



Maris

INVESTING IN GROWTH IN AFRICA



AFRICA LOGISTICS PROPERTIES, KENYA

Q3 Report 2018

GBL1 Mauritian Company	Incorporated June 27th, 2014
REGISTERED OFFICE	c/o CrossInvest Global Management Services Ltd Suite 011 Grand Baie Business Park Grand Baie 30510 Republic of Mauritius
REGIONAL OFFICES	Nairobi Maputo London
DIVISIONS	Property Services Business Services Mining Agriculture and Forestry
SHAREHOLDERS	91
BOARD OF DIRECTORS	David Morrison (Chairman) Marc Beuls Nicholas Ferguson Iwan Meister Henry Obi Raju Shaulis Charlie Tryon (Chief Executive) Harris Harjan (Mauritian Director) Harry Sutherland (Mauritian Director)

I am delighted to report that the group has had its strongest quarter to date and has continued its positive momentum through 2018. Revenues were up 19% year on year at \$35.9m and EBITDA rose 18% YoY to \$3.2m in Q3, an increase of 34% on Q2. EBITDA to the end of Q3 is \$8.2m, ahead of both budget and well ahead of 2017.

Across our 8 markets we have seen a generally positive news flow, the warring parties in South Sudan have signed a major peace agreement, Angola is seeing signs of growth, and Mozambique has witnessed a notable increase in activity in the oil and gas sector. Zimbabwe sadly bucks the trend with a dramatic collapse in the economy in October as the “zollar” (the local US Dollar) decoupled from the US dollar, sending the zollar to 4:1 to the US dollar. The government is paying for its chronic economic mismanagement.

Whilst unwelcome in the short term, the collapse in the local economy in Zimbabwe should be seen as a positive. Major economic structural reforms have been required for some time and this storm may be the right stimulus to make them happen. We also believe there will be some excellent opportunities that arise from the current crisis in Zimbabwe as valuations are rebased in ‘zollars’.

All divisions performed strongly in Q3 with Property and Business Services, showing most improvement. Acacia Village recovered after a weak Q2, a trend which we hope will continue following the signing of a cease fire in South Sudan in October.

September marked the well attended opening of ALP's Tatu City site. Tenants began moving in in early October to Box 1 and 2 with leasing now at 86%. Our second site, Tilisi, is moving forward with plans to start construction in Q4. One global logistics company has signed a letter of intent for 7,500 Sqm which will catalyse construction of the site.

We had a marked improvement within the Business Services division during the quarter. With the exception of MTR in Rwanda, our businesses all performed well. An easing in forex restrictions in Angola and large scale infrastructure developments in Tanzania both supported better sales. Equator Drilling generated revenues of over \$1.5m during the quarter, 134% ahead of budget and marginally short of its revenues for the whole of 2017. Whilst the company is profitable and EBITDA is 477% above budget YTD, we remain cautiously optimistic.

Equator Energy, the group's newest venture is seeing strong growth and a good Q3. Installed capacity is set to pass 2MW in Q4 and the pipeline looks to be strengthening with over 12MW of projects in our pipeline. The company secured a \$2m debt facility locally in Kenya to support its rapid growth ahead of a further likely equity investment from Maris in 2019.

The Mining Division continues to perform well. Karebe and Venice are ahead of budget, a highly commendable result for Venice given the operational challenges all businesses are facing in Zimbabwe. We have temporarily halted operations at Commoner Mine due to diesel and forex shortages in country. The recent collapse in the ‘zollar’ has resulted in hyperinflationary price rises and shortages of most goods.

The forestry and agriculture division continues to perform well and remains ahead of budget. Revenues YTD from the two businesses are almost \$20m, up over 30% on 2017. EBITDA was up 11% on Q2 and 20% versus 2017.

We are seeing an improving pipeline of opportunities across our markets at present, particularly in our Agriculture and Forestry division where we are seeing some very interesting distressed assets for sale. We are seeing companies that were grossly over capitalized and poorly managed seeking buyers or financial support.

Aside from likely follow on investments in ALP and Equator Energy, we are looking at expanding our dealership footprint and product range and building the MT Group into one of Africa's leading dealership groups. With acquisitions identified in 3 countries we are well positioned to hit the ground running after we close our capital raise.

Maris has posted some good result this year and we feel well positioned to raise \$50m of additional capital to support the growth of the business. Having invested in building our team and systems, and implemented substantial governance improvements, particularly strengthening our environmental and social governance capacity, management are eager to grow the business. We will be writing separately this month with respect to holding an EGM and seeking shareholder approval for our planned capital raise.

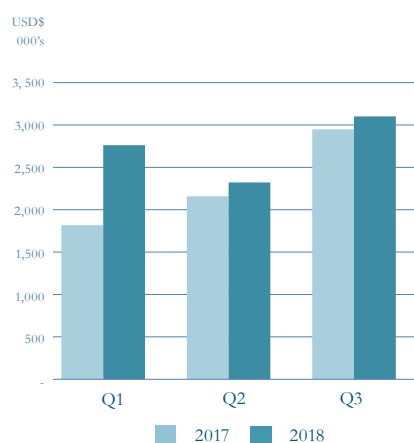
Charlie Tryon

GROUP PERFORMANCE (USD\$)	Q1 2017	Q2 2017	Q3 2017	Total Q1-Q3 2017	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	% Change (Q1-Q3 2018 / 2017)
Revenues	8.9m	9.3m	11.9m	30.1m	11.4m	12.4m	12.1m	35.9m	19.4%
EBITDA	1.8m	2.2m	2.9m	6.9m	2.8m	2.3m	3.1m	8.2m	18.2%
Profit from Operations	1.1m	1.4m	2.2m	4.7m	1.7m	1.4m	2.3m	5.3m	13.0%
Group Operating Costs	-0.6m	-0.6m	-0.6m	-1.8m	-0.6m	-0.6m	-0.6m	-1.9m	-6.0%
Other Income / Expenses	-0.1m	-0.1m	0.0m	-0.2m	-0.1m	0.0m	0.2m	0.1m	152.1%
Net Profit for the year	0.4m	0.7m	1.7m	2.8m	1.0m	0.8m	1.8m	3.6m	28.3%
Attributable to Maris shareholders	0.2m	0.5m	1.2m	1.9m	0.7m	0.5m	1.1m	2.4m	22.4%
Attributable to other shareholders	0.3m	0.3m	0.4m	1.0m	0.3m	0.3m	0.5m	1.1m	7.2%

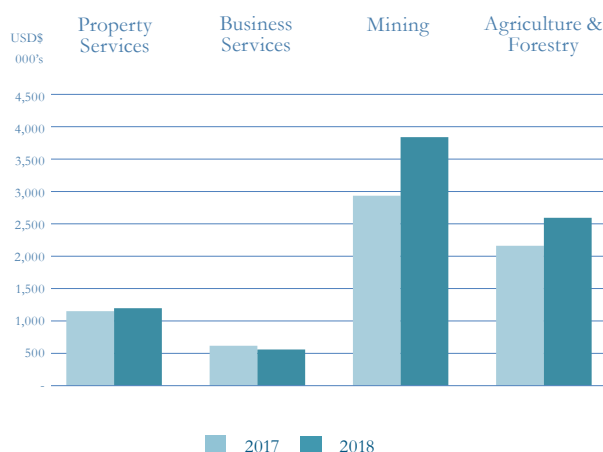
GROUP HOLDINGS (USD\$)	Q3 2018 Unaudited	Q4 2017 Audited
Value of Investment in OpCo's*	86.3m	84.2m
Cash at Maris Ltd	3.4m	5.0m
Other assets	5.9m	4.0m
Liabilities	-3.2m	-0.4m
NAV	92.4m	92.8m
NAV / share	1.016	1.021

* Unaudited valuations are based on the latest audited valuation as at Q4 2017 plus any incremental investment at cost.

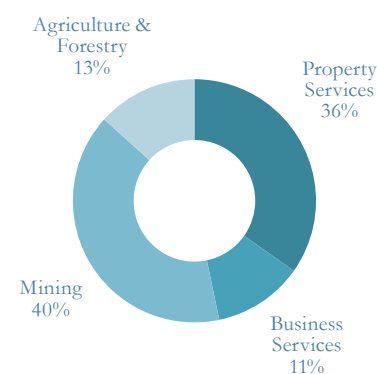
Group EBITDA
Q1-Q3 2017 vs 2018



Division EBITDA
Q1-Q3 2017 vs 2018



Valuation By Division
Q3 2018



MARIS INVESTED CAPITAL

Division	INVESTED CAPITAL (USD\$) 9.9.14 - Q3 2018	INVESTED CAPITAL (%) 9.9.14 - Q3 2018	VALUATION (USD\$) Q3 2018 Unaudited	MONEY MULTIPLE
Property Services	29.7m	37%	31.0m	1.04x
Business Services	16.6m	21%	9.5m	0.57x
Mining	22.6m	28%	34.5m	1.52x
Agriculture & Forestry	11.8m	15%	11.4m	0.96x
Total	80.8m		86.3m	1.07x

REVENUE (USD\$)

Division	Q1 2017	Q2 2017	Q3 2017	Total Q1-Q3 2017	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	% Change (Q1-Q3 2018 / 2017)
Property Services	0.9m	1.0m	0.9m	2.8m	1.3m	1.3m	1.3m	3.9m	39.6%
Business Services	2.6m	2.4m	2.9m	8.0m	2.8m	3.1m	2.4m	8.4m	4.8%
Mining	3.3m	3.6m	4.5m	11.5m	4.7m	4.3m	4.5m	13.5m	17.8%
Agriculture & Forestry	1.9m	2.3m	3.6m	7.8m	2.6m	3.7m	3.8m	10.1m	29.7%
Total	8.9m	9.3m	11.9m	30.1m	11.4m	12.4m	12.1m	35.9m	19.4%

EBITDA (USD\$)

Division	Q1 2017	Q2 2017	Q3 2017	Total Q1-Q3 2017	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	% Change (Q1-Q3 2018 / 2017)
Property Services	0.4m	0.4m	0.3m	1.2m	0.5m	0.3m	0.4m	1.2m	3.9%
Business Services	0.3m	0.3m	0.0m	0.6m	0.1m	0.0m	0.5m	0.6m	-9.2%
Mining	0.7m	0.7m	1.5m	2.9m	1.7m	1.0m	1.1m	3.8m	30.9%
Agriculture & Forestry	0.4m	0.7m	1.1m	2.2m	0.5m	1.0m	1.1m	2.6m	20.0%
Total	1.8m	2.1m	2.9m	6.9m	2.8m	2.3m	3.1m	8.2m	19.3%

NET PROFIT (USD\$)

Division	Q1 2017	Q2 2017	Q3 2017	Total Q1-Q3 2017	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	% Change (Q1-Q3 2018 / 2017)
Property Services	0.2m	0.2m	0.2m	0.6m	0.1m	-0.1m	0.1m	0.1m	-86.3%
Business Services	0.2m	0.2m	0.0m	0.3m	0.0m	-0.1m	0.5m	0.4m	30.8%
Mining	0.4m	0.3m	1.0m	1.7m	1.1m	0.6m	0.7m	2.4m	40.2%
Agriculture & Forestry	0.3m	0.6m	1.1m	1.9m	0.4m	0.9m	1.0m	2.4m	23.3%
Total	1.1m	1.3m	2.2m	4.6m	1.7m	1.4m	2.3m	5.3m	15.6%

COMPANIES

CORPORATE ACCOMMODATION

MULITANI (100%)

Tete, Mozambique

70 rooms

KAIA VILLAGE (QSS) (100%)

Pemba, Mozambique

50 rooms

ACACIA VILLAGE (53%)

Juba, South Sudan

39 rooms

SERVICED OFFICES

MOZAMBIQUE MANAGED OFFICES (MMO) (75%)

Maputo, Mozambique

2000 Sqm

INDUSTRIAL WAREHOUSING

OSS MOZAMBIQUE (100%)

Tete, Nacala, Pemba, Mozambique

4,500Sqm

AFRICA LOGISTICS PROPERTIES

(ALP) (13%)

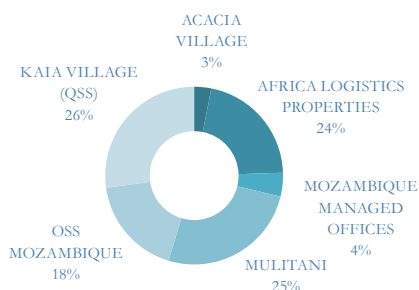
Nairobi, Kenya

Completed 52,381Sqm at site 1

Planned 100,000Sqm at site 2

() indicates Maris equity stake

PERCENTAGE OF NAV BY BUSINESS



DIVISION OVERVIEW

The Properties Services Division posted a marked improvement compared to both Q3 2017 (EBITDA +27%) and Q2 2018 (EBITDA +22%); this improvement has been led by Acacia Village in South Sudan thanks to the relative stability of Juba and the excellent job of our local management team.

A notable milestone has been accomplished with the opening of ALP's first two warehouses in September at the Tatu City site in the north of Nairobi; the two facilities (with a combined 27,268 sqm) are the first Grade A warehouses in East Africa. The premises, which are already 86% pre-let, will generate the first revenues in Q4 2018. Construction of Warehouse 3, for a further 19,640 sqm at the same site, is also continuing. Furthermore, two large multinational clients are in advanced discussion for two built-to-suit facilities at the other ALP site in the west of Nairobi.

Our Mozambique properties delivered a slightly improved performance compared to Q2 2018 (EBITDA +4%). Whilst there has not been any major change in occupancy levels, there are tangible and promising signs of increased activity linked to the LNG projects. For example, the number of enquiries at all of our properties are increasing (including for serviced offices in Maputo). ENI has chosen the port of Nacala (where Maris owns warehouses) to support its LNG floating unit, and several contractors are mobilizing in Palma (where Maris owns land). The consensus is that the bulk of activities will not start before H1 2019 but the level of confidence surrounding Mozambique's LNG sector is certainly at its highest in two years.

HIGHLIGHTS

- ALP Tatu warehouses 1 & 2 have been opened; first revenues are expected in October 2018.
- Acacia Village performance has improved substantially.

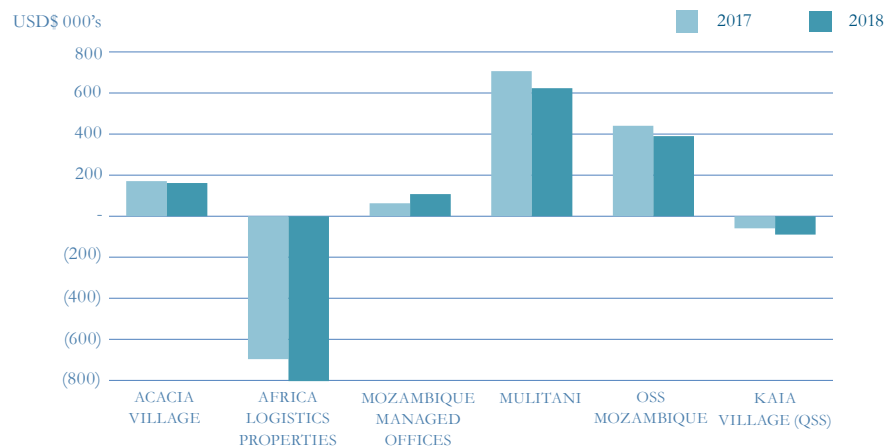
LOWLIGHTS

- Kaia Village occupancy remains low.
- Despite positive indications it is unlikely that the LNG activities will improve performance in Mozambique until mid-2019.

KEY FINANCIAL INDICATORS

USD\$	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	Total Q1-Q3 2017	% Change (Q1-Q3 2018 / 2017)
Revenues	1.3m	1.3m	1.3m	3.9m	2.8m	39.6%
EBITDA	0.5m	0.3m	0.4m	1.2m	1.2m	3.9%
Net Profit	0.1m	-0.1m	0.1m	0.1m	0.6m	-86.3%

EBITDA BY BUSINESS (Q1-Q3 2017 VS 2018)



COMPANIES

MAQUINAS E TRACTORES DE ANGOLA (MTA) (47%)
Exclusive JCB machinery dealership
Angola

MACHINES AND TRACTORS TANZANIA (MTT) (50%)
Exclusive JCB, Kaeser, Parker machinery dealership
Tanzania

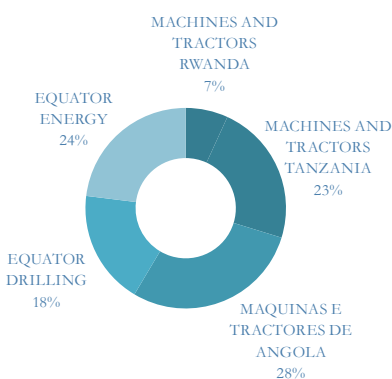
MACHINES AND TRACTORS RWANDA (MTR) (50%)
Exclusive JCB, Kaeser, Parker machinery dealership
Rwanda

EQUATOR DRILLING (80%)
Mining drilling services
Mozambique, Kenya and DRC

EQUATOR ENERGY (70%)
Renewable Energy Solutions
Kenya, South Sudan, Zimbabwe

() indicates Maris equity stake

PERCENTAGE OF NAV BY BUSINESS



DIVISION OVERVIEW

The Business Services division had its best quarter of 2018 and increased its YTD Net Profit (+30% vs. the same period of 2017). This was largely driven by a much better quarter for the MT Group. MTT's YTD EBITDA grew by 41% vs 2017 off the back of continued investment in infrastructure by the Tanzanian Government, in particular in railway and oil pipelines. MTR in Rwanda (which is a smaller market) managed to sustain its machine sales record. In Angola, the fiscal tightening and reforms introduced President João Lourenço's new Government combined with an uptick in the oil price has shown signs of easing the access to foreign currency and therefore allowing MTA to forecast increased sales of JCB equipment. Additionally, the business continues to be well supported by its after sales offering of lubricants and spare parts.

Equator Energy's installed capacity is now at 2 megawatts, with revenues continuing to grow steadily as more projects come online. The Company's operating costs are significantly lower than competitors, which allows cash generated to be recycled directly into new projects and to service a new bank facility of \$2m, which will be deployed to accelerate expansion. Additional signed contracts will add a further 2.2 megawatts by Q1 2019, and the pipeline is growing well on the back of the steady track record that is being established.

For Equator Drilling, the joint-venture with Bamboo Rock Drilling in south-eastern DRC has substantially increased the company's capabilities to 5 rigs, allowing it to tender for larger mining exploration projects. Current contracts will keep 2 rigs working into Q1 2019. On the downside the company's business in Mozambique is quite slow at the moment and we are considering whether to transfer some of the assets and staff to DRC.

HIGHLIGHTS

- Equator Energy's installed capacity is expanding fast and its pipeline of potential projects growing.
- A strong MT Group performance in Q4 is anticipated with steady machines sales in all 3 countries.

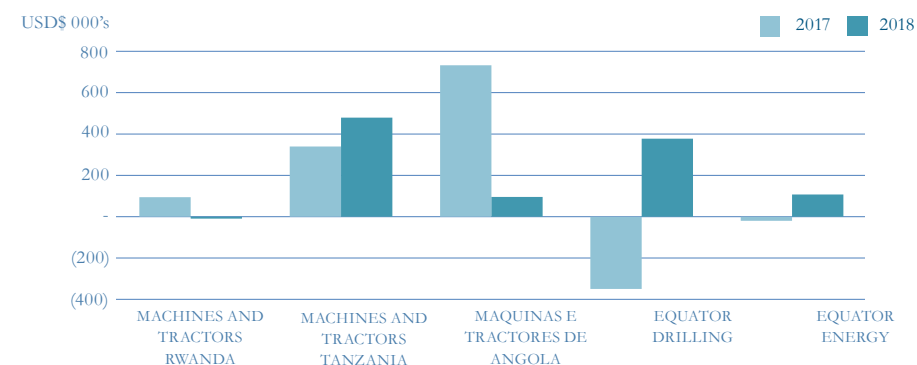
LOWLIGHTS

- Equator Drilling's project in Mozambique is likely to end in 2018.
- Foreign exchange constraints continue to hamper MTA's ability to sell machines.

KEY FINANCIAL INDICATORS

USD\$	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	Total Q1-Q3 2017	% Change (Q1-Q3 2018 / 2017)
Revenues	2.8m	3.1m	2.4m	8.4m	8.0m	4.8%
EBITDA	0.1m	0.0m	0.5m	0.6m	0.6m	-9.2%
Net Profit	0.0m	-0.1m	0.5m	0.4m	0.3m	30.8%

EBITDA BY BUSINESS (Q1-Q3 2017 VS 2018)



COMPANIES

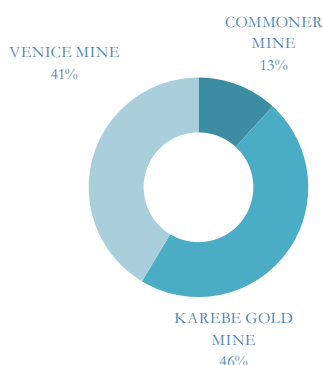
KAREBE GOLD MINING LIMITED (KGML) (80%)
Kenya

COMMONER MINE LIMITED (80%)
Zimbabwe

VENICE MINE COMPLEX (VMC) (90%)
Zimbabwe

() indicates Maris equity stake

PERCENTAGE OF NAV BY BUSINESS



DIVISION OVERVIEW

The Mining Division continues to deliver strong performance compared to both Q2 2018 (EBITDA +8%) and 2017 (EBITDA +31% on a YTD basis); this performance is even more remarkable considering the instability affecting Zimbabwe in the post-election period.

Karebe Gold Mine delivered an outstanding performance with an average monthly production of 19kg (vs an average of 15kg in 2017); EBITDA was up +21% compared to Q2 2018 mostly thanks to the excellent grades obtained. Management is exploring the option of selling a minority stake in the mine in order to fund further exploration.

Venice Mine delivered an improved EBITDA (+12 vs Q2 2018); this was made possible by better grades obtained from the newly opened underground operations and the installation of a ‘Fillblast’ system which increases extraction from existing tailings. At Commoner Mine, on the other hand, the decision has been taken to concentrate on future development and reduce expenditure and diesel requirements following the collapse in the local US Dollar ‘zollar’ rate.

It is worth noting that Zimbabwe does not have a fully functioning banking system at present; hard currency is extremely difficult to find for most people and this has seen the emergence of a split between “real USD cash” and “electronic USD” (aka “zollars”). While this duality is not officially recognized by the Zimbabwean Government, goods and services are constantly repriced in both “currencies”, resulting in substantial operational challenges. Against this backdrop, Venice Mine and Commoner Mine are in the privileged position of receiving a steady flow of “real USD” from gold sales which allows them to operate; while they are not immune to the gyrations of the economy, they are probably the ideal type of assets to own in this situation. By the same token, the decision to dispose of Untu Microfinance earlier in the year (payment was received in “real USD”) appears to have been the correct one.

HIGHLIGHTS

- Karebe and Venice Mines production continue to deliver excellent results.
- There is increasing interest in Karebe Mine by external investors.

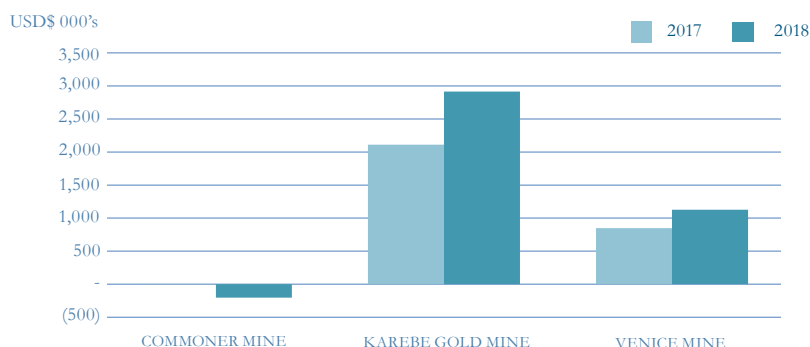
LOWLIGHTS

- The forex situation in Zimbabwe remains unresolved causing several operational challenges at Venice and Commoner.

KEY FINANCIAL INDICATORS

USD\$	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	Total Q1-Q3 2017	% Change (Q1-Q3 2018 / 2017)
Revenues	4.7m	4.3m	4.5m	13.5m	11.5m	17.8%
EBITDA	1.7m	1.0m	1.1m	3.8m	2.9m	30.9%
Net Profit	1.1m	0.6m	0.7m	2.4m	1.7m	40.2%

EBITDA BY BUSINESS (Q1-Q3 2017 VS 2018)



COMPANIES

EQUATORIA TEAK
COMPANY (ETC) (85%)

Forestry
South Sudan

EQUATORIA TEAK
PRODUCTS (ETP) (85%)

Forestry
South Sudan

GREEN ENVIRON TEAK
COMPANY (GETC) (50%)

Forestry
South Sudan

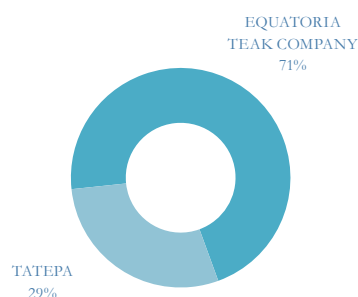
TATEPA (18%)*

Tea, Avocados
Tanzania

() indicates Maris equity stake

* Convertible loan in place. On conversion Maris' equity stake increases to 67%

PERCENTAGE OF NAV BY BUSINESS



DIVISION OVERVIEW

In Q3 18 the Division EBITDA grew 11% compared to the previous quarter and is up 20% year on year.

Steady production of over 1,100 cubic metres per month at Equatoria Teak Company and Green Environ Teak Company have ensured sustained high revenues and EBITDA (+20% YTD EBITDA vs 2017) and put the forestry operations on track for a record year, generating \$1.6m in dividends to Maris. Profitability in Q3 has been helped by an increase in prices for sales into India, where the highly valued qualities of our teak are much sought after.

Good Progress has also been made at Equatoria Teak Products ("ETP"), Maris' new start-up that processes ETC's teak into flooring and decking in Kenya. ETP's sales are starting to pick up and its reputation is being established in the market. A key selling point of ETP (besides the timber quality) is the sustainability of our teak, in a market that is traditionally used to unsustainable hardwoods from central Africa.

Tatepa's tea exports continue to do well and provide the bulk of the earnings of the company. The factory in Mbeya, south-west Tanzania, is undergoing a machinery upgrade. The annual avocado harvest in August and September has delivered a substantial increase in volume (~1,000 tons vs. ~400 ton in 2017); unfortunately the selling prices have been lower than in previous seasons due to a glut of worldwide production. The complete results of the avocado business will be reported in Q4 2018.

Finally, negotiations to sell the retail tea division (branded Chai Tausi) have been concluded.

HIGHLIGHTS

- ETC continues to consistently increase revenues and improve margins.
- ETP is starting to make sales of finished timber products into Kenyan market.

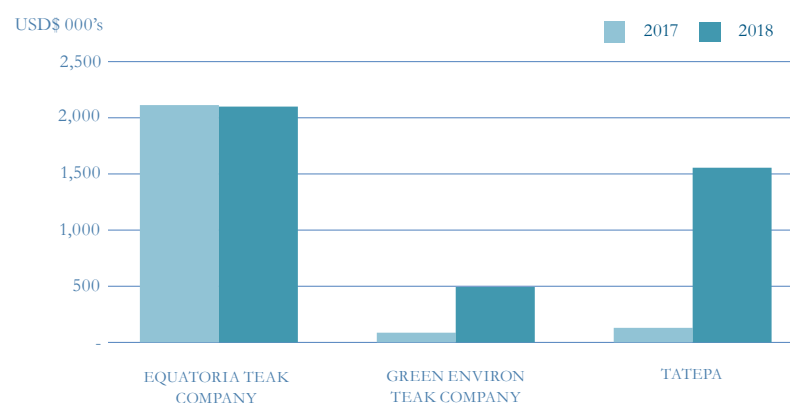
LOWLIGHTS

- Avocado harvest profitability reduced by a worldwide oversupply.

KEY FINANCIAL INDICATORS

USD\$	Q1 2018	Q2 2018	Q3 2018	Total Q1-Q3 2018	Total Q1-Q3 2017	% Change (Q1-Q3 2018 / 2017)
Revenues	2.6m	3.7m	3.8m	10.1m	7.8m	29.7%
EBITDA	0.5m	1.0m	1.1m	2.6m	2.2m	20.0%
Net Profit	0.4m	0.9m	1.0m	2.4m	1.9m	23.3%

EBITDA BY BUSINESS (Q1-Q3 2017 VS 2018)





EQUATORIA TEAK PRODUCTS, KENYA

MARIS LIMITED

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