not be quoted, referred to or shown to any other external parties and any reliance beyond the scope of work, for which purpose the Report was prepared, by any party, is at such party's own risk.

Our liability will be limited to a cumulative claim of twice the contract fee paid by the Client if legal action was to be instituted by the Client and/or the parties that have signed a duty of care.

If any subsidiary or group company of the addresses, or any other person or entity wishes to rely on this report, the Client will procure that such company will comply with the terms of the Engagement Letter, as if they were a party thereto. The Client may request us to release our Report to any funders as may be identified by any one of them provided that (a) we assume no responsibility or liability whatsoever to them in respect of the contents and (b) they will not show any part of this report to any other party without our prior written consent.

Yours faithfully



Hannes Boshoff
Partner - Ernst & Young Advisory Services (Pty) Ltd

ANNEXURE 12: CURRICULA VITAE OF THE BOARD OF DIRECTORS OF THE COMPANY

In accordance with paragraph 7.1 of the Listing Particulars Document, set out in the annexure below are the summarised *curricula vitae* of the Board of Directors of the Company:

1. Matthys Michiel ("Mich") Nieuwoudt
Chairman (Gaia Renewables REIT Limited)
Pr.Eng, B.Eng (Electronic), MBA

Mich started his career in the petrochemical industry with Polifin and the defence industry with Thales, before joining PSG Investment Bank in 1999. In 2003, he joined Siemens Business Services, where he gained international experience across Europe, particularly in the renewable energy sector. Thereafter Mich joined the Square One Group where he was responsible for group operations. In 2008, he joined the SAGIT group where he worked on the Eden Island Project in the Seychelles and mining operations in West Africa before focusing on SAGIT's renewable energy developments. Mich is a founder member of Gaia Fund Managers.
2. Hendrik Andries Snyman
Director (Gaia Renewables REIT Limited)
PhD (Eng.), MCom (Fin. Man.), MScEng (Eng. Man.), BEng (Industrial Mechanical)

Hendrik is a qualified Industrial Engineer with Masters degrees in both Engineering and Corporate finance. Hendrik started his career in the private equity industry in 2010, developing various mining and agriculture ventures before embarking on a PhD in Strategy focussing on the use of Venture Capital to accelerate SME growth and development. As part of his studies, he taught finance and economics and published several papers. Hendrik joined Gaia in 2016, contributing his finance, management, and engineering skills and currently serves as Director and Chief Investment Officer.
3. Tersia Lister
Director (Gaia Renewables REIT Limited)
MBA, CA (SA), BAcc (Hons)

Tersia is a Chartered Accountant, having completed her articles with Deloitte. She later obtained her MBA from the University of Cape Town Graduate School of Business where she completed her research with a focus on impact investing.

Tersia has over 16 years of experience in capital markets, focussing primarily on the listed equity capital markets (ECM) with tenure, including advisory and regulatory functions at the JSE Limited and the Cape Town Stock Exchange. Tersia Joined the Gaia team as a risk and impact officer, contributing her corporate law, corporate finance, capital markets, sustainable finance and impact reporting skills.
4. Yvette Louise Labuschagne
Independent Director (Gaia Renewables REIT Limited)
MBA, BCom (Hons) (Inv. Mgmt), BCom (Fin. Mgmt)

Yvette recently completed her MBA at POLIMI Graduate School of Management in Milan. She has more than 15 years' experience in investment banking and has been a JSE Approved Executive since 2010, focusing primarily on structuring and the execution of transactions, as well as equity capital markets (ECM) transactions for listed companies. She has been involved in numerous local and international transactions including capital raisings, listings, disposals, takeovers, mergers and acquisitions. Yvette joined Standard Bank's Investment Banking division in January 2022, and prior to that was a member of the investment banking teams at Renaissance Capital and UBS South Africa.
5. Nandi Khoza
Independent Director (Gaia Renewables REIT Limited)
MBA, BCom (Hons) (Acc.), BCompt (Acc)

Nandi Khoza has been the Chief Financial Officer of N3 Toll Concession since 1 October 2017, following a brief period spent shadowing the former CFO. She is currently a non-executive director and the chair of the Remuneration Committee of Zimele Investments.

An MBA graduate whose specialist area is infrastructure finance and advisory. She began her career shortly after completing her TOPP articles at FirstRand Banking Group, when she joined Kagiso Financial Services in 2005 as a financial advisor to both the private sector and government in the procurement of infrastructure projects. She has worked as an executive investment manager at the Kagiso Tiso Holdings (KTH) in 2011. During her time at KTH, she served on the internal Investment Committee and was a non-executive director of various investee companies. She managed her own consulting firm from 2011, providing financial modelling and advisory services on renewable energy projects.

Sectors worked on include renewable energy, office accommodation precincts, roads, hospitals, prisons, and sewage treatment. Previous clients include the Department of Statistics, Umoya Energy, REISA, Cookhouse, Gauteng Provincial Department, Basil Read, Department of Justice, City of Tshwane, Netcare and Sedibeng Municipality.

6. Dorita Smit

Independent Director (Gaia Renewables REIT Limited)

CA (SA)

Dorita Smit is a Chartered Accountant and has over 15 years of experience in the Construction Industry. She joined Group Five in 2008 fulfilling various financial roles. She is now the Financial Director at T3 Projects which executes projects throughout Africa. She assumes full responsibility for managing the complex financial nature associated with operating across multiple cross-border territories, in multiple currencies and tax regimes.