

Grit is passion and perseverance, for long term sustainability and growth. It's the day in, day out.

Grit Real Estate Income Group Ltd, launched in July 2014, is a Mauritius & Johannesburg listed company currently in the process of listing on the Main Market of the London Stock Exchange & raising additional equity of up to \$375m, resulting in a post listing target market cap of c.\$600m

INVESTMENT FOCUS	<ul style="list-style-type: none"> Diversified prime African real estate, ex. South Africa Countries with strong & sustainable fundamentals; extensive Political Risk Insurance (PRI) cover Counterparty strength: blue chip & multinational tenants Long-term hard currency leases Stringent investment criteria – margins of safety 	
TARGET RETURNS	<p>8.5% yield¹</p> <hr/> <p>12% NAV total return¹</p>	<ul style="list-style-type: none"> Intention to grow dividends at c.3% p.a. Grit has paid eight dividends to date, delivering as per historic targets set Underpinned by the portfolio's fixed net rental escalations of 3% – 5% p.a. Potential additional sources of NAV growth are: <ol style="list-style-type: none"> Redevelopment of existing assets Yield compression due to improving macroeconomics Lower cost of debt (potential bond issuance) In-country REIT conversion
Up to \$375m proposed equity raise	Proceeds are intended to be used as follows: <ol style="list-style-type: none"> c.\$120m to reduce gearing (target 35% – 40% LTV) Grow the portfolio strategically (\$87m acquisitions signed or in advanced discussions²) Balance for identified pipeline, currently under negotiation 	
AFRICA: a land of growth & opportunities	<ul style="list-style-type: none"> 5.1% average GDP growth in Sub-Saharan Africa since the turn of the century Ongoing economic diversification & information technology advancement Rapid urbanisation & growing middle class Increased interest from international investors with long-term investment horizons Numerous countries looking to introduce REIT structures in order to attract investment 	



- Current Jurisdictions
- Botswana** *
- Kenya**
- Mauritius** *
- Morocco** *
- Mozambique**
- Zambia**
- Ghana**
- Approved Jurisdiction
- Senegal**
- Pipeline New Jurisdiction
- Seychelles**

* Investment grade countries

Existing Portfolio ³ as at Prospectus date		
\$589m Portfolio Property Value		
22 Assets	7 Countries	5 Sectors
8.1% Property Yield ⁴		3.4% p.a. Fixed rent uplifts ⁵
5.7% WACD ⁶		47% LTV ⁷ Target 35%-40% ⁸
7.1yrs WALE ⁹		>99% ¹⁰ Occupancy
70% Multinational tenants ¹²		96% Hard currency (\$/€) lease rental income ¹¹

Notes: (1) This is a target only and is not guaranteed. It is based on a number of bases and assumptions which may or may not materialise. (2) Conditional on IPO & conditions precedent being fulfilled; (3) Existing portfolio = portfolio as at 31 Jan 2018 + acquisitions in the period as per Prospectus. (4) Weighted average property yield. (5) Weighted average of minimum contractual rent escalations. (6) Weighted average cost of debt. (7) LTV at portfolio level. (8) Target LTV at Company level post capital raise. (9) Weighted average lease expiry. (10) The occupancy rate excludes strategic vacancies at Anfa Place Mall. Including this asset, the occupancy rate stands at 97%. (11) Hard currency or local currency pegged to hard currency. (12) Based on % of portfolio rental income

THE PORTFOLIO (as at Prospectus date)

The largest diversified pan-African listed real estate company

Pan-African (ex. South Africa) prime real estate assets	Diversified by country, sector & tenant	Blue chip tenants	Hard currency leases	\$180m of proposed acquisitions
Long term ambition to become the largest owner of African real estate outside South Africa				



Indicative pipeline:

Agreements signed or in advanced discussions to invest \$87m to acquire assets with an aggregate ownership value of \$160m:

- Three commercial buildings in Accra, Ghana
- One corporate accommodation asset in Mozambique

\$20m additional investment in Gateway Delta Development Holdings Ltd (pan African exposure)

Further pipeline assets identified in Ghana, Kenya, Mauritius, Morocco, Senegal & Seychelles

PORTFOLIO	Existing ¹	Enlarged ³
Value	\$589m	\$768m
Assets/Investments	22	27
Countries	7	7
Sectors	5	5
Yield (unlevered)	8.1%	8.0%
Rent uplifts p.a.	3.4%	3.5%
LTV (Loan to Value)	46.7%	48.3% ¹¹
WACD (Weighted Avg Cost of Debt)	5.7%	6.1%
WALE (Weighted Avg Lease Expiry)	7.1 yrs	6.4 yrs
Occupancy ¹²	97.3%	97.7%
No of tenants	345	371
Multinationals ⁹	69.8%	66.3%

COMPANY (look-through)	31 Mar 2018	Enlarged ³
LTV	51.1%	<40%
WACD	5.68%	n/a
Company costs ⁴	1.0%	0.7%

LARGEST ASSETS enlarged portfolio ⁵	Country	Sector	% portf
Beachcomber	Mauritius	Hospitality	12.9
Anfa Place	Morocco	Retail	12.5
AFC ^{5,6}	Ghana	Commercial	9.6
Acacia Estates ⁵	Mozambique	Corp Accom.	6.5
Tamassa (Lux)	Mauritius	Hospitality	6.4
Vodacom	Mozambique	Commercial	6.4
Commodity House Ph I	Mozambique	Commercial	5.8
Cosmopolitan	Mozambique	Commercial	5.4
Mukuba Mall	Zambia	Retail	5.1
Vale Housing Estate	Mozambique	Corp Accom.	4.8
Mall de Tete	Mozambique	Retail	3.5
5th Avenue ⁵	Ghana	Commercial	2.8
Top 12 total (%)			81.7

COUNTRY, %	Existing ¹ Portfolio	Proposed acquisitions ²	Enlarged ³ Portfolio
Mozambique	34.6	1, Corp Accom.	32.9
Mauritius	27.2		23.4
Morocco	15.8		12.1
Zambia	15.4		11.8
Kenya	4.3		3.3
Botswana	0.6		0.5
Ghana	2.1	3, Commercial	16.0
Total	100.0		100.0

SECTOR, %	Existing ¹	Proposed ²	Enlarged ³
Retail	37.7		28.9
Commercial	26.3	3, Ghana	34.6
Hospitality	24.4		18.7
Corp Accommodation	6.0	1, Mozambique	11.0
Light Industrial	4.3		3.3
Development	0.7		0.4
Other	0.6	Gateway Delta	3.1
Total	100.0		100.0

CURRENCY, %	Existing ¹	Enlarged ³
% rent USD	58.2	67.8
% rent EUR	13.6	10.5
% rent pegged to hard currency	24.6	19.0
% rent local currency	3.5	2.7
Total	100.0	100.0

TENANT GRADE, % of inc. ⁷	Existing ¹	Enlarged ³
Forbes 2000	35.5	30.2
Other Global	34.3	36.1
Pan African	19.6	16.9
National	6.7	11.9
Local	3.9	4.9
Total	100.0	100.0

TOP TENANTS enlarged portfolio ⁵	Sector	Country	Grade	% inc. ⁷
Beachcomber	Hospitality	Mauritius	Other Global	8.5
Vodacom	Telecoms	Mozambique	Forbes 2000	6.6
Lux	Hospitality	Mauritius	Other Global	6.3
Undisclosed ⁸	Oil & Gas	Mozambique	Forbes 2000	6.2
Agric Devp Bank ⁵	Banking	Ghana	National	5.9
Vale	Mining	Mozambique	Forbes 2000	4.6
US State Dept ⁵	Consular	Mozambique	Other Global	3.5
Shoprite	Retail	Moz/Zambia	Forbes 2000	2.5
Tullow Ghana ⁵	Oil & Gas	Ghana	Other Global	2.4
Imperial Group	Logistics	Kenya	Pan African	2.3
Top Tenants contributing between 2.0% & 1.5%				
Barclays	Fin. Services	Mauritius/ Moz	Forbes 2000	>1.5
Undisclosed (x2) ¹⁰	Retail	Morocco	Forbes 2000 Other Global	>1.5
GCNet ⁵	Offices	Ghana	Other Global	>1.5

Notes: Existing portfolio = portfolio at 31 Jan 2018 + acquisitions in the period, as per Prospectus. (2) Proposed acquisitions = \$160m + \$20m assets in the "Indicative pipeline". (3) Enlarged portfolio = Existing portfolio + "Proposed acquisitions" as per note (2). (4) Company management & administration costs as a percentage of total assets under management; (5) Assets & tenants which are part of the "Proposed acquisitions". (6) AFC acquisition has not yet completed, but is in advanced discussions; (7) % of total rental income 31 Jan 18; (8) A global oil & gas company, tenant confidentiality respected. (9) Multinationals = Forbes 2000 + Other Global; (10) Global retailers, tenant confidentiality respected; (11) Before subsequent debt payment from the Issue. C.40% post raise. (12) The occupancy rate excludes strategic vacancies at Anfa Place Mall. Including this asset, the occupancy rate stands at 97%.




THE MANAGEMENT TEAM

Experienced & well-resourced team, strong alignment of interests

Grit, with its head office in Mauritius, currently employs c.70 staff across 7 African countries
The founders & senior executive management team have over 65 years combined experience of investing in Africa & own 7.7% of the Grit shares

c.70¹ Staff	7 Country offices	65 years Combined experience of investing in Africa of Grit's four senior executives	7.7% Grit shareholding by founders & executive management team
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The Executive Management Team: key individuals²

		
Bronwyn Corbett CEO & Co-founder	Leon van de Moorle CFO	Greg Pearson Co-founder
<ul style="list-style-type: none"> 13 years real estate experience Previously CFO/CIO of Delta Property Fund, a JSE-listed REIT Instrumental in growing Delta Property Fund's portfolio from ZAR2bn to ZAR12bn in four years 	<ul style="list-style-type: none"> Joined Grit April 2015 14 years' experience operating in Africa Previously Financial Director at Solenta Aviation Group Oversaw the group expanding from 12 aircraft to 48 aircraft, operating in eight African countries 	<ul style="list-style-type: none"> 19 years' experience in real estate Previously responsible for expanding the African footprint of AECOM (American multinational engineering corporation) Multi-sectoral real estate experience in over 40 African countries

Low overheads

The Company's management & administration costs stand at 1.0% of total assets under management & the Company estimates this ratio will reduce to **0.7% of total assets under management** assuming a minimum net capital raise of \$140 million.

Aligned interests

The senior management team's incentive plan is in the form of cash/share awards payable dependant on achieving the dividend & NAV total return targets (individual performance conditions also apply). At their maximum value, the Company estimates these would be equivalent to c.1% of NAV, with the dilution of c.0.2% p.a. for cash awards & c.0.8% for share awards on the vesting date (5 years from award date).

Well resourced, with presence in each investment jurisdiction

EXECUTIVE MANAGEMENT	COUNTRIES of OPERATION & INVESTMENT	BUSINESS DIVISIONS	
Bronwyn Corbett CEO & Co-founder	Mauritius Headquarters	Investment Management	➤
Greg Pearson Co-founder	Morocco	Business Development & Investor Relations	
Leon van de Moorle CFO	Zambia	Finance & Corporate Advisory	
Heidi Rix Group General Manager	Kenya	Legal & Compliance	➤
Moira van der Westhuizen Chief Integration Officer	Mozambique	Asset & Property Management	
Jaco van Zyl Deputy CFO	Botswana	IT & Administration	➤
Debby Kippen Group Asset Manager	Ghana	Human Resources	
Belinda Wong-Vacher Head of Projects & Corporate Advisory			

Dedicated acquisition managers for:

- West Africa
- Hospitality / Indian Ocean Islands
- East Africa & SADC³

• Group Finance team in Mauritius

• Finance Managers in each country

• Group Asset Mgmt in Mauritius

• Property Mgmt teams in each country

• Strategic in-country partnerships:

- o Mozambique & Ghana: Broll
- o Mozambique: McCormick Prop Dev
- o Zambia: Heriot Property
- o Morocco: Aswaq Mgmt Services
- o Kenya: Colliers

Notes: (1) Includes development support services & permanent employees; (2) Senior executives are the "Key individuals" above plus Heidi Rix & Moira van der Westhuizen; (3) SADC = Southern African Development Community

SUMMARY

Grit Real Estate Income Group Ltd, launched in July 2014, is a Mauritius & Johannesburg-listed company, currently in the process of:

1. Listing on the Main Market of the London Stock Exchange &
2. Raising additional equity of up to \$375m, with a post LSE listing target market cap of c.\$600m

KEY TERMS

Legal Structure	Operating company			
Domicile	Mauritius			
Current listings	Exchange	Listing	Ticker	Trade currency
	Johannesburg Stock Exchange	Primary	GTR SJ	ZAR
	Mauritius Stock Exchange	Primary	DEL MP	USD
Proposed listing	London Stock Exchange, Main Market	Primary	GR1T LN	USD
Accounting currency	USD			
NAV frequency	Six monthly, as of 30 June & 31 December			
Last NAV per share	\$1.43, EPRA NAV as of 31 March 2018			
Issue price	TBC			

INDICATIVE TIMETABLE

Pathfinder publication	Friday 29 June 2018
Books open	Friday 29 June 2018

PATHFINDER & other documents

www.grit.group

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