

Infrastructure Market Pioneer

Gaia is considered a leading specialist secondary infrastructure transaction team in the Southern African region having concluded the first significant secondary transaction in the South African renewable energy programme, and the largest single renewable secondary transaction in South Africa to date. Gaia as a first mover and brand leader has concluded in excess of 12 infrastructure transactions with a value of US\$250 million.

Investment Highlights

Proven Track Record

- Gaia’s performance has consistently exceeded the acquisition assumptions.

Strong Transaction Pipeline

- As industry pioneer Gaia is the preferred choice when assets come to market.

Resilient Inflation Linked Cash Flows

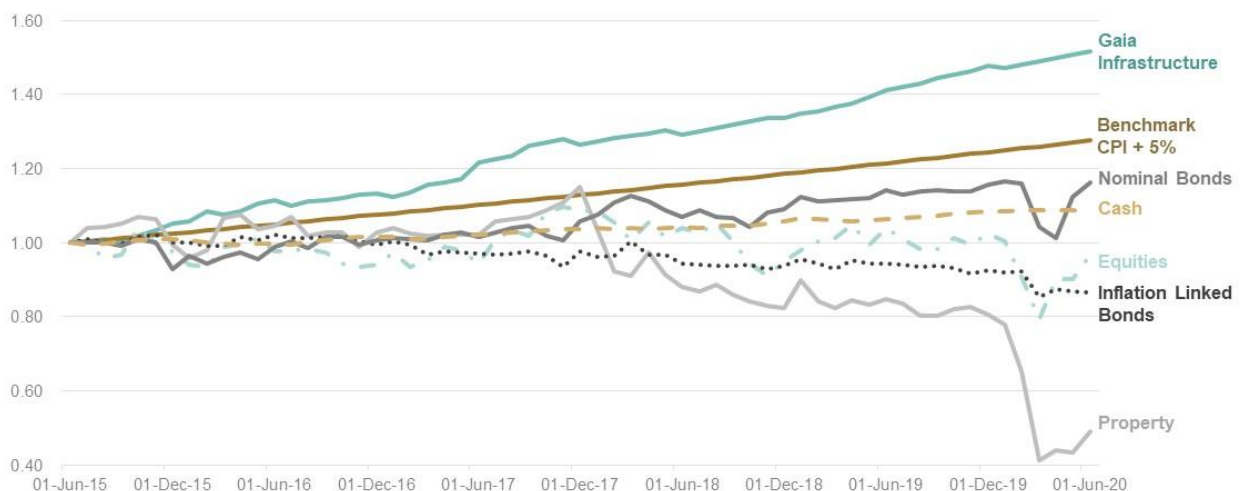
- Infrastructure provides investors with uncorrelated, cash-yielding real returns with a high level of predictability.

Attractive, Risk Adjusted Returns

- Bond risk at premium returns.

Performance Vs Other Asset Classes

Inflation Adjusted Returns



DISCLAIMER:

Nothing in this document is to be construed as investing advice (FAIS Act 37 of 2002) to the public. This information is intended for professional clients and institutional investors. Although the utmost care was taken in the research and preparation of this document the opinions expressed in this document are the opinions of the writer and the quoted sources.

Investment Focus & Strategy



Acquire **high-quality** infrastructure assets



Optimise cash flows by **applying our operating expertise** to enhance value



Refinance debt and **optimise the balance sheet**



Develop **value add** opportunities

Focus on core infrastructure assets which are:

1. mature beyond their ramp-up phases,
2. functioning in established and transparent regulatory environments,
3. serving demographically and economically sound service areas,
4. long-lived with minimal obsolescence or technology risks, and
5. the cash flows enable instrument structuring

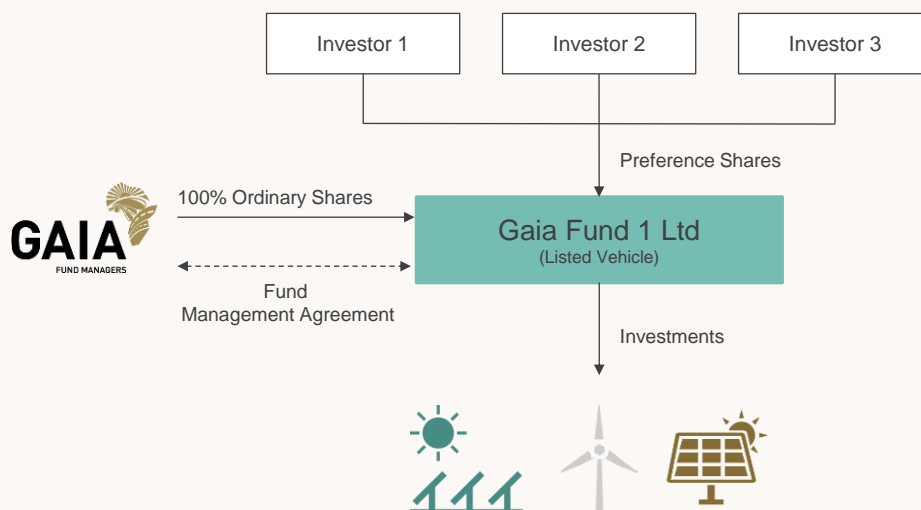
Net of Fees Target Return

CPI + 7% ~ Target Return

CPI + 5% ~ Benchmark

Structure & Classification

The fund is listed on the 4 Africa Exchange and is a Collective Investment Scheme compliant infrastructure fund with regards to the Collective Investment Schemes Control Act 2002 (“CIS Act”) and Board Notice 90 of 2014 (“BN90”) published by the Financial Services Board. The investor will hold non-equity securities (preference shares) as determined by sub-paragraph [12.b] of BN90 with an aggregate exposure limit of 10% to a single issuer in the investor’s CIS fund.



Key Fund Terms

The Fund:	The Fund is a listed Special Purpose Vehicle structure.
Instrument	Preference share
Fund Manager	Gaia Fund Managers (Pty) Ltd, a registered FSP, license number 46028
Target Fund Size:	ZAR 1.5 Billion
Minimum Investment:	ZAR 20 Million
Ownership	Each class of preference share will be ring fenced to an individual underlying asset.
Security	With each asset being ring fenced to a specific preference share, Gaia Fund 1 Ltd cedes in securitatem debiti all of its rights and shares in the underlying asset as security for the due and punctual payment and performance of its obligations in accordance with the Fund Management Agreement.
Term:	The Fund shall continue indefinitely, subject to termination in accordance with the Fund Management Agreement.
Income/dividend distributions:	Distributions will be made to investors bi-annually in arrears, or more frequently at the discretion of the Fund Manager.
Management Fees:	<p>Management Fee: as % of AUM</p> <ul style="list-style-type: none"> • 0.8% if AUM < R500 million • 0.7% if R500 million < AUM < R1 billion • 0.6% if R1 billion > AUM <p>Performance Fee: 3% of Distributions</p> <p>Total Expense Ratio: Approximately 1.4% if AUM < R500 million</p>
Follow on Investments:	Previous investors in the Fund will have the first right of refusal to fund follow on transactions, alternatively investors can swap their shareholding on a pro-rata basis in their existing infrastructure assets for exposure in new transactions where possible.
Transfers & Sale:	The preference shares are freely tradeable on the 4 Africa Exchange.
Valuations:	<p>Daily pricing by mark-to-model.</p> <p>Semi-annual revaluations by updating actual performance of the asset.</p> <p>Annual revaluations by updating long term economic assumptions.</p>
Liquidity:	The investment is in a listed preference share; however, it is not envisaged that the preference shares will have a readily tradeable market. Therefore, Gaia will endeavour to facilitate liquidity events on a case by case basis as initiated by individual investors which may take up to 6-12 months.
Reports to Investors:	Investors will receive audited financial statements and investor reports annually and unaudited investment reports quarterly.
Fund Advisors & Service Providers:	<p>Legal Advisor: Cliffe Dekker Hofmeyr</p> <p>Reporting Accountant: The Office</p> <p>Company Secretary: The Office</p> <p>External Auditors: Moore</p> <p>Tax Advisor: Grayston Elliot</p>