

**GRIT REAL ESTATE INCOME GROUP LIMITED**  
(Registered by continuation in the Republic of Mauritius)  
(Registration number: C128881 C1/GBL)  
SEM share code: DEL.N0000  
JSE share code: GTR  
LSE share code: GR1T  
ISIN: MU0473N00036  
("Grit" or the "Company")



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## DISTRIBUTION OF CIRCULAR AND NOTICE OF GENERAL MEETING

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Grit Real Estate Income Group is a leading pan-African real estate company focused on investing in and actively managing a diversified portfolio of quality assets underpinned by predominantly US\$ and Euro denominated long-term leases with high quality multi-national tenants.

Further to the Voluntary Trading Update issued by the Company on 26 June 2019, the board of directors of Grit ("**Directors**" or "**Board**"), following consultation with its advisors, is seeking authority from its shareholders to issue, subject to market conditions, up to 280 million ordinary no par value shares in the issued share capital of Grit ("**Shares**") in connection with a placing, offer for subscription and intermediaries offer of Shares ("**Issue**"). The Issue will require a specific authority to issue shares for cash in terms of the JSE Listings Requirements.

The Directors are also seeking approval from Shareholders for Sir Samuel Jonah's appointment as a non-executive Director to the Board ("**Board Appointment**") as announced by the Company on 22 February 2019.

Capitalised terms used below and elsewhere in this announcement and that are not otherwise defined, bear the meaning ascribed to them in the Circular.

### PIPELINE OF POTENTIAL INVESTMENTS

Grit is undertaking the proposed Issue to support its strategic objectives, including its growth aspirations, through the conversion of its current and future investment pipeline. The Company also intends to reduce its bank debt in line with the Company's overall gearing target of between 35% to 40% loan to value.

Grit has a significant and growing identified pipeline of attractive potential investment opportunities from existing tenants and other multi-national companies operating across the African continent, predominantly in the industrial, corporate accommodation and hospitality sectors.

All potential investments are carefully considered by the Investment Committee and are consistent with the Company's existing strategy with targeted acquisitions seeking to largely replicate the characteristics of the existing portfolio while at the same time deepening existing relationships with global tenants.

Grit's strengthened financial position will additionally enable the Company to partake in the prefunding of selected projects, with largely mitigated development risk, resulting in the potential for future higher growth rates in net asset value and increasing total Shareholder returns.

There are currently thirteen identified targeted acquisitions valued in excess of US\$470 million across both completed asset acquisitions and development opportunities of which the first, Club Med Senegal, was announced on the 24 July 2019. All other targeted acquisitions are under exclusivity agreements and are subject to, *inter alia*, Shareholder approval of the Issue and successful raise of proceeds (there is no guarantee that the targeted acquisitions will ultimately be implemented). Further details are contained in the [Circular](#) referred to below.

The Issue Price will not be less than the most recently published net asset value per Share in US\$ at the time of the Issue, adjusted for any dividends declared at that date. There will be no dilutive effect on the net asset value per Share as a result of the Issue.

## **BENEFITS OF THE ISSUE**

The Board believes that the continued growth of the Company's portfolio via the Issue will:

- allow the Company to capitalise further on its identified pipeline of attractive near-term investment opportunities;
- be accretive to earnings once the net proceeds of the Issue are fully invested;
- further enhance the quality and diversification of the portfolio in terms of tenant, geographic and sector exposures;
- broaden the Company's investor base, and enhance the size and liquidity of the Company's share capital; and
- spread the fixed operating costs over a larger capital base, thereby reducing the Company's ongoing charges ratio.

## **DISTRIBUTION OF CIRCULAR AND NOTICE OF GENERAL MEETING**

A circular ("**Circular**"), detailing the Issue and the Board Appointment, will be distributed to Shareholders today, Wednesday, 11 September 2019. The Circular also incorporates a notice convening a general meeting of Shareholders ("**General Meeting**"). A copy of the Circular will also be available on the Company's website: <http://grit.group>

Notice is hereby given that the General Meeting will be held at 10:00 (Mauritian time) (08:00 South African time and 07:00 UK time) on Friday, 11 October 2019 at the offices of Intercontinental Fund Services Limited, Level 5, Alexander House, 35 Cybercity, Ebéne, 72201, Mauritius, to consider and, if deemed fit, to pass, with or without modification, the requisite resolutions required for the Issue and the Board Appointment.

The Circular is available in English only. Copies may be obtained during normal business hours from the registered office of the Company at c/o International Fund Services Limited, Level 5, Alexander House, 35 Cybercity, Ebéne, 72201, Mauritius, from the offices of the Company's sponsor, PSG Capital at 1<sup>st</sup> Floor, Ou Kollege Building, 35 Kerk Street, Stellenbosch, 7600, South Africa and at 2<sup>nd</sup> Floor, Building 3, 11 Alice Lane, Sandton, 2196 South Africa and from the offices of Stephenson Harwood LLP at 1 Finsbury Circus, London EC2M 7SH, United Kingdom, from Wednesday, 11 September 2019 until Friday, 11 October 2019 (both days inclusive).

## **DIRECTORS' RECOMMENDATION**

The Directors have considered the terms and conditions of the Issue and the appointment of Sir Samuel Jonah as a non-executive Director and have considered

the resolutions set out in the Notice of General Meeting and are of the opinion that they are in the interests of Shareholders.

The Directors recommend that Shareholders vote in favour of the resolutions to be proposed at the General Meeting.

The Directors, in their personal capacities, intend to vote the Shares beneficially owned by them in favour of the resolutions to be proposed at the General Meeting.

## **IMPORTANT DATES AND TIMES**

Shareholders are referred to the table below setting out important dates and times in relation to the General Meeting.

	<b>2019</b>
Record date to determine which Shareholders are eligible to receive the Circular	Friday, 6 September
Circular posted to Shareholders and announced on SENS, on the SEM website and on the Regulatory Information Service	Wednesday, 11 September
Last day to trade in order to be eligible to vote at the General Meeting	Tuesday, 1 October
Record date to be eligible to vote at the General Meeting	Friday, 4 October
Latest date and time for holders of Depository Interests on the UK Register to lodge UK Forms of Direction in respect of the General Meeting	07:00 UK time on Tuesday, 8 October
Latest date and time for Certificated Shareholders on the UK Register to lodge UK Forms of Proxy in respect of the General Meeting	07:00 UK time on Wednesday, 9 October
Latest date and time for Shareholders on the Mauritian Register to lodge Mauritian Forms of Proxy in respect of the General Meeting	10:00 Mauritian time on Wednesday, 9 October
Latest date and time for Certificated Shareholders and Dematerialised Shareholders with Own-name Registration on the South African Register to lodge South Africa Forms of Proxy in respect of the General Meeting	08:00 South African time on Wednesday, 9 October
General Meeting to be held at 10:00 (Mauritian time) (08:00 South African time and 07:00 UK time)	Friday, 11 October
Publication of results of the General Meeting	Friday, 11 October

### **Notes:**

1. The above dates and times are subject to amendment. Any such amendment will be released on SENS, the SEM website and via RIS.
2. Shareholders are referred to page 1 of the Circular for information on the action required by them in respect of the General Meeting.

By order of the Board

11 September 2019

**FOR FURTHER INFORMATION PLEASE CONTACT:**

**Grit Real Estate Income Group Limited**

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The Company's LEI is: 21380084LCGHJRS8CN05

**NOTES:**

Grit Real Estate Income Group Limited is a leading pan-African real estate company focused on investing in and actively managing a diversified portfolio of assets in carefully selected African countries (excluding South Africa). These high-quality assets are underpinned by predominantly US\$ and Euro denominated long-term leases with a wide range of blue-chip multi-national tenant covenants across a diverse range of robust property sectors.

The Company is committed to delivering strong and sustainable income for shareholders, with the potential for income and capital growth. The Company is targeting total shareholder return inclusive of net asset value growth of 12.0% per annum.\*

The Company currently holds primary listings on both the Main Market of the London Stock Exchange (LSE: GR1T) and on the Main Board of the Johannesburg Stock Exchange (JSE: GTR), while its listing on the Official Market of the Stock Exchange of Mauritius Ltd is termed as a secondary listing (SEM: DEL.N0000).

Further information on the Company is available at <http://grit.group/>

\*This is a target only and not a profit forecast, there can be no assurance that it will be met.

**Directors:**

Peter Todd<sup>+</sup> (Chairman), Bronwyn Corbett (Chief Executive Officer)\*, Leon van de Moortele (Chief Financial Officer)\*, Ian Donald Macleod<sup>+</sup>, Nomzano Radebe, Catherine McIlraith<sup>+</sup>, David Love<sup>+</sup>, Sir Samuel Esson Jonah<sup>+</sup>, and Bright Laaka (Permanent Alternate Director to Nomzano Radebe)

(\* *Executive Director*) (+ *independent Non-Executive Director*)

**Company secretary:** Intercontinental Fund Services Limited

**Registered address:** c/o Intercontinental Fund Services Limited, Level 5, Alexander House, 35 Cybercity, Ebène, 72201, Mauritius

**Transfer secretary (South Africa):** Computershare Investor Services Proprietary Limited

**Registrar and transfer agent (Mauritius):** Intercontinental Secretarial Services Limited

**Corporate advisor and JSE sponsor:** PSG Capital Proprietary Limited

**Sponsoring Broker:** Axy's Stockbroking Ltd

**SEM authorised representative and sponsor:** Perigeum Capital Ltd

This notice is issued pursuant to the LSE Listing Rules, JSE Listings Requirements, SEM Listing Rule 11.3 and the Mauritian Securities Act 2005. The Board of the Company accepts full responsibility for the accuracy of the information contained in this communiqué.