

Your Investment Partner



**Reviewed condensed interim
financial statements**

for the six months ended 31 August 2018
and cash dividend declaration

www.gaia-ic.com



Salient features

TNAV* per
share at R10.17

Interim cash dividend
declaration of
24.84 cents per share

Asset diversification through exercise of an option, on
conversion of a convertible loan, into solar PV assets

Headline earnings per share down to
7 cents per share

Earnings received by GAIA's wholly owned
subsidiary from underlying investments
increased to R28.9 million

Strong pipeline of investment opportunities
yielding above target investment return

* Tangible net asset value pre-interim dividend payment.

Directors' report

FINANCIAL COMMENTARY

GAIA's revenue is generated from dividend income, interest income and fair value movement on the investment portfolio. The Company's investments are held through a wholly owned subsidiary, GAIA Financial Services (RF) Proprietary Limited ("GFS"). GFS's revenue was down 37% to R14.4 million, made up of dividend and interest income of R28.9 million and a fair value loss of R14.5 million. The decrease in fair value was as a result of a change in some of the discount rates applied in determining the fair value of the assets. This led to a lower dividend income being distributed by GFS to GAIA.

The Company's revenue for the six months period decreased by 42.3% driven largely by a decrease in fair value movement on the investment portfolio of GFS. Interest received on cash holdings decreased from R2.6 million in 2017 to R0.7 million, as a final cash dividend distribution of 42 cents was paid on 9 July 2018 and cash was also deployed to operating the Company.

Operating expenses for the period were R9.7 million (2017: R7.6 million) as the Company has increased its internal capacity in anticipation of an increased investment portfolio. Operating expenses as a percentage of assets under management have decreased with the acquisition of Noblesfontein, and are expected to improve as the Company increases its investment base.

The Company's TNAV is expected to remain stable at or around the level of R10.00 per share as the Board has resolved to pay dividends on a semi-annual basis given the predictable flow of cash income from the investment portfolio.

ASSET PERFORMANCE OVERVIEW

Dorper Wind Farm

Net production of electricity and therefore revenue at Dorper Wind Farm has increased with better than expected weather conditions leading to electricity produced by the wind farm being 22.7% above P50 quarterly expectation in Q1 and 14.2% in Q2. GAIA remains confident that the project will continue to perform according to expectations.

Noblesfontein Wind Farm

The wind farm's revenue for the period was above expectation with 8% positive variance in Q1 and 4% positive variance in Q2, as a result of good weather conditions and plant performance. The electricity produced by the wind farm for the interim period was 5.7% above the P50 expectation due to better than forecast weather conditions.

DIVIDEND DECLARATION

As at 28 February 2018, GAIA's TNAV was R10.53 per share, following which a final dividend of 42.0 cents per share was declared and paid in July 2018. This reduced TNAV to R10.11 per share. For the current reporting period, the Company's earnings per share were 6.73 cents, thereby increasing TNAV to R10.17 per share.

GAIA's dividend policy is to pay a consistent and stable inflation-linked dividend. The Board has analysed the cash requirements of the Company and resources required to continue to pursue the Company's strategic objectives and has resolved to maintain the dividend distribution in line with the interim dividend paid for the previous financial year.

Directors' report (continued)

Notice is hereby given that the Board has declared an interim cash dividend of 24.84 cents (19.872 cents net of dividend withholding tax) per ordinary share for the six-month period ended 31 August 2018. The dividend has been declared from income reserves. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt from or do not qualify for a reduced rate of dividend withholding tax.

The issued share capital at the declaration date is 55 151 000 ordinary shares.

Salient dates for the dividend will be as follows:

▼ Last day to trade <i>cum</i> dividend	Tuesday, 20 November 2018
▼ First trading day <i>ex</i> dividend	Wednesday, 21 November 2018
▼ Record date	Friday, 23 November 2018
▼ Payment date	Monday, 26 November 2018

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 November 2018 and Friday, 23 November 2018, both days inclusive.

This interim dividend amounting to R13.7 million has not been recognised as a liability in these reviewed condensed interim financial results. It will be recognised in shareholders' equity for the year ending 28 February 2019.

EVENTS AFTER REPORTING PERIOD

Asset diversification – shareholders are referred to the announcement released on the Securities Exchange News Service on 26 October 2018, regarding the diversification of the Company's investment portfolio through the exercise of an option, on conversion of an existing convertible loan, into minority interests in three renewable energy projects in South Africa ("the IK Option"), namely Jasper, Lesedi and Letsatsi solar PV farms ("Solar Energy Assets"). GAIA's resultant effective interest in the Solar Energy Assets is 4.0% in Jasper, 5.3% in Lesedi and 5.3% in Letsatsi. The Solar Energy Assets are operational, round 1 Renewable Energy Independent Power Producer Procurement Programme ("REIPPPP") solar PV plants.

The IK Option was exercised on 31 October 2018.

ABOUT GAIA

GAIA is a diversified infrastructure investment holding company listed on the Main Board of the JSE Limited. The Company was formed to facilitate the investment of long-term capital in large-scale energy, transport and water and sanitation infrastructure projects in Southern Africa. The investment policy is to invest in:

- ▼ operational infrastructure assets;
- ▼ investments with a target return on at least CPI plus 6%;
- ▼ investments with visible environmental, social and governance policy appreciation; and
- ▼ investments with low risk and attractive long-term, inflation-linked and predictable cash generation profiles.

As at 31 August 2018, GAIA had two investments in its portfolio:

- ▼ an effective see-through economic interest of 25.2% in Dorper Wind Farm through an equity interest in GAIA RE 1 Proprietary Limited; and
- ▼ an effective see-through economic interest of 20.0% in Noblesfontein Wind Farm through C preference shares in GAIA SPV, A and B preference shares in SARGE and a receivable loan from Noblesfontein Education Trust.

Post the exercise of the IK Option on 31 October 2018, the Company's investment portfolio is made up of equity interests in:

- ▼ Dorper Wind Farm – 9.9%;
- ▼ Jasper Solar PV Farm – 4.0%;
- ▼ Lesedi Solar PV Farm – 5.3%;
- ▼ Letsatsi Solar PV Farm – 5.3%; and
- ▼ Noblesfontein Wind Farm – 20%.

Condensed Statement of Financial Position

as at 31 August 2018

	Reviewed 31 August 2018 R	Reviewed 31 August 2017 R	Audited 28 February 2018 R
	Note(s)		
Assets			
Non-current assets			
Property, plant and equipment	377 650	–	424 639
Other financial assets	2 508 444 789	511 123 029	505 789 987
Deferred tax	103 437	–	71 268
	508 925 876	511 123 029	506 285 894
Current assets			
Cash and cash equivalents	25 617 593	56 682 360	26 728 694
Trade and other receivables	28 557 570	1 715 466	53 703 012
	54 175 163	58 397 826	80 431 706
Total assets	563 101 039	569 520 855	586 717 600
Equity and liabilities			
Equity			
Share capital	545 851 762	545 851 762	545 851 762
Retained income	15 273 883	18 912 920	34 728 077
	561 125 645	564 764 682	580 579 839
Liabilities			
Non-current liabilities			
Deferred tax	–	2 267 558	–
Current liabilities			
Trade and other payables	1 975 093	2 281 797	5 976 495
Current tax payable	301	206 818	161 266
	1 975 394	2 488 615	6 137 761
Total equity and liabilities	563 101 039	569 520 855	586 717 600
Net asset value per share (Rand)	10.17	10.24	10.53

Condensed Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 31 August 2018

		Reviewed six months ended 31 August 2018 R	Reviewed six months ended 31 August 2017 R	Audited 12 months ended 28 February 2018 R
	Note(s)			
Revenue				
Interest income		783 747	2 569 975	4 283 757
Dividend income		10 000 000	13 282 512	60 023 045
Other income		13 680	-	307 388
Net gain from financial assets at fair value through profit or loss		2 654 803	7 442 614	(2 595 544)
Total revenue		13 452 230	23 295 101	62 018 646
Total operating expenses		(9 701 853)	(7 549 963)	(18 455 992)
Operating profit before finance costs		3 750 377	15 745 138	43 562 654
Finance costs		(3)	(1 236)	(1 689)
Profit before taxation		3 750 374	15 743 902	43 560 965
Taxation		(41 148)	(2 043 967)	(346 364)
Profit for the period		3 709 226	13 699 935	43 214 601
Earnings per share				
<i>Per share information</i>				
Basic earnings per share (cents)	3	6.73	24.84	78.36
Diluted earnings per share (cents)	3	6.73	24.84	78.36

Condensed Statement of Changes in Equity

for the six months ended 31 August 2018

	Share capital R	Retained income R	Total equity R
Balance at 1 March 2017 – audited	545 851 762	40 233 870	586 085 632
Profit for the period	–	13 699 935	13 699 935
Dividends	–	(35 020 885)	(35 020 885)
Balance at 31 August 2017 – reviewed	545 851 762	18 912 920	564 764 682
Profit for the period	–	29 514 666	29 514 666
Dividends	–	(13 699 508)	(13 699 508)
Balance at 1 March 2018 – audited	545 851 762	34 728 077	580 579 839
Profit for the period	–	3 709 226	3 709 226
Dividends	–	(23 163 420)	(23 163 420)
Balance at 31 August 2018 – reviewed	545 851 762	15 273 883	561 125 645

Condensed Statement of Cash Flows

for the six months ended 31 August 2018

	Reviewed six months ended 31 August 2018 R	Reviewed six months ended 31 August 2017 R	Audited 12 months ended 28 February 2018 R
Cash flows from operating activities			
Cash generated by (used in) operations	22 286 603	9 044 720	(3 078 959)
Finance costs	(3)	(1 236)	(1 689)
Tax paid	(234 281)	(380 718)	(1 067 494)
Cash available from operating activities	22 052 319	8 662 766	(4 148 142)
Dividends paid	(23 163 420)	(35 020 885)	(48 720 393)
Net cash generated by/(utilised in) operating activities	(1 111 101)	(26 358 119)	(52 868 535)
Cash flows from investing activities			
Purchase of property, plant and equipment	–	–	(453 600)
Investment in financial asset at amortised cost	–	–	(4 705 116)
Net cash utilised in investing activities	–	–	(5 158 716)
Cash flows from financing activities			
Prepayment of share issue expenses	–	(1 715 466)	–
Net cash utilised in financing activities	–	(1 715 466)	–
Total cash movement for the period	(1 111 101)	(28 073 585)	(58 027 251)
Cash at the beginning of the period	26 728 694	84 755 945	84 755 945
Total cash at the end of the period	25 617 593	56 682 360	26 728 694

Accounting Policies

CORPORATE INFORMATION

GAIA Infrastructure Capital Limited is a public company incorporated and domiciled in South Africa.

The interim financial statements for the period ended 31 August 2018 were authorised for issue in accordance with a resolution of the directors on 1 November 2018.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these reviewed interim financial statements are set out below.

1.1 Basis of preparation

The interim financial statements are prepared in accordance with and contain the information required by:

- ▼ International Financial Reporting Standard ("IAS") 34 Interim Financial Reporting;
- ▼ the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee;
- ▼ the Financial Pronouncements as issued by the Financial Reporting Standards Council;
- ▼ the requirements of the Companies Act of South Africa, 71 of 2008, as amended; and
- ▼ the Listings Requirements of the JSE Limited.

The accounting policies applied in the preparation of these interim financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in preparation of the Company's previous annual financial statements.

The interim financial results have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Sarah Keene CA(SA), Executive Financial Manager, prepared these interim financial statements for the six months ended 31 August 2018 under the supervision of P Lebina CA(SA), Interim Finance Director.

The directors take full responsibility for the preparation of the interim financial statements and for correctly extracting the financial information, from the reviewed condensed interim financial statements for inclusion in the announcement.

The reviewed condensed interim financial results for the six months ended 31 August 2018 were reviewed by the Company's external auditor, Deloitte & Touche. A copy of their unmodified review conclusion is available for inspection at the Company's registered office. Any reference to future financial performance included in this announcement, has not been reviewed or reported on by the external auditor. The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the Company's registered office.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

1.2 New standards and interpretations

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 1 March 2018 or later periods:

- ▼ IFRS 15 Revenue from Contracts with Customers; and
- ▼ IFRS 16 Leases.

The effects of the statements will not have a material impact on the Company's financial statements. The statements will be applied to the 2019 and 2020 financial years, respectively, as they become mandatory.

Notes to the Condensed Financial Statements

for the six months ended 31 August 2018

	Reviewed six months ended 31 August 2018 R	Audited 12 months ended 28 February 2018 R
--	---	---

2. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

At fair value through profit or loss – designated

GAIA Financial Services (Pty) Limited

503 739 673

501 084 871

GAIA Financial Services interest in Dorper

The Dorper Acquisition was concluded on 20 December 2016. The Company funded the acquisition of its effective see-through economic interest of 25.2% of Dorper, through a R501 million loan to GAIA Financial Services. The loan was financed using the proceeds from the partial disposal of the Company's unit trust investment. This loan is interest-free, unsecured and has no fixed terms of repayment.

The acquisition entailed the subscription for the ordinary shares in GAIA RE 1 equal to 34.9% (R265 036 179) economic and voting interest of the issued share capital and the advancing of a convertible loan (R235 963 821) to GAIA RE 1 which effectively gave the Company an economic interest of 84.2% in GAIA RE 1.

The convertible loan was able to be settled in one of two ways, conversion of the convertible loan into indirect minority interests in three (3) additional Solar Energy Assets by the Group or the conversion of the convertible loan into additional ordinary shares in GAIA RE 1 which holds a 30% shareholding in Dorper. The option to acquire the minority interests in Solar Energy Assets was exercised on 31 October 2018.

Post implementation of the IK Option, GAIA Financial Services holds 33% in GAIA RE 1 which holds 30% of the issued share capital in Dorper, and effective interests of 16.2% in each of Lesedi and Letsatsi and 12.1% in Jasper solar PV farms.

GAIA Financial Services interest in Noblesfontein Wind Farm

On 19 September 2017 GAIA Financial Services acquired C Preference Shares GAIA SPV (RF) (Pty) Limited ("GAIA SPV") for an aggregate subscription price of R130 million and, as a result, acquired an effective economic interest of 13.001% in the combined distributions linked to the ordinary shares and shareholder loan claims against Noblesfontein Wind Farm.

In addition, GAIA Financial Services entered into funding agreements with SARGE whereby GAIA Financial Services subscribed for A Preference Shares and B Preference Shares in SARGE for an aggregate subscription price of R57 493 127. As a result of the SARGE Transaction, GAIA Financial Services acquired a further effective economic interest of 7.03% of the distributions linked to the ordinary shares in the Noblesfontein Wind Farm.

2. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

GAIA Financial Services interest in Noblesfontein Wind Farm *(continued)*

GAIA Financial Services was granted an irrevocable call option ("Call Option") in terms of which GAIA Financial Services had an option to purchase all of the ordinary shares in GAIA SPV for a purchase price of R100. The option was exercised on 2 August 2018.

GAIA Financial Services obtained funding to facilitate, *inter alia*, its subscription for the GAIA SPV C Preference Shares; and subscription for the SARGE Preference Shares by way of the issue, by it, of A Preference Shares and B Preference Shares to RMBIA for an aggregate subscription price of approximately R188 million in terms of the GAIA Financial Services Preference Share Subscription Agreement.

The Company extended a loan to the Noblesfontein Educational Trust, having taken it over from the previous shareholder at an interest rate, and with repayment terms more beneficial than market rates and terms, in order to benefit the beneficiaries of the trust, being members of the local Noblesfontein community.

	Six months ended 31 August 2018 R	12 months ended 28 February 2018 R
Loans and receivables		
Noblesfontein Educational Trust	4 705 116	4 705 116
The loan shall accrue interest at a rate equal to the aggregate of CPI plus 7% net of taxes applied as a nominal annual compounded monthly in arrears rate, and calculated on the loan outstanding principal for that interest period. The loan is secured by a cession of any shares held by Noblesfontein Educational Trust in Noblesfontein Wind Farm.		
Total other financial assets	508 444 789	505 789 987
Non-current assets		
Designated as at fair value through profit or loss	503 739 673	505 789 987
Loans and receivables at amortised cost	4 705 116	-
	508 444 789	505 789 987

Valuation of underlying renewable assets

The value of the investment in the ordinary shares of Dorper was determined using the discounted cash flow valuation model.

Assumptions and inputs used in valuation techniques include long-term CPI forecast and determination of an investor premium used in estimating discount rates.

Notes to the Condensed Financial Statements (continued)

for the six months ended 31 August 2018

2. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Valuation of underlying renewable assets (continued)

The value of the investments in the preference shares in SARGE and GAIA SPV are also calculated using the discounted cash flow valuation model. The assumptions and inputs used include CPI rate, prime rate and JIBAR.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the prices that would be received to sell the investments in underlying renewable assets in an orderly transaction between market participants at the measurement date.

The Company uses valuation models that were developed by experienced independent third parties during the bidding process for the rights of the project. These models have been developed from recognised valuation models and developers' experience regarding the valuation of renewable energy projects.

Some of the significant inputs into the discounted cash flow model may not be observable in the market and are derived from market prices or rates or are based on assumptions. This valuation model therefore requires additional management judgement and estimation in determination of fair value.

In the valuation for the investment in Dorper, and the preference shares related to Noblesfontein, management's judgement and estimation is required for:

- ▼ selection of the appropriate valuation model to be used, in this case the discounted cash flow model;
- ▼ assessment and determination of the expected cash flows from the investments; and
- ▼ selection of the appropriate discount rate.

The fair value estimate obtained from the discounted cash flow model will only be adjusted for factors such as liquidity risk and model uncertainty to the extent that the Company believes that a third-party market participant would take them into account in pricing a transaction. No such adjustments were deemed necessary in the valuation of the investments in underlying renewable assets.

The Company has an established control framework with respect to the measurement of fair values.

Specific controls include:

- ▼ verification of observable pricing inputs;
- ▼ a review and approval process for new models and changes to such models;
- ▼ analysis and investigation of significant valuation movements; and
- ▼ review of unobservable inputs and valuation adjustments.

Fair value hierarchy of financial assets at fair value through profit or loss

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices in active markets for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

2. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

Fair value hierarchy of financial assets at fair value through profit or loss *(continued)*

Level 3 applies inputs which are not based on observable market data. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. All fair value measurements below are recurring.

	Reviewed six months ended 31 August 2018 R	Audited 12 months ended 28 February 2018 R
Level 3		
GAIA Financial Services (Pty) Limited	503 739 673	501 084 871

As at 31 August 2018, the fair value measurement of shares held by the Company in GAIA Financial Services is categorised into Level 3. The fair value of investments in its 100% subsidiary is determined using unadjusted net asset value of GAIA Financial Services at the reporting date.

Reconciliation of financial assets at fair value through profit or loss measured at Level 3

	Opening balance	Gains in profit or loss	Total
GAIA Financial Services (Pty) Limited	501 084 871	2 654 803	503 739 673

The change in unrealised gains or losses (net gain) for the period is included in profit or loss for financial assets held at the reporting date. These gains and losses are recognised in profit or loss as a net gain from financial instruments at fair value through profit or loss.

Notes to the Condensed Financial Statements (continued)

for the six months ended 31 August 2018

2. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Significant unobservable inputs used in measuring fair value

Significant unobservable inputs are developed as follows:

Discount rate

Represents the rate used to discount projected levered or unlevered forecast cash flows for an asset to determine their present values. Their discounted present value cash flows are determined as their fair value at reporting date. GAIA RE 1 uses a discount rate that appropriately captures Dorper's stage-of-life, using South African data, substantiated by international findings. GAIA FS used a discount rate that appropriately reflects the Noblesfontein risk and return profile using South African data, substantiated by international findings.

CPI/JIBAR and Prime rate

Rates are obtained from publicly available consensus views.

3. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. Profit or loss attributable to the ordinary equity holders is determined as profit or loss after adjusting for the tax effect.

	Reviewed six months ended 31 August 2018 R	Reviewed six months ended 31 August 2017 R	Audited 12 months ended 28 February 2018 R
Basic earnings per share			
From continuing operations (cents per share)	6.73	24.84	78.36

Basic earnings per share was based on earnings of R3 709 226 (2017: R13 699 935) and weighted average number of ordinary shares of 55 151 000 (2017: 55 151 000).

	Reviewed six months ended 31 August 2018 R	Reviewed six months ended 31 August 2017 R	Audited 12 months ended 28 February 2018 R
--	---	---	---

3. EARNINGS PER SHARE *(continued)*

Basic earnings per share *(continued)*

Reconciliation of profit for the period to basic earnings

Profit for the period attributable to equity holders of GAIA Infrastructure Capital Limited

3 709 226

13 699 935

43 214 601

Diluted earnings per share

In the determination of diluted earnings per share, profit or loss attributable to the equity holders and the weighted average number of ordinary shares are adjusted for the effects of all dilutive potential ordinary shares.

From continuing operations (cents per share)

6.73

24.84

78.36

Diluted earnings per share is equal to earnings per share because there are no dilutive potential ordinary shares in issue.

Headline earnings and diluted headline earnings per share

Headline earnings per share is calculated using Circular 4/2018. The calculation of headline earnings per ordinary share is based on the weighted average of 55 151 000 (2017: 55 151 000) ordinary shares in issue during the year, and headline earnings calculated as follows:

Headline earnings per share and diluted headline earnings per share are determined by dividing headline earnings and diluted headline earnings by the weighted average number of ordinary shares outstanding during a period.

Headline earnings and diluted headline earnings are determined by adjusting basic earnings and diluted earnings by excluding separately identifiable remeasurement items. Headline earnings and diluted headline earnings are presented after tax and non-controlling interest.

Notes to the Condensed Financial Statements (continued)

for the six months ended 31 August 2018

	Reviewed six months ended 31 August 2018 R	Reviewed six months ended 31 August 2017 R	Audited 12 months ended 28 February 2018 R
3. EARNINGS PER SHARE (continued)			
Headline earnings per share (cents)	6.73	24.84	78.36
Diluted headline earnings per share (cents)	6.73	24.84	78.36
Reconciliation between earnings and headline earnings			
Basic earnings	3 709 226	13 699 935	43 214 601
Reconciliation between earnings and headline earnings			
Diluted earnings	3 709 226	13 699 935	43 214 601

4. RELATED PARTIES

Relationships

Common directors	GAIA Fund Managers (Pty) Limited
Subsidiary	GAIA Financial Services (RF) (Pty) Limited

GAIA Infrastructure Partners (Pty) Limited has been appointed as the Management Company ("ManCo") of the Company and therefore has significant influence.

GAIA Infrastructure Partners (Pty) Limited holds 1 000 shares in the Company.

A management fee calculated as 0.8% of the enterprise value is paid to GAIA Infrastructure Partners (Pty) Limited in quarterly instalments.

	Reviewed six months ended 31 August 2018 R	Reviewed six months ended 31 August 2017 R
--	---	---

4. RELATED PARTIES *(continued)*

Related-party balances

Financial assets at fair value through profit or loss

GAIA Financial Services (RF) (Pty) Limited	503 739 673	511 123 029
--	-------------	-------------

Amounts included in trade receivable/(trade payable) regarding related parties

GAIA Infrastructure Partners (Pty) Limited	(1 246 311)	(1 046 378)
GAIA Financial Services (Pty) Limited	1 051 799	-

Expenses recovered from related parties

GAIA Fund Managers (Pty) Limited	13 680	-
----------------------------------	--------	---

Management fees paid to related parties

GAIA Infrastructure Partners (Pty) Limited	2 493 681	2 142 483
--	-----------	-----------

Dividend income

GAIA Financial Services (RF) (Pty) Limited	10 000 000	13 282 512
--	------------	------------

Dividend receivable from related party

GAIA Financial Services (RF) (Pty) Limited	14 965 446	-
--	------------	---

5. GOING CONCERN

The condensed interim financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

6 November 2018

Johannesburg

Sponsor to GAIA

Rand Merchant Bank (A division of FirstRand Bank Limited)

Company contact details

Prudence Lebina

+27 11 684 1230

prudence@gaia-ic.com

General information

Country of incorporation and domicile

South Africa

Directors

KP Lebina (Chief Executive Officer and Interim Financial Director)

MMN Nieuwoudt (Chief Investment Officer)

KE Mbalo* (Chairman)

S Tuku*

L Mondl*

N Kimber*

T Bukula*

L de Wit

C Ferreira

B Schabot

** Independent Non-Executive*

Registered office

3rd floor, Penthouse 5

4 The High Street

Melrose Arch

Johannesburg, 2196

Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)

Bankers

FirstRand Bank Limited

Auditors

Deloitte & Touche

Transfer secretaries

Computershare Investor Services (Pty) Limited

Rosebank Towers

15 Biermann Avenue, Rosebank
Johannesburg, 2196

Company secretary

Fusion Corporate Secretarial Services (Pty) Limited

Unit 7, Block C

Southdowns Office Park

Karee Street, Irene

Pretoria, 0169

Company registration number

2015/115237/06

Tax reference number

9473/844/17/4

Preparer

The financial statements where compiled under Prudence Lebina's supervision.

