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If you sell or have sold or have otherwise transferred all of your Ordinary Shares, please send this document, and any accompanying documents, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this document and any accompanying documents and consult with the bank, stockbroker or other agent through whom the partial sale or transfer was effected as to the action you should take.

The distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore, persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction.

This document comprises a circular prepared for the purposes of the General Meeting relating to Grit Real Estate Income Group Limited ("Grit" or the "Company" and, together with its consolidated subsidiaries from time to time, the "Grit Group") convened pursuant to the Notice of General Meeting set out in Part 4 of this document in accordance with the Listing Rules of the Financial Conduct Authority (the "FCA") made under section 73A of FSMA.



## **Grit Real Estate Income Group Limited**

*(Registered in Guernsey)*

*(Registration number: 68739)*

*SEM share code (dual currency trading): DEL.N0000 (USD)/DEL.C0000 (MUR)*

*LSE share code: GR1T*

*ISIN: GG00BMDHST63*

### **Approval of Related Party Transactions and Notice of General Meeting**

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Notice of the General Meeting, which will be held at 1.00 p.m. (MUT)/9.00 a.m. (GMT) on 16 February 2024 at Unity Building, The Precinct, M2 Junction, B11 Fond du Sac Road, Grand Baie, 31301, is set out in Part 4 (Notice of General Meeting) of this document. Shareholders are requested to complete and return the relevant Form of Proxy accompanying this document for use at the General Meeting. The results of the votes cast at the General Meeting will be announced as soon as possible, once known, through a Regulatory Information Service, and on the Company's website at <https://grit.group/investor-relations/regulatory-news/>.

**Your attention is drawn to the letter from the Chairman in Part 1 (Letter from the Chairman) of this document, which contains the recommendation of the Board that you vote in favour of the Resolutions to be proposed at the General Meeting. You should read the whole of this document when considering what action you should take in connection with the General Meeting.**

Cavendish Capital Markets Limited ("Cavendish") is authorised and regulated in the United Kingdom by the FCA and is acting exclusively for the Company and for no-one else in connection with the Related Party Transactions and will not be responsible to any other person for providing the protections afforded to its clients or for providing advice in connection with the Related Party Transactions, the contents of this document or any matters referred to in this document. Cavendish is not responsible for the contents of this document. This does not exclude or limit any responsibilities Cavendish may have under FSMA or the regulatory regime established thereunder.

This document is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to purchase, acquire, subscribe for, sell, dispose of or issue, any securities in the Company.

**This document should be read as a whole and in conjunction with the relevant accompanying Form of Proxy. The contents of this document should not be construed as legal, business or tax advice. You should consult your own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.**

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## IMPORTANT NOTICES

### 1. Forward-looking statements

Certain statements contained in this document, which include, but are not limited to, statements in respect of the Related Party Transactions, the expected timetable for completing the Related Party Transactions, the benefits of the Related Party Transactions, and certain plans, targets and expectations relating to the future financial condition, performance, strategic initiatives, objectives and results of the Grit Group constitute "forward-looking statements".

In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including, without limitation, statements containing terms such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" and similar statements of a future or forward-looking nature. Forward-looking statements may be affected by a number of variables which are or may be beyond the control of the Grit Group and which could cause actual results or trends to differ materially, including, but not limited to, domestic and global economic business conditions; market-related risks such as fluctuations in interest rates; the policies and actions of governmental and regulatory authorities; the effect of competition, inflation and deflation; the effect of legislative, fiscal, tax and regulatory developments in the jurisdictions in which the Grit Group and its affiliates operate; the effect of operational risks; and the loss of key personnel. Each forward-looking statement contained in this document speaks only as at the date of this document. Except as required by applicable law, including the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

By their nature, all forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. As a result, undue reliance should not be placed on forward-looking statements. The actual results of operations, financial condition, prospects, growth and strategies of the Grit Group and the development of the sectors in which it operates, may differ materially from the plans, goals and expectations set forth in any forward-looking statements. In addition, even if the results of operations, financial condition, prospects, growth, synergies and strategies of the Grit Group, and the development of the industry in which it operates, are consistent with the forward-looking statements in this document, those results or developments may not be indicative of results or developments in subsequent periods.

### 2. Rounding

Certain numerical figures contained in this document, including financial information, market data and certain operating data have been subject to rounding adjustments for ease of presentation. Accordingly, in certain instances, the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

### 3. Currency

Unless otherwise indicated in this document, all references to "\$" or "US Dollars" or "US\$" are to the lawful currency of the US.

Unless otherwise indicated, the financial information contained in this document has been expressed in US Dollars. The functional currency of the Company is US Dollars and the Grit Group presents its consolidated financial statements in US Dollars.

### 4. No profit forecasts or estimates

No statement in this document or incorporated by reference into this document is intended as a profit forecast or profit estimate for any period and no statement in this document or incorporated by reference into this document should be interpreted to mean that earnings per Ordinary Share for the

current or future financial years would necessarily be greater or lesser than those for the relevant preceding financial years for the Company.

## **5. Definitions**

Certain terms used in this document are defined in Part 3 (Definitions) of this document.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates set out below is subject to change. Any changes to the expected timetable will be notified by publication of a notice through a RIS and a SEM announcement.

Latest time and date for receipt of Forms of Proxy	9.00 a.m. (GMT)/1.00 p.m. (MUT) on 14 February 2024
General Meeting	9.00 a.m. (GMT)/1.00 p.m. (MUT) on 16 February 2024
Announcement of the result of the General Meeting	16 February 2024
Completion of the Related Party Transactions	If approved, as soon as is practicable following the General Meeting

## DIRECTORS, COMPANY SECRETARY AND ADVISERS

<b>Directors of the Company</b>	<p>Peter Todd – <i>Non-executive Chairman</i></p> <p>Bronwyn Knight (Corbett) – <i>Executive Director and Chief Executive Officer</i></p> <p>Leon van de Moortele – <i>Executive Director and Chief Finance Officer</i></p> <p>Jonathan Crichton – <i>Independent non-executive Director</i></p> <p>Lynette Finlay – <i>Independent non-executive Director</i></p> <p>Nigel Nunoo – <i>Independent non-executive Director</i></p> <p>Cross Kgosiidiile – <i>Non-executive Director</i></p> <p>David Love – <i>Independent non-executive Director</i></p> <p>Catherine McIlraith – <i>Independent non-executive Director</i></p>
<b>Company Secretary</b>	<p>Intercontinental Fund Services Limited</p> <p>Level 5, Alexander House</p> <p>35 Cybercity</p> <p>Ebene, 72201</p> <p>Mauritius</p>
<b>Registered Office of the Company</b>	<p>PO Box 186</p> <p>Royal Chambers</p> <p>St Julian's Avenue</p> <p>St Peter Port</p> <p>Guernsey</p> <p>GY1 4HP</p>
<b>LSE Sponsor and Financial Adviser to the Company</b>	<p>Cavendish Capital Markets Limited</p> <p>1 Bartholomew Close</p> <p>London</p> <p>EC1A 7BL</p> <p>United Kingdom</p>
<b>English Legal Advisers to the Company</b>	<p>Stephenson Harwood LLP</p> <p>1 Finsbury Circus</p> <p>London</p> <p>EC2M 7SH</p> <p>United Kingdom</p>
<b>Guernsey Legal Advisers to the Company</b>	<p>Mourant Ozannes (Guernsey) LLP</p> <p>Royal Chambers</p> <p>St Julian's Avenue</p> <p>St Peter Port</p> <p>Guernsey</p> <p>GY1 4HP</p>
<b>UK Registrar</b>	<p>Link Market Services (Guernsey) Limited</p> <p>Mont Crevelt House</p> <p>Bulwer Avenue</p> <p>St Sampson</p> <p>Guernsey</p> <p>GY2 4LH</p>
<b>Receiving Agent (UK)</b>	<p>Link Group</p> <p>Central Square</p> <p>29 Wellington Street</p> <p>Leeds</p> <p>LS1 4DL</p> <p>United Kingdom</p>

<b>Mauritian Registrar</b>	Intercontinental Secretarial Services Ltd Level 3, Alexander House 35 Cybercity Ebene, 72201 Mauritius
<b>SEM Authorised Representative and Sponsor</b>	Perigeum Capital Ltd Ground Floor, Alexander House 35 Cybercity Ebene, 72201 Mauritius
<b>Independent Valuers</b>	Knight Frank LLP 55 Baker Street Marylebone London W1U 8AN United Kingdom  REC Real Estate Consulting, LDA Edificio JAT V-1 Rua. Dos Desportistas 833 14° Andar, Maputo Mozambique

## PART 1

### LETTER FROM THE CHAIRMAN

#### GRIT REAL ESTATE INCOME GROUP LIMITED

(Registered in Guernsey)

(Registration number: 68739)

SEM share code (dual currency trading): DEL.N0000 (USD)/DEL.C0000 (MUR)

LSE share code: GR1T

ISIN: GG00BMDHST63

("Grit" or the "Company")

#### Directors:

Peter Todd (Chairman)<sup>#</sup>  
Bronwyn Knight (Corbett) (Chief Executive Officer)<sup>\*</sup>  
Leon van de Moortele (Chief Financial Officer)<sup>\*</sup>  
Jonathan Crichton<sup>+</sup>  
Lynette Finlay<sup>+</sup>  
Nigel Nunoo<sup>+</sup>  
Cross Kgosidiile<sup>#</sup>  
David Love<sup>+</sup>  
Catherine McIlraith<sup>+</sup>

<sup>\*</sup> Executive Director

<sup>+</sup> Independent Non-executive Director

<sup>#</sup> Non-executive Director

#### Registered Office:

PO Box 186  
Royal Chambers  
St Julian's Avenue  
St Peter Port  
Guernsey  
GY1 4HP

29 January 2024

#### To Shareholders

Dear Sir or Madam

### 1. Introduction

Since inception, Grit has pursued an investment strategy of owning high quality real estate assets across multiple African geographies (excluding South Africa) and across multiple asset classes to let to its multi-national tenants.

More recently, Grit has been focusing its efforts on simplifying the Group structure and securing a pipeline of highly accretive transactions, in what the Company believes to be defensive asset classes in resilient jurisdictions. In addition, the Board has been seeking to secure the Group's long-term growth with the recently concluded phased acquisitions of controlling interests in Gateway Real Estate Africa Ltd ("**GRE**A") (the member of the Grit Group through which Grit undertakes its development activities) and Africa Property Development Managers Limited ("**APDM**") (a member of the Grit Group which provides asset management and advisory services to GREA).

These actions laid the foundations of the Grit 2.0 growth strategy, which includes recycling capital away from non-core assets and moving it towards infrastructure and impact assets (comprising light industrial and logistics, corporate and consular accommodation, healthcare, and data centres).

Another part of the Grit 2.0 strategy is to organise the Group's real estate assets into logical sector groupings. This strategy is designed to facilitate development activities, to increase the value of the Group's assets and to generate fee income for the Group.

Grit has identified opportunities to create a specialist property platform investing in industrial assets and to consolidate the Group's current diplomatic housing assets. To take advantage of these opportunities, the Grit Group proposes to enter into two transactions which include: (i) the disposal



of its interests in industrial assets to GREA; and (ii) the partial sale of its interests in a diplomatic housing asset to GREA, both at a price based on the audited book value as at 30 June 2023.

GREA has two ultimate shareholders: Grit owns a combined direct and indirect 54.2 per cent. interest in GREA, and (excluding the interest held indirectly through Grit) Public Investment Corporation of South Africa, acting in its capacity as the nominated asset manager and duly authorised agent of the Government Employees Pension Fund (“PIC”) owns, directly and indirectly, the remaining 45.8 per cent. interest in GREA. GREA intends to issue a call notice to its shareholders and Grit and PIC, have agreed, conditional upon Shareholder approval of the Related Party Transactions being obtained, to subscribe *pro rata* to their existing direct shareholdings (as between themselves) for a total of US\$100 million in cash (the “**GREA Capital Raise**”). Grit will meet its obligations pursuant to the GREA Capital Raise with proceeds raised from the Related Party Transactions, whilst the remaining funds (receivable from PIC), will provide GREA with the opportunity to develop new industrial and logistics assets and enable it to expand its diplomatic housing portfolio.

PIC is deemed to be a “related party” of Grit under the Listing Rules because it holds 20.8 per cent of Grit’s issued share capital as at the Latest Practicable Date and is therefore a “substantial shareholder”. In addition, GREA is deemed to be an “associate” of PIC under the Listing Rules as a result of PIC’s 45.8 per cent. interest in GREA (excluding the interest held indirectly through Grit) as at the Latest Practicable Date. Accordingly, transactions between the Grit Group and GREA are considered related party transactions for the purposes of the Listing Rules.

Given that the Company has a secondary listing on the Official Market of the SEM, provisions of Chapter 13 of the SEM Listing Rules pertaining to “Related Party Transactions” do not apply.

Certain of the transactions referred to in this document therefore require Shareholder approval in accordance with the Listing Rules. Accordingly, a general meeting at which Shareholders will be asked to approve the Related Party Transactions (as more fully set out in the Notice of General Meeting contained in Part 4 (Notice of General Meeting) of this document) is being convened for 1.00 p.m. (MUT)/9.00 a.m. (GMT) on 16 February 2024 at Unity Building, The Precinct, M2 Junction, B11 Fond du Sac Road, Grand Baie, 31301, Mauritius (the “**General Meeting**”). Further information on the arrangements for the General Meeting are set out in paragraph 9 below.

## **2. Purpose of this document**

The purpose of this document is to provide you with information on, and explain the background to and reasons for, the Related Party Transactions, explain why the Board considers the Related Party Transactions to be in the best interests of Shareholders as a whole and recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

Shareholders should read the whole of this document and not rely solely on the summarised information set out in this letter.

**The Board considers the Related Party Transactions to be in the best interests of Shareholders as a whole and unanimously recommends that Shareholders vote or procure votes in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their aggregate shareholdings in the Company representing approximately 3.6 per cent. of the Company’s current issued share capital as at the Latest Practicable Date.**

## **3. Description of, background to and reasons for the Related Party Transactions and the GREA Capital Raise**

The purpose of the Related Party Transactions and the GREA Capital Raise is to facilitate the expansion of GREA’s development activities. GREA is the member of the Grit Group through which Grit undertakes its development activities. GREA intends to expand its development activities in two areas where it has a track record of success, namely: (i) developing industrial and logistics assets across Africa which it intends to implement through its industrial property platform; and (ii) establishing a diplomatic housing portfolio across the African continent for the US Government, Governments of other countries and multi-national companies. It is intended that such assets will either be sold or held as investments of the Group.

Details of GREA’s proposed expansion activities are set out in the following paragraphs.

### **The Bora Investment – Industrial property platform**

Grit has identified an opportunity to create a specialist property platform to invest in logistics, light industrial, manufacturing and digital infrastructure properties. Bora Africa, a wholly-owned subsidiary of Grit (indirectly through GSL), has been established for this purpose and was seeded with six property assets in Kenya and Mozambique (the “**Bora Assets**”) from GSL as well as a shareholder loan from GSL (the “**GSL/Bora Loan**”). Bora Africa has a pipeline of predominantly development opportunities, which GSL does not currently have the capital to develop. Further details of Bora Africa’s assets are set out on page 195 of Grit’s 2023 Accounts published on 31 October 2023.

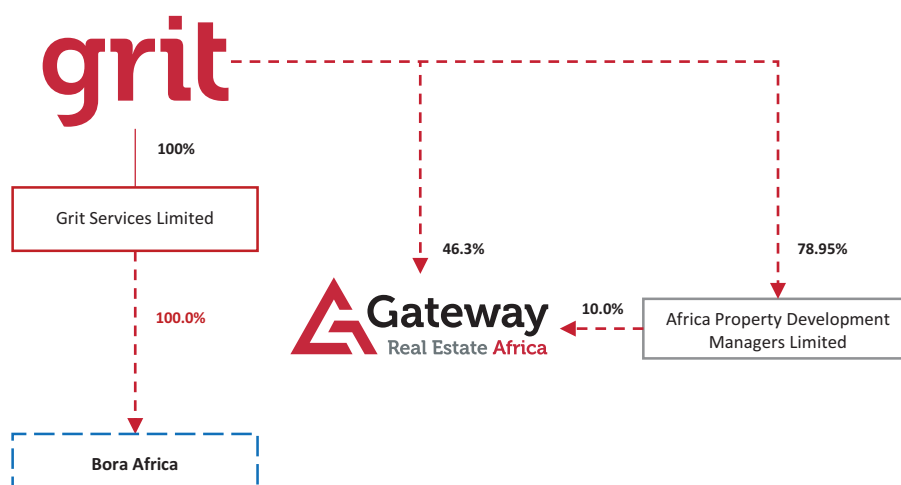
In order to implement Grit’s expansion strategy in respect of its industrial assets, GREA has committed to investing in Bora Africa pursuant to the terms of a subscription and loan agreement entered into between GSL, GREA and Bora Africa dated 29 January 2024 (the “**Bora Subscription and Loan Agreement**”).

Pursuant to the Bora Subscription and Loan Agreement, conditional on Shareholder approval being obtained, GREA has agreed to subscribe for 9,999 ordinary shares in Bora Africa representing 99.9 per cent. of the enlarged issued share capital in Bora Africa (the “**Bora Subscription**”) for an aggregate subscription price of US\$9,999 (the “**Bora Subscription Price**”). In addition, pursuant to the Bora Subscription and Loan Agreement and conditional on the Bora Subscription, GREA has agreed to advance Bora Africa US\$50.7 million (subject to adjustments pursuant to final completion accounts) by way of a shareholder loan (the “**GREA/Bora Loan**” and, together with the Bora Subscription, the “**Bora Investment**”). Following the Bora Investment, Bora Africa will use the proceeds to repay the GSL/Bora Loan in full. The Bora Investment represents an amount equal to Bora Africa’s net asset value as at 30 June 2023 (plus shareholder debt), which was derived from the Group’s audited accounts for the year ended 30 June 2023.

In addition, a subordinated hybrid note will be issued to International Finance Corporation, a member of the World Bank Group (“**IFC**”) in the sum of approximately US\$16.9 million in order to fund Bora Africa’s initial pipeline. As at the Latest Practicable Date, no funds had been drawn down. Bora Africa is in advanced discussions with IFC in respect of the issue of a further subordinated hybrid note in the sum of approximately US\$13.1 million.

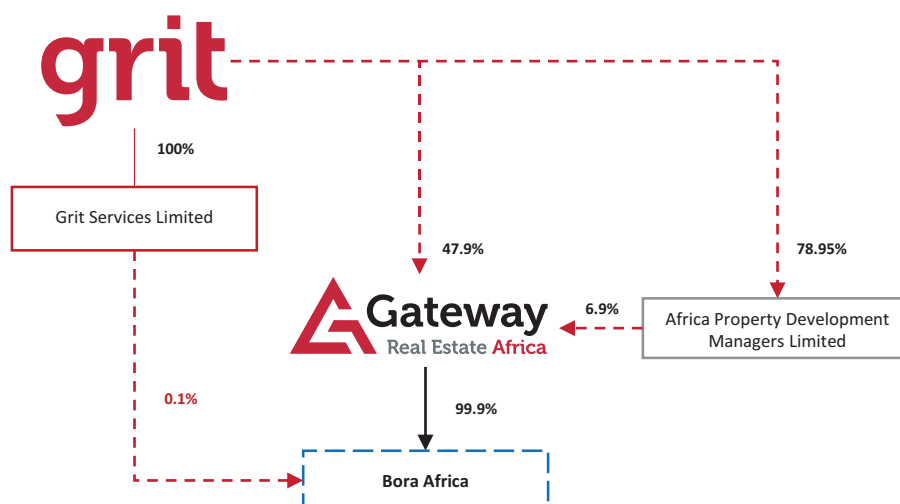
As GREA is a related party of Grit, accordingly, the Bora Investment as set out in the Bora Subscription and Loan Agreement (being an agreement entered into between a subsidiary undertaking of a listed company and a related party) is conditional on Shareholder approval as further described in paragraph 5 below).

The parts of the Grit Group structure that are relevant to the Bora Investment as at the Latest Practicable Date are as follows:



Grit’s indirect and direct shareholding in GREA = 54.2%

Following completion of the Bora Investment and the GREA Capital Raise, it is proposed that the relevant parts of the Grit Group will be structured as follows:



Grit indirect and direct shareholding in GREA = 53.4% (APDM not following rights issue)

### ***The DH Disposal – Consolidation of diplomatic housing assets***

Diplomatic Holdings Africa Ltd ("**DH Africa**"), a wholly-owned subsidiary of GREA, has been established as a specialist property platform investing in diplomatic housing and other sovereign-backed property assets in Africa. DH Africa will be used by the Grit Group as the platform for future growth in diplomatic housing.

GREA currently holds (or will hold) three diplomatic housing assets through DH Africa, which were internally developed, and has several future developments which are either under consideration or in the process of being negotiated.

GSL (a wholly-owned subsidiary of Grit) currently owns a 53.5 per cent. interest in one of those assets (excluding the interest held indirectly through GREA), Acacia Estates, a diplomatic housing complex in Mozambique, with GREA owning the remaining 46.5 per cent. Acacia Estates is the only diplomatic housing asset that the Grit Group holds outside its interest in GREA.

As part of the implementation of the Company's consolidation strategy, it is intended that GSL will: (i) sell to GREA (or its nominee, DH Africa), a 48.5 per cent. interest in Acacia Estates for an aggregate consideration of US\$14.3 million, and (ii) will assign its interest in its shareholder loans related to Acacia Estates to GREA (or its nominee), DH Africa (valued at US\$5.3 million subject to final completion accounts) (the "**DH Disposal**"). Following the DH Disposal, GSL will retain a 5 per cent. interest in Acacia Estates.

The sale price of US\$14.3 million for the 48.5 per cent. equity interest represents an amount equal to 48.5 per cent. of the net asset value of Acacia Estates as at 30 June 2023 (excluding shareholder debt). This value was derived by applying a 2.0 per cent. reduction to the value audited by the Company's external auditors as at 30 June 2023 to reflect changes in market pricing over the period.

GSL's debt and equity interests in Acacia Estates are held via certain subsidiary companies. The DH Disposal will be effected on the terms set out in a share purchase agreement between, amongst others, GSL, GREA and the relevant subsidiary companies dated 29 January 2024 ("**DH Share Purchase Agreement**"). Further details of the DH Share Purchase Agreement are set out in paragraph 4.2 of Part 2 (Additional Information) of this document.

As indicated above, GREA is a related party of Grit and, accordingly, the DH Disposal which will be effected on the terms set out in the DH Share Purchase Agreement (being an agreement entered into between a subsidiary of a listed company (i.e. GSL and the relevant subsidiary companies) and a

related party (i.e. GREA)) is conditional on Shareholder approval as further described in paragraph 5 below).

Further details of Acacia Estates are set out on page 195 of the Company's 2023 Accounts published on 31 October 2023.

The Bora Investment and the DH Disposal, together, constitute a "Class 2 transaction" for the purposes of the Listing Rules. The net annual rent as of 30 June 2023 that is attributable to the assets that are the subject of the Bora Investment and the DH Disposal is US\$11,779,822 in aggregate. There is not expected to be any change in the key individuals important to the business or the companies that are the subject of the Class 2 transaction.

#### **APDM Transaction**

While the APDM Transaction described below is considered to be a transaction in the ordinary course of business on normal market terms, and therefore not a related party transaction under the Listing Rules, the following information is provided as context and rationale associated with the Bora Investment and the DH Disposal.

As GREA does not have its own employees and staff, APDM (a member of the Grit Group of which Grit holds a 78.95 per cent. interest) has been contracted to provide asset management and advisory services to GREA in respect of GREA's directly and indirectly held investments, pursuant to an asset management and advisory services agreement. Pursuant to the asset management and advisory services agreement, a management fee is payable to APDM, which shall not exceed 1.50 per cent. per annum of GREA's total assets under management.

Following the completion of the Related Party Transactions, each of Bora Africa and GREA (or its nominee, DH Africa) will require management support services. Accordingly, wholly-owned subsidiaries of APDM have contracted GSL (a wholly-owned member of the Grit Group) to provide full turn-key management services to both Bora Africa and GREA (or its nominee, DH Africa), pursuant to the Asset Management Agreements and Property Services Management Agreements. Undertaking such activities to generate this type of fee income to the Grit Group is consistent with the Grit 2.0 strategy.

Further details of the Asset Management Agreements and the Property Services Management Agreements are contained in paragraph 5 of Part 2 (Additional Information) of this document.

#### **4. Use of proceeds**

The proceeds received by Grit (being, US\$50.7 million (as adjusted by the relevant completion accounts) in relation to the Bora Investment and US\$19.6 million (as adjusted by the relevant completion accounts) in relation to the DH Disposal) in respect of the Related Party Transactions are intended to be used to fund Grit's (US\$51.5 million) participation in the GREA Capital Raise with the balance (US\$18.8 million) to be used to reduce the Group's inter-company and external indebtedness and replenish its working capital facilities.

#### **5. Related Party Transactions**

As at the date of this document, the following persons are related parties of the Company:

- PIC; and
- GREA,

(together the "Related Parties" and each a "Related Party").

A person can be a related party for a number of reasons, including by virtue of the size of its holding in a company. Under the Listing Rules, an associate of such person can also be a related party. Furthermore, a transaction or arrangement by a listed company includes a transaction or arrangement by its subsidiary undertakings.

The Related Parties are deemed to be related parties of the Company for the purposes of the Listing Rules: (i) in the case of PIC, as a substantial shareholder by virtue of its 20.8 per cent. holding in the Company's issued share capital; and (ii) in the case of GREA, by virtue of GREA being an associate of

PIC as PIC has (excluding the interest held indirectly through Grit) a direct and indirect 45.8 per cent. holding in GREA's issued share capital.

Shareholder approval is being sought at the General Meeting, in accordance with the Listing Rules, for the Related Party Transactions as the Bora Investment and the DH Disposal constitute related party transactions for the purposes of the Listing Rules.

Accordingly, the Directors are proposing the Resolutions at the General Meeting, the effect of which is to approve each Related Party Transaction for the purposes of Listing Rule 11. Each Related Party Transaction will not proceed unless the relevant Resolution is passed. Neither Resolution is conditional on the other passing. Each of the Related Parties has undertaken not to vote the Ordinary Shares in which it is interested in respect of the Resolutions and will take all reasonable steps to ensure that its associates will also abstain from voting on such Resolutions.

## **6. Benefits of the Related Party Transactions**

The Directors believe that the entry into the Related Party Transactions will have the following benefits for Shareholders:

- The disposals by Grit, of US\$150.9 million worth of properties at or close to book value, achieves the Board's strategy of additional asset recycling and further reinforces the Group's audited net asset value at 30 June 2023.
- By virtue of concluding the GREA Capital Raise with the proceeds of these disposals, the Group (including GREA) receives a cash injection of US\$48.5 million from the PIC's subscription pursuant to the GREA Capital Raise.
- The cash injection will be invested by GREA into further development projects which are expected to meaningfully contribute to ESG impact, accelerated NAV growth and fee income generation to the Group (as is contemplated under the Grit 2.0 strategy).
- Entering into the Asset Management Agreements and the Property Services Management Agreements will result in the Grit Group receiving 100 per cent. of the management fees payable by Bora Africa and DH Africa whilst only incurring 54.2 per cent. of the cost by virtue of Grit's 54.2 per cent. ownership of GREA.
- Ringfenced and adequately resourced sector strategy sub-structures allow for the introduction of minority equity partners and additional mezzanine capital support from development finance institutions ("DFIs"). These are intended to achieve a "capital light" approach to generating real estate returns as contemplated under the Grit 2.0 strategy.

## **7. Considerations associated with the Related Party Transactions**

Shareholders should note that the Grit 2.0 strategy is predicated on creating structures to generate income from assets for which the Group does not hold 100 per cent. of the equity interest. In the event that the Related Party Transactions are not approved, Grit would not be able to fund its *pro rata* proportion of the GREA Capital Raise with the result that GREA will not have sufficient capital to continue with its proposed development of the industrial and diplomatic housing assets, thereby reducing Grit's ability to generate fee income in the future.

## **8. Consent**

Cavendish has given and not withdrawn its written consent to the issue of this document with the inclusion in it of references to its name in the form and context in which they appear.

## **9. General Meeting**

The General Meeting has been convened for 1.00 p.m. (MUT)/9.00 a.m. (GMT) on 16 February 2024.

Resolution 1 which will be proposed as an ordinary resolution, will, if passed, approve the Bora Investment on the terms set out in the Bora Subscription and Loan Agreement.

Resolution 2 which will be proposed as an ordinary resolution, will, if passed, approve the DH Disposal on the terms set out in the DH Share Purchase Agreement.

As stated above, the Resolutions are not inter-conditional.

An ordinary resolution requires a simple majority of members entitled to vote and present in person or by proxy to vote in favour of it in order for it to be passed.

Subject to the undertakings from the Related Parties referred to in paragraph 5 of this Part 1 (Letter from the Chairman), all Shareholders are entitled to attend and vote at the General Meeting. In accordance with the Articles, all Shareholders present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share held. In order to ensure that a quorum is present at the General Meeting, it is necessary for one Shareholder holding five per cent. or more of the voting rights available at the General Meeting to be present, whether in person or by proxy (or, if a corporation, by a representative).

The formal notice convening the General Meeting is set out in Part 4 (Notice of General Meeting) of this document.

The Related Party Transactions will not complete unless the relevant Resolution is passed. The Board considers that the Related Party Transactions are in the best interests of the Company and Shareholders as a whole and recommends that Shareholders vote in favour of the Resolutions, as the Directors intend to do in respect of their own legal and beneficial holdings of Ordinary Shares.

## **10. Action to be taken in respect of the General Meeting**

### ***Shareholders on the Mauritian Register***

If you are a Dematerialised Shareholder, you must advise your broker if you wish to attend, or be represented at, the General Meeting. If your broker has not contacted you, you are advised to contact your broker and provide it with your voting instructions. If your broker does not obtain instructions from you, it will be obliged to act in accordance with your mandate furnished to it.

All Dematerialised Shareholders and Certificated Shareholders are entitled to attend in person, or be represented by proxy, at the General Meeting.

If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the enclosed Mauritian Form of Proxy (blue), in accordance with the instructions contained therein, so as to be received by Intercontinental Secretarial Services Ltd by no later than 1.00 p.m. (MUT) on 14 February 2024:

### ***Hand deliveries and postal deliveries to:***

Intercontinental Secretarial Services Ltd  
Level 3, Alexander House  
35 Cybercity,  
Ebene, 72201  
Mauritius

### ***Electronic mail deliveries to:***

gritregistry@intercontinentaltrust.com

All enquiries in connection with this document, the General Meeting or the completion and return of the Mauritian Form of Proxy, should be addressed to the Mauritian Registrar, Intercontinental Secretarial Services Ltd, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius or you can contact the Mauritian Registrar via email on [gritregistry@intercontinentaltrust.com](mailto:gritregistry@intercontinentaltrust.com) or by phone on +230 403 0800. Please note that Intercontinental Securities Services Ltd cannot provide any financial, legal or tax advice.



### **Shareholders on the UK Register**

You are entitled to attend in person, or be represented by proxy, at the General Meeting. If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the enclosed UK Form of Proxy (green), in accordance with the instructions contained therein, so as to be received by Link Group by no later than 9.00 a.m. (GMT) on 14 February 2024:

#### **Hand deliveries and postal deliveries to:**

PXS 1  
Link Group  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL  
United Kingdom

Alternatively, proxy appointments may be returned to Link Group by one of the following means: (i) by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions; or (ii) in the case of CREST members, by utilising the CREST electronic proxy appointment service (details of which are contained in the Notice of General Meeting set out in Part 4 of this document).

All enquiries in connection with this document, the General Meeting or the completion and return of the UK Form of Proxy, should be addressed to the Receiving Agent, Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL or you can contact the Receiving Agent on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

### **11. Further information**

Your attention is drawn to the further information set out in this document. Shareholders should read all of the information contained in this document before deciding on the action to take in relation to the General Meeting.

### **12. Recommendation and voting intentions**

The Directors, who have been so advised by Cavendish, acting in its capacity as sponsor, consider that the terms of the Related Party Transactions are fair and reasonable as far as Shareholders are concerned. In giving its advice, Cavendish has taken account of the Board's commercial assessment of the Related Party Transactions. Accordingly, the Board considers that the terms of the Related Party Transactions are fair and reasonable as far as Shareholders are concerned and that the entry into the Related Party Transactions is in the best interests of Shareholders as a whole.

Accordingly, the Board unanimously recommends that Shareholders vote or procure votes in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their aggregate shareholdings in the Company representing approximately 3.6 per cent. of the Company's current issued share capital as at the Latest Practicable Date.

Yours faithfully

**Peter McAllister Todd**  
Chairman

## PART 2

### ADDITIONAL INFORMATION

#### 1. The Company

Grit Real Estate Income Group Limited was incorporated in Bermuda on 16 May 2012 and registered by continuation in Mauritius as a public company limited by shares on 11 March 2015, with registered number C128881 C1/GBL. On 4 February 2021 the Company completed the migration of its corporate domicile from Mauritius to Guernsey as a non-cellular company, registered under the Companies (Guernsey) Law, 2008, as amended (the "**Companies Law**") with registered number 68739. The principal piece of legislation under which the Company operates and under which the Ordinary Shares are created is the Companies Law. The Company has been registered as a foreign company in Mauritius and holds a Global Business Licence issued by the Mauritian Financial Services Commission.

The registered office of the Company is at PO Box 186, Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey GY1 4HP (telephone number +44 (0) 1481 723 466) and the address and telephone number of its principal place of business is Unity Building, The Precinct, M2 Junction, B11 Fond du Sac Road, Grand Baie, 31301, Mauritius (telephone number +230 269 7090).

The Company's website address is <https://grit.group>. The information contained in the Company's website does not form part of this circular, save to the extent that such information has been expressly incorporated by reference into this circular.

The liability of the members of the Company is limited.

#### 2. Major shareholders

So far as is known to the Company, and which is notifiable under the Disclosure Guidance and Transparency Rules, as at the Latest Practicable Date, the following persons held, directly or indirectly, three per cent. or more of the issued Ordinary Shares or the Company's voting rights:

Name	Number of Ordinary Shares held	Percentage of voting rights
Government Employees Pension Fund (PIC)	103,154,342	20.84
M&G Investment Management Ltd	75,514,378	14.65
Eskom Pension Fund	32,507,561	6.57
Botswana Development Corporation	26,377,971	5.33
Drive In Trading Proprietary Limited	23,250,000	4.70
Ruffler LLP	17,173,003	3.47
Prudential Impact Investments Private Equity llc	15,714,286	3.17
Janus Henderson Investors	15,200,000	3.07
Delta Property Fund Limited	14,869,210	3.00

#### 3. No significant change

There has been no significant change in the financial position of the Grit Group since 30 June 2023, being the date to which the latest audited financial information has been published.

However, pursuant to the amendment to the GREA Shareholder Agreement as detailed in paragraph 4.3 of this Part 2 (Additional Information) of this document, GREA has now been consolidated for accounting purposes rather than being treated as a joint venture.

#### 4. Material contracts

The following section contains summaries of the principal terms of material contracts, (other than contracts entered into in the ordinary course of business) that have been entered into by the Company or a member of the Grit Group: (a) within the two years immediately preceding the date of this document: or (b) at any time, and contain provisions under which the Company or a member of



the Grit Group has an obligation or entitlement which is, or may be, material to the Grit Group as at the date of this document, and which, in each case, the Directors consider include information which Shareholders would reasonably require to make a properly informed assessment of how to vote at the General Meeting.

#### 4.1 **Bora Subscription and Loan Agreement**

Pursuant to the Bora Subscription and Loan Agreement, conditional on, *inter alia*, Shareholder approval being obtained, GREA has agreed to subscribe for 9,999 ordinary shares in Bora Africa (the “**Bora Subscription**”) for an aggregate consideration of US\$9,999 (the “**Bora Subscription Price**”). In addition, pursuant to the Bora Subscription and Loan Agreement and conditional on the Bora Subscription, GREA has agreed to advance US\$50.7 million (as adjusted by the relevant completion accounts) to Bora Africa by way of a shareholder loan (the “**GREA/Bora Loan**”). The aggregate of the Bora Subscription Price and the GREA/Bora Loan is an amount equal to Bora Africa’s net asset value as at 30 June 2023 (including shareholder debt), which was derived from the Group’s audited accounts for the year ended 30 June 2023.

The GREA/Bora Loan shall be repayable at such time as the board of directors of Bora Africa shall decide or as GREA and Bora Africa shall agree in writing (the “**Repayment Date**”). Interest shall accrue on the GREA/Bora Loan at a rate of 4 per cent. per annum, compounded monthly in arrears and calculated on a 365-day year.

GREA’s obligations to pay the Bora Subscription Price and advance the GREA/Bora Loan pursuant to the Bora Subscription and Loan Agreement will end on 30 June 2024 (unless otherwise agreed in writing by GREA and Bora Africa) and are conditional on:

- (i) GSL waiving its pre-emption rights on terms and conditions reasonably acceptable to GREA;
- (ii) the subscription agreements pursuant to the GREA Capital Raise becoming unconditional in accordance with their terms;
- (iii) the investment committee and board of directors of Grit approving the Bora Investment;
- (iv) the investment committee and board of directors of GREA approving the Bora Investment;
- (v) the board of directors of Bora Africa approving the Bora Investment;
- (vi) to the extent necessary, a resolution being passed by the shareholders of GREA approving the Bora Investment;
- (vii) a resolution being passed by the Shareholders approving the Bora Investment as a related party transaction under the Listing Rules;
- (viii) GREA confirming in writing that it is satisfied with the outcome of its due diligence conducted on the Bora Assets;
- (ix) the shareholders’ agreement in respect of Bora Africa being amended to entitle GREA to nominate such number of directors that will result in GREA controlling the board of directors of Bora Africa;
- (x) Bora Africa confirming to GREA that it has repurchased 199 of the ordinary shares held by GSL in Bora Africa, such that GSL holds only 1 ordinary share in Bora Africa; and
- (xi) any approvals, consents or notifications which are required having been obtained either on an unconditional or unqualified basis.

The Bora Subscription and Loan Agreement states that the Bora Subscription and the GREA/Bora Loan are deemed to be one indivisible transaction. If the Bora Subscription is not completed GREA shall not be required to advance the GREA/Bora Loan and *vice versa*.

The Bora Subscription and Loan Agreement contains certain warranties to be given by Bora Africa to GREA and by GREA to Bora Africa. The Bora Subscription and Loan Agreement is governed by the laws of Mauritius.

#### 4.2 **DH Share Purchase Agreement**

GSL's 53.5 per cent. interest in Acacia Estates (excluding the interest held indirectly through GREA) is held indirectly via certain subsidiary companies, namely, TMP, MDF and Cognis. Together with its equity interest in these subsidiary companies, GSL has also made available certain loans to these subsidiary companies, namely the GSL/MDF Loan and the GSL/TMP Loan.

Pursuant to the DH Share Purchase Agreement, conditional on, *inter alia*, Shareholder approval being obtained, GSL has agreed to sell and GREA has agreed to purchase 510 ordinary shares in TMP representing 51.0 per cent. of the issued share capital in TMP (an effective interest in Acacia Estates of 43.4 per cent.). GSL has also agreed to procure that MDF (of which GSL holds 51.0 per cent. of the issued share capital) sells its shares in Cognis (representing 10.0 per cent. of the issued share capital of Cognis) to TMP (an effective interest in Acacia Estates of 5.1 per cent.). In addition, pursuant to the DH Share Purchase Agreement, GSL has agreed to assign to GREA the benefit of the GSL/TMP Loan and the GSL/MDF Loan.

The consideration for the DH Disposal is approximately US\$19.6 million comprising US\$14.3 million for the sale of the equity interests plus approximately US\$5.3 million (which shall be subject to a completion accounts adjustment) for the assignment of the shareholder loans.

Completion of the DH Disposal is conditional on the following being satisfied on or before 30 June 2025 (unless otherwise agreed by GSL and GREA): (i) GSL submitting to GREA a letter from The Standard Bank of South Africa Limited, Absa Bank Limited and Nedbank Limited (the "**Lenders**") confirming, to GREA's satisfaction, the Lenders' approval to proceed with the DH Disposal; (ii) GREA signing a deed of accession to the Loan Agreement and such other documents as may be required by the Lenders; (iii) any third party or regulatory authority consents, permissions, confirmations of no-objection and approval having been obtained; (iv) the lease agreement between Cognis and the United States Government which expired on 31 August 2023 having been extended for a minimum period of 5 years; and (v) and the other documents contemplated under the DH Share Purchase Agreement having been signed.

The DH Share Purchase Agreement contains certain warranties to be given by GSL to GREA and GSL agrees to indemnify GREA and TMP against certain losses. The DH Share Purchase Agreement is governed by the laws of Mauritius.

#### 4.3 **Amendment to the GREA Shareholder Agreement**

As disclosed on page 181 of Grit's 2023 Accounts published on 31 October 2023, in the financial year ending 30 June 2023, the Group announced its plan to acquire a majority stake in GREA. Notwithstanding Grit's previous shareholding of 51.48% in GREA, the Group concluded that it did not control GREA in view of the PIC's protective rights afforded under the shareholders agreement relating to GREA (the "**GREA Shareholder Agreement**"). Accordingly, the investment in GREA had been classified as an investment in a joint venture by the Group.

On 30 November 2023, PIC and Grit (amongst others) signed an agreement to make certain amendments to the GREA Shareholder Agreement, including to remove the PIC's protective rights. As a result, with effect from 30 November 2023, the financial results of GREA will now be consolidated as part of the Group.

In order to consolidate GREA, with effect from 30 November 2023, Grit will need to perform a fair value exercise and goodwill calculation at the date of acquiring control of GREA. This fair value exercise is ongoing and will be completed as part of Grit's FY24 annual reporting process. Whilst the balance sheet and income statement line items reported as at 30 June 2023 would be individually affected by consolidation, there would be no net impact on Grit's net assets and net income at this date.

## **5. Bora and DH Management Agreements**

### ***Bora Property Services Management Agreement***

Pursuant to the comprehensive real estate management agreement dated 26 September 2023 between Bora Africa REM and Bora Africa (the "**Bora Property Services Management Agreement**"), Bora Africa REM will act as Bora Africa's real estate manager and procure, supervise and/or provide Bora Africa (and each Bora Portfolio Company) with certain asset management, property, facilities management, development management, advisory and administrative services.

The Bora Property Services Management Agreement is conditional on Bora Africa REM obtaining an Asset Management Licence and an Investment Adviser (Corporate Finance Advisory) Licence from the Financial Services Commission of Mauritius on or by 31 December 2024 (or such other date as agreed between Bora Africa and Bora Africa REM in writing).

Pursuant to the Bora Property Services Management Agreement, a real estate management fee equal to 1.25 per cent. per annum of Bora Africa's total assets under management will be payable to Bora Africa REM.

### ***Bora Asset Management Agreement***

Pursuant to the back-to-back shared services and management agreement dated 26 September 2023 between GSL and Bora Africa REM (the "**Bora Asset Management Agreement**"), GSL will provide services related to: (i) investment management; (ii) treasury management; (iii) responsible business and ESG; (iv) human capital; (v) finance; (vi) risk, legal and compliance; and (vii) IT to Bora Africa REM (the "**Bora Services**").

The fee payable (quarterly in arrears) to GSL for the Bora Services under the Bora Asset Management Agreement shall be calculated as follows:

- (i) in the event that Bora Africa's total assets under management are less than or equal to US\$200 million: 0.625 per cent. per annum of Bora Africa's total assets under management;
- (ii) in the event that Bora Africa's total assets under management are greater than US\$200 million but less than or equal to US\$400 million: 0.5 per cent. per annum of Bora Africa's total assets under management; and
- (iii) in the event that Bora Africa's total assets under management are greater than US\$400 million: 0.35 per cent. per annum of Bora Africa's total assets under management.

### ***DH Property Services Management Agreement***

Pursuant to the comprehensive real estate management agreement dated 19 January 2024 between DHA Real Estate Management Ltd ("**DH Africa REM**") and DH Africa (the "**DH Property Services Management Agreement**" and together with the Bora Property Services Management Agreement, the "**Property Services Management Agreements**"), DH Africa REM will act as DH Africa's real estate manager and procure, supervise and/or provide DH Africa (and each DH Portfolio Company) with certain asset management, property, facilities management, development management, advisory and administrative services.

The DH Property Services Management Agreement is conditional on DH Africa REM obtaining the necessary licence from the Financial Services Commission of Mauritius in terms of the Financial Services Act 2007 on or by 31 December 2024 (or such other date as agreed between DH Africa and DH Africa REM in writing).

Pursuant to the DH Property Services Management Agreement, a real estate management fee of up to 1.50 per cent. per annum of DH Africa's total assets under management will be payable to DH Africa REM.

### ***DH Asset Management Agreement***

Pursuant to the back-to-back shared services and management agreement dated 19 January 2024 between GSL and DH Africa REM (the "**DH Asset Management Agreement**" and together with the Bora Asset Management Agreement, the "**Asset Management Agreements**"), GSL will provide services related to: (i) investment management; (ii) treasury management; (iii) responsible business

and ESG; (vi) human capital; (v) finance; (vi) risk, legal and compliance; and (vii) IT to DH Africa REM (the “**DH Services**” and together with the Bora Services, the “**Services**”).

The fee payable to GSL under the DH Asset Management Agreement shall be calculated as follows:

- (i) in the event that DH Africa’s total assets under management are less than or equal to US\$200 million: 0.625 per cent. per annum of DH Africa’s total assets under management;
- (ii) in the event that DH Africa’s total assets under management are greater than US\$200 million but less than or equal to US\$400 million: 0.5 per cent. per annum of DH Africa’s total assets under management; and
- (iii) in the event that DH Africa’s total assets under management are greater than US\$400 million: 0.35 per cent. per annum of DH Africa’s total assets under management.

#### ***Additional Agreements between GRES and property-owning subsidiaries***

In addition to the Services to be provided by GSL under the Asset Management Agreements, a wholly-owned subsidiary of GSL, GRES Mauritius (“**GRES**”) also intends to enter into agreements with property-owning subsidiaries of Bora Africa and GREA (or its nominee, DH Africa), pursuant to which GRES shall provide oversight and advice on the strategic management of those subsidiaries’ properties. The fees payable to GRES for the property management and leasing management services are expected to comprise: (i) a property and facilities management fee charged to each subsidiary of up to 3.5 per cent. of all collected rent, service charge and other revenue collections undertaken by GRES in respect of such subsidiary’s properties; and (ii) a letting commission charged to each subsidiary on all new leases and renewed leases negotiated by GRES in respect of the properties of such subsidiary.

The Board believes that these fee arrangements and levels under the Asset Management Agreements and the Property Services Management Agreements are in line with market levels across Africa for the provision of such services, including the amount GSL and GRES charges to clients outside the Grit Group.

#### **6. Documents on display**

Copies of the following documents are available for inspection on the website of the Company at <https://grit.group/documents-circulars/> and during normal business hours on any weekday (public holidays excepted) at the registered office of the Company from the date of this document until the date on which the Related Party Transactions are completed or terminated in accordance with their respective terms:

- 6.1 the Articles;
- 6.2 the Group’s financial statements for the year ended 30 June 2023;
- 6.3 the consent letter referred to in paragraph 8 of Part 1 of this document; and
- 6.4 this document.

## PART 3

### DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise.

<b>"2023 Accounts"</b>	the Company's consolidated annual report and accounts for the year ended 30 June 2023
<b>"Acacia Estates"</b>	the diplomatic housing asset in Mozambique owned by Cognis
<b>"APDM"</b>	Africa Property Development Managers Limited, a company incorporated in Mauritius with registered number 141374 GBC whose registered office is situated at c/o Osiris Corporate Solutions (Mauritius) Limited, Chemin Vingt Pieds, 5th Floor, La Croisette, Grand Baie, Mauritius
<b>"Articles"</b>	the articles of association of the Company
<b>"Asset Management Agreements"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"Board" or "Directors"</b>	the board of directors of the Company as at the date of this document whose names are set out on page 6 of this document
<b>"Bora Africa"</b>	Bora Africa, a private limited liability company incorporated in Mauritius with registered number C167763 GBC whose registered office is situated at Level 5, Alexander House, 35 Cybercity, Ebene 72201, Mauritius
<b>"Bora Africa REM"</b>	Bora Africa REM, a company incorporated in Mauritius with registered number C160575 GBC whose registered office is situated at Level 5, Alexander House, 35 Cybercity, Ebene 72201, Mauritius
<b>"Bora Asset Management Agreement"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"Bora Assets"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document
<b>"Bora Investment"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document
<b>"Bora Portfolio Company"</b>	a company in which Bora Africa holds a direct or indirect investment, and which is either the direct owner of an industrial real estate development or acquisition project (which falls with the investment guidelines, procedures and restrictions of Bora Africa as adopted or amended from time to time) or the holding company of such direct owner
<b>"Bora Property Services Management Agreement"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"Bora Services"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"Bora Subscription"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document and paragraph 4.1 of Part 2 (Additional Information) of this document as applicable
<b>"Bora Subscription and Loan Agreement"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document

<b>"Bora Subscription Price"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document and paragraph 4.1 of Part 2 (Additional Information) of this document as applicable
<b>"Business Day"</b>	a day (excluding Saturdays and Sundays or public holidays in England and Wales, Mauritius and Guernsey) on which commercial banks are open for business in London, Mauritius or Guernsey for the transaction of normal business
<b>"Cavendish"</b>	Cavendish Capital Markets Limited, the Company's sponsor and financial adviser
<b>"Certificated Shareholders"</b>	Shareholders who hold Certificated Shares
<b>"Certificated Shares"</b>	Ordinary Shares which have not been dematerialised title, to which is represented by a share Certificate or other document of title
<b>"Cognis"</b>	Cognis 1 Limitada, a private company duly incorporated in Mozambique with registration number 100322862 whose registered office is at 1st Floor, Hollard Insurance Building, Avenida Sociedade Geographica No 269, Maputo, Mozambique, which owns Acacia Estates
<b>"Companies Act"</b>	the UK Companies Act 2006, as amended from time to time
<b>"Companies Law"</b>	The Companies (Guernsey) Law, 2008, as amended from time to time
<b>"CREST Manual"</b>	the CREST Manual published by Euroclear, as amended from time to time
<b>"CREST Proxy Instruction"</b>	a proxy appointment or instruction made using the CREST system
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended
<b>"CREST"</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
<b>"Dematerialised Shareholders"</b>	Shareholders who hold Dematerialised Shares
<b>"Dematerialised Shares"</b>	Ordinary Shares which have been incorporated into the CDS system and which are no longer evidenced by certificates or other physical documents of title
<b>"DFI"</b>	development finance institution
<b>"DH Africa"</b>	Diplomatic Holdings Africa Ltd, a company incorporated in Mauritius with registered number C193231 GBC whose registered office is situated at c/o Osiris Corporate Solutions (Mauritius) Limited, Chemin Vingt Pieds, 5th Floor, La Croisette, Grand Baie, Mauritius
<b>"DH Africa REM"</b>	DHA Real Estate Management Limited, a company incorporated in Mauritius with registered number 203031 GBC whose registered office is situated at c/o Juristax Ltd, Hotel Avenue, 33 Cybercity, Level 3 Ebene House, Ebene, Mauritius
<b>"DH Asset Management Agreement"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document



<b>"DH Disposal"</b>	the sale, by GSL to GREA (or its nominee, DH Africa), of a 48.5 per cent. interest in Acacia Estates and the assignment of GSL's interest in the GSL/TMP Loan and the GSL/MDF Loan
<b>"DH Portfolio Company"</b>	a company in which DH Africa holds a direct or indirect investment, and which is either the direct owner of an industrial real estate development or acquisition project (which falls with the investment guidelines, procedures and restrictions of DH Africa as adopted or amended from time to time) or the holding company of such direct owner
<b>"DH Property Services Management Agreement"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"DH Services"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"DH Share Purchase Agreement"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document
<b>"Disclosure Guidance and Transparency Rules"</b>	the Disclosure Guidance and Transparency Rules of the FCA
<b>"ESG"</b>	environmental, social and corporate governance
<b>"Euroclear"</b>	Euroclear UK & International Limited, a company incorporated in England and Wales
<b>"EUWA"</b>	the European Union (Withdrawal) Act 2018 (as amended)
<b>"FCA"</b>	the UK Financial Conduct Authority
<b>"Forms of Proxy"</b>	the UK Form of Proxy and Mauritian Form of Proxy
<b>"FSMA"</b>	the UK Financial Services and Markets Act 2000, as amended
<b>"General Meeting"</b>	the general meeting of the Company convened for 9.00 a.m. (GMT)/1.00 p.m. (MUT) on 16 February 2024, in connection with the Related Party Transactions to consider and, if thought fit, pass the Resolutions (or any adjournment thereof)
<b>"GMT"</b>	Greenwich Mean Time
<b>"GREA"</b>	Gateway Real Estate Africa Ltd, a company incorporated in Mauritius with registered number C140015 whose registered office is situated at c/o Osiris Corporate Solutions (Mauritius) Limited, Chemin Vingt Pieds, 5th Floor, La Croisette, Grand Baie, Mauritius
<b>"GREA Capital Raise"</b>	has the meaning given in paragraph 1 of Part 1 (Letter from the Chairman) of this document
<b>"GREA/Bora Loan"</b>	has the meanings set out in paragraph 3 of in Part 1 (Letter from the Chairman) of this document and paragraph 4.1 of Part 2 (Additional Information) of this document
<b>"GREA Shareholder Agreement"</b>	has the meaning given in paragraph 4.3 of Part 2 (Additional Information) of this document
<b>"GRES"</b>	GRES Mauritius Limited, a company incorporated in Mauritius with registered number C132022 whose registered office is situated at c/o Intercontinental Fund Services Limited, 35 Cybercity, Level 5, Alexander House, Ebene 72201, Mauritius

<b>"Grit" or the "Company"</b>	Grit Real Estate Income Group Limited, a company incorporated in Bermuda on 16 May 2012, registered by continuation in Mauritius as a public company limited by shares on 11 March 2015 with registered number C128881 C1/GBL, and migrated to Guernsey on 4 February 2021 as a non-cellular company with registered number 68739 and whose registered office is situated at PO BOX 186, Royal Chambers, St Julian's Avenue, St Peter Port, GY1 4HP, Guernsey
<b>"Grit Group" or the "Group"</b>	the Company and its subsidiaries and subsidiary undertakings
<b>"GSL"</b>	Grit Services Limited, a company incorporated in Mauritius with registered number C115250 C1/GBL whose registered office is situated at c/o Intercontinental Fund Services Limited, 35 Cybercity, Level 5, Alexander House, Ebene 72201, Mauritius
<b>"GSL/Bora Loan"</b>	has the meaning given in paragraph 3 of Part 1 (Letter from the Chairman) of this document
<b>"GSL/MDF Loan"</b>	a shareholder loan in the sum of approximately US\$1.25 million advanced by GSL to MDF
<b>"GSL/TMP Loan"</b>	a shareholder loan in the sum of approximately US\$4.1 million advanced by GSL to TMP
<b>"IFC"</b>	International Finance Corporation
<b>"Latest Practicable Date"</b>	close of business on 25 January 2024
<b>"Lenders"</b>	has the meaning set out in paragraph 4.2 of Part 2 (Additional Information) of this document
<b>"listed company"</b>	a company that has any class of its securities admitted to the Official List
<b>"Listing Rules"</b>	the rules and regulations made by the FCA in its capacity as the competent authority under FSMA, and contained in the FCA's publication of the same name
<b>"Loan Agreement"</b>	the amended and restated US\$140 million term loan facility agreement dated 24 October 2022, entered into between, amongst others, Commotor Limitada as borrower and Grit as parent and the Lenders, pursuant to which the Lenders have made available to Commotor Limitada (a) a dollar term loan facility in an aggregate amount equal to US\$100 million; and (b) a dollar term loan facility in an aggregate amount equal to US\$40 million, as amended from time to time
<b>"LTV"</b>	loan to value ratio
<b>"Main Market"</b>	London Stock Exchange plc's main market for listed securities
<b>"Mauritian Form of Proxy"</b>	for the purposes of the General Meeting, the form of proxy (blue) for use by Shareholders on the Mauritian Register
<b>"MDF"</b>	Moz Delta FZ-LLC, a company duly formed and registered under the laws of the Emirate of Ras Al Khaimah in accordance with the provisions of Ras Al Khaimah Economic Zone Authority applicable laws and regulations with registration number 5023417 and having its registered office at Serviced Office A, RAKEZ Amenity Centre, Al Hamra Industrial Zone-Free
<b>"MUT"</b>	Mauritius Time



<b>"NAV"</b>	net asset value
<b>"Notice of General Meeting"</b>	the notice of the General Meeting included at Part 4 (Notice of General Meeting) of this document
<b>"Official List"</b>	the official list maintained by the FCA in accordance with section 74 of FSMA
<b>"Ordinary Shares"</b>	ordinary shares of no par value in the capital of the Company
<b>"PIC"</b>	Public Investment Corporation of South Africa, acting in its capacity as the nominated asset manager and duly authorised agent of the Government Employees Pension Fund
<b>"Property Services Management Agreement"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"Regulatory Information Service" or "RIS"</b>	a regulatory information service authorised by the FCA to release regulatory announcements to the London Stock Exchange
<b>"Related Party" or "Related Parties"</b>	has the meaning given in paragraph 5 of Part 1 (Letter from the Chairman) of this document
<b>"Related Party Transactions"</b>	the Bora Investment on the terms set out in the Bora Subscription and Loan Agreement and the DH Disposal on the terms set out in the DH Share Purchase Agreement
<b>"Repayment Date"</b>	has the meaning set out in paragraph 4.1 of Part 2 (Additional Information) of this document
<b>"Resolutions"</b>	the ordinary resolutions set out in Part 4 (Notice of General Meeting) of this document, being the resolutions to approve the Related Party Transactions for the purposes of Listing Rule 11
<b>"SEM"</b>	the Stock Exchange of Mauritius Ltd, established under the repealed Stock Exchange Act of 1988 of Mauritius and now governed by the Securities Act of 2005 of Mauritius
<b>"Services"</b>	has the meaning given in paragraph 5 of Part 2 (Additional Information) of this document
<b>"Shareholders"</b>	the registered holders of Ordinary Shares from time to time
<b>"subsidiary"</b>	has the meaning given in section 1159 of the Companies Act
<b>"subsidiary undertaking"</b>	has the meaning given in section 1162 of the Companies Act
<b>"TMP"</b>	TC Maputo Properties Ltd, a company incorporated in Mauritius with registered number 123248 C1/GBL whose registered office is situated at c/o Griffon Solutions Ltd, C2-401, 4th Floor, Office Block C, Grand Baie La Croisette, Grand Baie, Mauritius, which owns 85 per cent. of the issued share capital in Cognis
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland
<b>"UK Form of Proxy"</b>	for the purposes of the General Meeting, the form of proxy (green) for use by Shareholders on the United Kingdom Register
<b>"UK Market Abuse Regulation"</b>	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse as it forms part of the domestic law of the United Kingdom by virtue of the EUWA

**"UK Prospectus Regulation"**

Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as it forms part of the domestic law of the United Kingdom by virtue of the EUWA

**"UK Prospectus Regulation Rules"** the rules and regulations made by the FCA under Part VI of FSMA

All references to statutory provisions or laws or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

## PART 4

### NOTICE OF GENERAL MEETING

#### GRIT REAL ESTATE INCOME GROUP LIMITED

*(Registered in Guernsey)*

*(Registration number: 68739)*

SEM share code: (dual currency trading): DEL.N0000 (USD)/DEL.C0000 (MUR)

LSE share code: GR1T

ISIN: GG00BMDHST63

**("Grit" or the "Company")**

**NOTICE IS HEREBY GIVEN** that a general meeting of Shareholders will be held at Unity Building, The Precinct, M2 Junction, B11 Fond du Sac Road, Grand Baie, 31301 at 1.00 p.m. (MUT)/9.00 a.m. (GMT) on 16 February 2024, for the purpose of considering, and if thought fit, approving the resolutions set out below.

Defined terms in this Notice of General Meeting shall have the meanings given to them in the circular to the shareholders of the Company dated 29 January 2024 (the "**Circular**"), of which this Notice of General Meeting forms part, unless otherwise herein defined or the context indicates otherwise.

#### ORDINARY RESOLUTIONS

1. **THAT:**

- a. the proposed investment by GREa in Bora Africa, substantially on the terms and subject to the conditions set out in the Bora Subscription and Loan Agreement, dated 29 January 2024 (as amended, modified restated or supplemented from time to time) (the "**Bora Investment**") be and is hereby approved; and
- b. the directors of the Company (the "**Directors**") be and are hereby authorised to take all necessary or appropriate steps and to do all necessary or appropriate things to implement, complete or to procure the implementation or completion of the Bora Investment and give effect thereto with such modifications, variations, revisions, waivers or amendments (not being modifications, variations, revisions, waivers or amendments of a material nature in the context of the Bora Investment taken as a whole) as the Directors may, in their discretion, deem necessary, expedient or appropriate in connection with the Bora Investment.

2. **THAT:**

- a. the proposed sale, by GSL to GREa (or its nominee, DH Africa), of a 48.5 per cent. interest in Acacia Estates and the assignment of GSL's interest in the GSL/TMP Loan and the GSL/MDF Loan substantially on the terms and subject to the conditions set out in the DH Share Purchase Agreement (as amended, modified restated or supplemented from time to time) (the "**DH Disposal**") be and is hereby approved; and

- b. the Directors be and are hereby authorised to take all necessary or appropriate steps and to do all necessary or appropriate things to implement, complete or to procure the implementation or completion of the DH Disposal and give effect thereto with such modifications, variations, revisions, waivers or amendments (not being modifications, variations, revisions, waivers or amendments of a material nature in the context of the DH Disposal taken as a whole) as the Directors may, in their discretion, deem necessary, expedient or appropriate in connection with the DH Disposal.

Dated 29 January 2024

By Order of the Board  
Intercontinental Fund Services Limited  
Company Secretary  
**For and on behalf of**  
**Grit Real Estate Income Group Limited**

*Registered office:*  
PO Box 186  
Royal Chambers  
St Julian's Avenue  
St. Peter Port  
Guernsey  
GY1 4HP

29 January 2024

#### NOTES TO THE NOTICE OF GENERAL MEETING

The following notes explain your general rights as a Shareholder and your right to attend and vote at this meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the register of members of the Company at close of trading on 14 February 2024. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the meeting. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that Shareholder. A proxy need not be a Shareholder of the Company.
3. In the case of joint holders in the absence of an election by them for one of their number to represent them and vote in their name, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
5. You can vote:
  - 5.1 by logging on to [www.signalshares.com](http://www.signalshares.com) and following the instructions; or
  - 5.2 by completing and returning a hard copy form of proxy in accordance with the instructions printed thereon; or
  - 5.3 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In each case the proxy appointment must be received no later than 48 hours prior to the time of the meeting. In calculating this period, no account shall be taken of any part of a day that is not a Working Day (as defined in the articles of incorporation of the Company).

6. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last before the latest time for the receipt of proxies will take precedence.
7. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 9 below) will not prevent a Shareholder from attending the meeting and voting in person if he/she is permitted and wishes to do so.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 9.00 a.m. (GMT) on 14 February

2024. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations, 2009, as amended from time to time.
11. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that no more than one corporate representative exercises powers in relation to the same Ordinary Shares.
12. As at 25 January 2024, the Company's ordinary issued share capital consisted of 495,092,339 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 25 January 2024 are 495,092,339.
13. Any Shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

