

SUMMARISED INTERIM FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2023



(Incorporated in the Republic of South Africa) South African registration number 2020/113877/06
Share codes: 4AGR1O and 4AGR1A ISIN: ZAE400000093 and ZAE400000101 ("GR1" or "the Company")

COMMENTARY

Nature of business

The Company was established by Gaia Fund Managers as a ring-fenced entity for the express purpose of providing institutional and retail investors access to infrastructure investments in South Africa.

Gaia Fund Managers is a registered financial services provider (licence number 46028) and is considered a leading specialist secondary market infrastructure transaction team in South Africa, having concluded 12 renewable energy, one toll road and several digital infrastructure transactions to a value of approximately R4 billion for South African institutional investors, as well as establishing Gaia Infrastructure Capital Limited, a JSE main board listed investment holding company.

Pursuant to the listing of the A preference shares in October 2020 on the Cape Town Stock Exchange, the Company, acting through TCWF Investment SPV, acquired its first indirect interest in an infrastructure project via the financing of RE Times's acquisition of a 16% interest in the Tsitsikamma Community Wind Farm Project.

Financial highlights

GR1 is pleased to announce that its latest set of half-year results for the period ended 31 August 2023 have been satisfactory although slightly behind the initial expectations.

Revenue for the six months totalled R8.5 million, which was below expectations following the collapse of an Eskom transmission line pylon near the Tsitsikamma Community Wind Farm Project during the period under review. Nevertheless, the Company was able to declare an interim dividend to its A preference shareholders totalling R6.8 million (or R6.77 per A preference share). This represents a dividend yield of 5% for the six month period.

A small loss after tax of R0.7 million was reported after a fair value adjustment was included to account for higher interest rates over the short term. Costs and expenses remained under control.

Earnings per A preference share totalled R8.49 for the six months under review, representing an annualised total return of 13.7%.

An ordinary dividend of R0.29 million (or 10.5 cents per ordinary share) was declared and paid during the period under review.

STATEMENT OF FINANCIAL POSITION

Figures in R	(Unaudited) at 31 August 2023	(Unaudited) at 31 August 2022	(Audited) at 28 February 2023
Assets			
Investment in subsidiary	136 344 927	125 055 378	135 485 793
Current assets			
Cash and cash equivalents	588 301	147 765	664 759
Current tax assets	920	723	–
Total current assets	589 221	148 488	664 759
Total assets	136 934 148	125 203 866	136 150 552
Equity and liabilities			
Equity			
Issued capital	100	100	100
Retained income/ (accumulated loss)	3 174 629	1 178 410	4 129 739
Total equity	3 174 729	1 178 510	4 129 839
Liabilities			
Non-current liabilities			
Other financial liabilities	133 707 932	123 918 088	131 992 399
Current liabilities			
Trade and other payables	51 487	107 268	27 420
Current tax liabilities	–	–	894
Total current liabilities	51 487	107 268	28 314
Total liabilities	133 759 419	124 025 356	132 020 713
Total equity and liabilities	136 934 148	125 203 866	136 150 552

STATEMENT OF CHANGES IN EQUITY

Figures in R	Issued capital	Retained income/ (accumulated loss)	Total
Balance at 1 March 2022	100	1 816 746	1 816 846
Changes in equity			
Loss for the period	–	(195 536)	(195 536)
Total comprehensive income for the period	–	(195 536)	(195 536)
Dividend recognised as distributions to holding entity	–	(442 800)	(442 800)
Balance at 31 August 2022	100	1 178 410	1 178 510
Balance at 1 September 2022	100	1 178 410	1 178 510
Changes in equity			
Profit for the period	–	3 278 529	3 278 529
Total comprehensive income for the period	–	3 278 529	3 278 529
Dividend recognised as distributions to holding entity	–	(327 200)	(327 200)
Balance at 28 February 2023	100	4 129 739	4 129 839
Balance at 1 March 2023	100	4 129 739	4 129 839
Changes in equity			
Loss for the period	–	(745 710)	(745 710)
Total comprehensive income for the period	–	(745 710)	(745 710)
Dividend recognised as distributions to holding entity	–	(209 400)	(209 400)
Balance at 31 August 2023	100	3 174 629	3 174 729

Revenue
R8.5 million

A Pref interim
dividend yield
5%

Ordinary interim
dividend
R0.21 million

A Pref net asset
value per share
R133.71

Ordinary net asset
value per share
R1.59

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in R	(Unaudited) six month period ended 31 August 2023	(Unaudited) six month period ended 31 August 2022	(Audited) year ended 28 February 2023
Revenue	8 535 703	15 612 302	27 799 092
Administrative expenses	(332 185)	(305 574)	(398 599)
Other expenses	(1 344 001)	(856 550)	(1 467 932)
Other gains and (losses)	(856 399)	(338 864)	2 017 240
(Loss)/profit from operating activities	6 003 118	14 111 314	27 949 801
Finance income	27 045	17 751	44 929
Finance costs	(6 770 000)	(14 320 000)	(24 900 000)
(Loss)/profit before tax	(739 837)	(190 935)	3 094 730
Income tax expense	(5 873)	(4 601)	(11 737)
(Loss)/profit for the period	(745 710)	(195 536)	3 082 993

STATEMENT OF CASH FLOWS

Figures in R	Six month period ended 31 August 2023	Six month period ended 31 August 2022	12 month period ended 28 February 2023
Net cash flows (used in)/ from operations	(1 652 119)	(1 058 330)	(1 842 487)
Dividend paid	(209 400)	(442 800)	(770 000)
Dividends received	8 535 703	15 612 302	27 799 092
Interest paid	(6 770 000)	(14 320 000)	(24 900 000)
Interest received	27 045	17 751	44 929
Income taxes paid	(7 687)	(5 324)	(10 841)
Net cash flows from/ (used in) operating activities	(76 458)	(196 401)	320 693
Cash flows used in financing activities			
Repayment of loan	–	–	(100)
Net cash flows used in financing activities	–	–	(100)
Net (decrease)/increase in cash and cash equivalents	(76 458)	(196 401)	320 593
Cash and cash equivalents at beginning of the period	664 759	344 166	344 166
Cash and cash equivalents at end of the period	588 301	147 765	664 759

NOTES TO THE SUMMARISED INTERIM FINANCIAL RESULTS

1. Basis of preparation and accounting policies

This financial report is an extract from the summarised interim financial results which are available on the Company's website (www.gaia.group). The summarised interim financial results for the six months ended 31 August 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") and presented according to the disclosure requirements of accounting standard IAS 34: *Interim Financial Reporting*.

The accounting policies applied in the preparation of the interim financial results are consistent with those accounting policies applied in the preparation of the previous year's annual financial results.

The financial information is presented in South African Rand, which is the reporting currency. The summarised interim financial results have been prepared under the supervision of the reporting accountant, Ms Eldine Malan CA(SA) and have not been reviewed by the auditors. The summarised interim financial results for the six months ended 31 August 2023 were approved for issue by the board on 30 November 2023.

2. New and amended standards adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 29 February 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. Events after balance sheet date

There were no significant events that occurred after the reporting date that require adjustment to or disclosure in the interim financial results for the six months ended 31 August 2023.

For and on behalf of the board

Retha Meyer
Chairperson

Cape Town
30 October 2023

CORPORATE INFORMATION

Directors

Executive

RC de Wit, MM Nieuwoudt,
HA Snyman

Independent non-executive

L Kotze, R Meyer, ALC Olivier

Registered office

12 Meson Close, Technopark,
Stellenbosch, South Africa

Company Secretary

The Office in Stellenbosch (Pty) Ltd
12 Meson Close, Technopark,
Stellenbosch, South Africa

CTSE Issuer Agent

Gaia Fund Managers (Pty) Ltd
2nd Floor, Snakepit Building,
Newlands Cricket Ground
Cape Town, South Africa