



Maris

---

**INVESTING IN GROWTH IN AFRICA**  
Q4 2019 Shareholder Report



WAKULIMA TEA COMPANY, TANZANIA

<b>GBL1 Mauritian Company</b>	<b>Incorporated June 27th, 2014</b>
<b>REGISTERED OFFICE</b>	C/o CrossInvest Global Management Services Ltd Office FF01 Endemika Business Park Phase 2 Petit Raffray Mauritius
<b>REGIONAL OFFICES</b>	Nairobi Maputo London
<b>DIVISIONS</b>	Property Services Business Services Mining Agriculture & Forestry
<b>SHAREHOLDERS</b>	84
<b>BOARD OF DIRECTORS</b>	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)

2019 has been a year of two very different halves. Results in H1 were badly impacted by losses at Karebe and the first close of our capital raise was taking longer than expected, which made it a challenging and uncertain time. Fast forward six months and we have closed the year strongly with Karebe not only having recovered its losses in H1, but having delivered US\$6m of EBITDA in 5 months.

Revenues in 2019 were marginally lower (-4%) than 2018 at US\$45.6m. This was due to a fall in revenues from our Agriculture & Forestry Division, which saw revenues decline 16% year on year. Strong performance from the rest of the group didn't quite offset declining teak sales from ETC.

EBITDA increased by an impressive 11% and to US\$11.6m year on year. This was well supported by gains seen in the Business Services and Mining divisions.

Net profit fell by -26%, mostly due to businesses accounted for as Associates (i.e. Maris has a minority stake) and so their losses are reported below the EBITDA line: Tatepa suffered heavily from weak tea prices and the operations at Equator Drilling DRC were discontinued.

Property Services had a solid year with earnings increasing by 27% between Q1 and Q4. The increase in activity from the oil and gas majors in Mozambique led to substantial improvements in performance at Kaia Village and MMO which saw earnings increase by 143% and 32% respectively. A trend we should see continue as investment activity increases in the country. This said, an Islamist insurgency in the North of Mozambique could threaten the pace of gas development due to increased insecurity in the area.

Our Mining division delivered excellent returns largely thanks to Karebe. The mine has developed into some exceptionally high grade ore zones resulting in an averaged head grade feed to the mill of 35g/ton in H2. What makes the results all the more exceptional is the very rich zones mined were from development ore, not production ore.

For the laymen, this means we tunneled through areas of exceptionally high grade leaving the majority behind in ore blocks for future mining. Assuming production is uninterrupted, 2020 will be a better year still.

Results from Venice were disappointing, EBITDA fell by 38% due to increased costs. Major power outages have required us to run the mine mainly on generators adding over US\$400k in diesel costs. On a more positive note our understanding of the resource base at Venice is improving and we believe we may well have a multi-million ounce mine in the making.

Business Services has seen the most marked improvement across the group with EBITDA increasing by 147% year on year. Equator Energy has performed very well doubling its installed capacity to 6MW during the year. The MT group (recently rebranded as the META Group) had a good year with MTT, our Tanzanian dealership generating almost US\$700k of EBITDA, despite the governments best efforts at bringing the private sector to its knees.

Equatoria Teak Company performed well (EBITDA US\$2.5m), but production declined as we have scaled back operations as our timber resource declines. Tatepa faced a perfect storm of events with low tea prices and Rungwe Avocado Company shipping a large volume of outgrower fruit which sold at very poor prices. The result was a substantial loss of US\$1.5m. Maris implemented a rescue in Q4 and has taken over the company and driven sweeping changes as part of a turnaround which will yield better results in 2020.

With additional capital to work with (our second close is expected in Q2 this year), we will be investing primarily in our Business Services and Agriculture & Forestry Divisions in an effort to scale these parts of the business and deliver on our medium-term strategy of consolidating our holdings into fewer larger entities.

Charlie Tryon

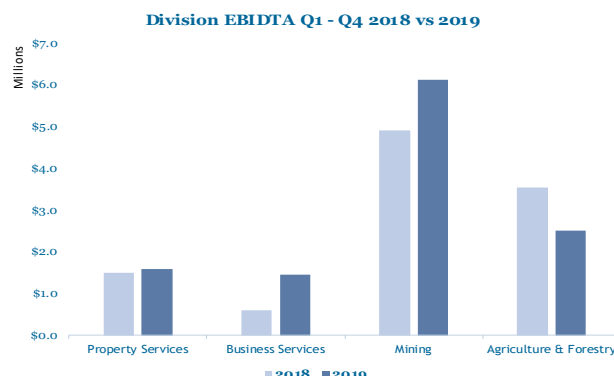
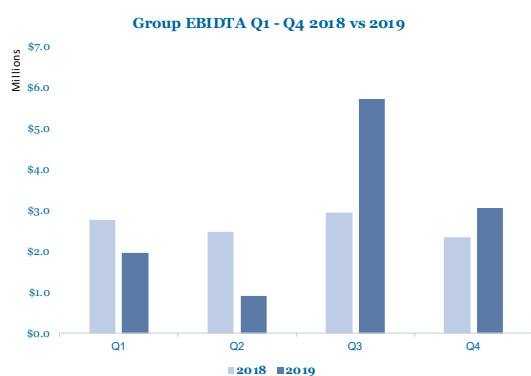
CONSOLIDATED GROUP PERFORMANCE*	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Total 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	% Change (2019/2018)
Revenues	11.4m	12.4m	12.1m	11.7m	47.6m	10.3m	9.8m	13.9m	11.6m	45.6m	-4.4%
EBITDA	2.8m	2.3m	3.1m	2.3m	10.5m	2.0m	0.9m	5.7m	3.1m	11.7m	10.7%
Profit from Operations	1.7m	1.4m	2.3m	1.9m	7.2m	1.1m	0.1m	3.5m	1.5m	6.2m	-14.1%
Group Operating Costs	-0.6m	-0.6m	-0.6m	-0.6m	-2.4m	-0.7m	-0.7m	-0.7m	-0.5m	-2.6m	-6.1%
<b>Net Profit</b>	1.1m	0.8m	1.6m	1.3m	4.8m	0.4m	-0.6m	2.8m	1.0m	3.6m	-25.5%
<i>Attributable to Maris shareholders</i>	0.7m	0.5m	1.2m	1.0m	3.4m	0.1m	-0.8m	1.9m	0.6m	1.9m	-44.7%
<i>Attributable to other shareholders</i>	0.3m	0.3m	0.5m	0.3m	1.4m	0.3m	0.2m	0.8m	0.4m	1.7m	21.9%

\* The consolidated figures presented here are not audited and are provided as supplemental information; they are not intended to be a substitute for the audited financial statements of the Company.

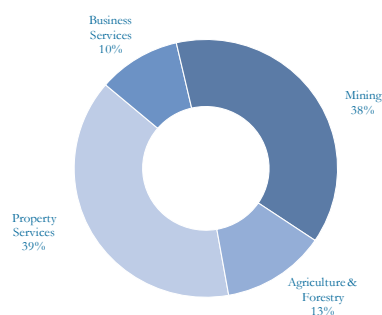
\*\* All figures are in US\$ unless otherwise stated.

GROUP HOLDINGS	Q4 2019 (Unaudited)	Q4 2018
Value of Investment in OpCo's***	88.4m	87.5m
Cash at Maris Ltd	16.5m	3.1m
Other assets	7.1m	6.1m
(Liabilities)	-3.2m	-3.0m
NAV	108.8m	93.8m
NAV / share	1.03	1.03

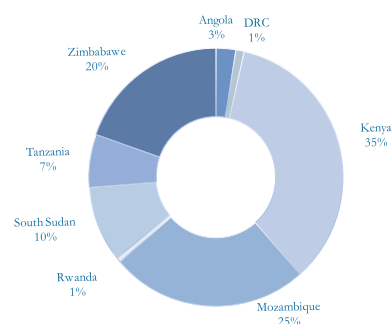
\*\*\*Unaudited valuations are based on the latest audited valuation as at Q4 2018 plus any incremental investment at cost and Audit Committee approved revaluations from H1 2019.



Valuation by Division, Q4 2019



Valuation by Country, Q4 2019



MARIS INVESTED CAPITAL				
Division	INVESTED CAPITAL 9.9.14 - Q4 2019	REMITTANCES (Dividends & Other Cash)	VALUATION Q4 2019 (Unaudited)	MONEY MULTIPLE (inc. Dividends)
Property Services	30.7m	2.8m	34.3m	1.21x
Business Services	13.8m	0.0m	9.0m	0.65x
Mining	22.6m	4.0m	33.5m	1.66x
Agriculture & Forestry	13.9m	3.0m	11.3m	1.03x
Other Investments	4.1m	0.9m	0.3m	0.29x
<b>Total</b>	<b>85.0m</b>	<b>10.7m</b>	<b>88.4m</b>	<b>1.16x</b>

REVENUE											
Division	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Total 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	% Change (2019 / 2018)
Property Services	1.3m	1.3m	1.3m	1.2m	<b>5.1m</b>	1.2m	1.4m	1.6m	1.6m	<b>5.7m</b>	12.6%
Business Services	2.8m	3.1m	2.4m	2.4m	<b>10.8m</b>	1.7m	3.7m	2.0m	2.8m	<b>10.3m</b>	-5.2%
Mining	4.7m	4.3m	4.5m	3.9m	<b>17.4m</b>	3.4m	1.6m	7.4m	5.1m	<b>17.6m</b>	0.9%
Agriculture & Forestry	2.6m	3.7m	3.8m	4.2m	<b>14.3m</b>	3.9m	3.1m	2.9m	2.2m	<b>12.0m</b>	-16.2%
<b>Total</b>	<b>11.4m</b>	<b>12.4m</b>	<b>12.1m</b>	<b>11.7m</b>	<b>47.6m</b>	<b>10.3m</b>	<b>9.8m</b>	<b>13.9m</b>	<b>11.6m</b>	<b>45.6m</b>	<b>-4.4%</b>

EBITDA											
Division	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Total 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	% Change (2019 / 2018)
Property Services	0.5m	0.3m	0.4m	0.3m	<b>1.5m</b>	0.3m	0.4m	0.5m	0.3m	<b>1.6m</b>	6.04%
Business Services	0.1m	0.0m	0.5m	0.0m	<b>0.6m</b>	0.2m	0.5m	0.4m	0.4m	<b>1.5m</b>	147.1%
Mining	1.7m	1.0m	1.1m	1.1m	<b>4.9m</b>	0.7m	-0.7m	4.2m	1.9m	<b>6.1m</b>	24.6%
Agriculture & Forestry	0.5m	1.0m	1.1m	1.0m	<b>3.5m</b>	0.7m	0.7m	0.6m	0.4m	<b>2.5m</b>	-29.3%
<b>Total</b>	<b>2.8m</b>	<b>2.3m</b>	<b>3.1m</b>	<b>2.3m</b>	<b>10.5m</b>	<b>2.0m</b>	<b>0.9m</b>	<b>5.7m</b>	<b>3.0m</b>	<b>11.7m</b>	<b>10.7%</b>

NET PROFIT											
Division	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Total 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	% Change (2019 / 2018)
Property Services	0.1m	-0.1m	0.1m	0.8m	<b>0.9m</b>	0.2m	0.2m	0.3m	0.2m	<b>0.8m</b>	-5.0%
Business Services	0.0m	-0.1m	0.5m	-0.4m	<b>0.0m</b>	-0.1m	0.2m	0.0m	0.1m	<b>0.2m</b>	326.8%
Mining	1.1m	0.6m	0.7m	0.7m	<b>3.1m</b>	0.3m	-0.8m	2.8m	0.9m	<b>3.2m</b>	3.4%
Agriculture & Forestry	0.4m	0.9m	1.0m	0.8m	<b>3.2m</b>	0.6m	0.6m	0.4m	0.4m	<b>2.0m</b>	-38.2%
<b>Total</b>	<b>1.7m</b>	<b>1.4m</b>	<b>2.3m</b>	<b>1.9m</b>	<b>7.2m</b>	<b>1.1m</b>	<b>0.1m</b>	<b>3.5m</b>	<b>1.4m</b>	<b>6.2m</b>	<b>-13.9%</b>

## COMPANIES

### CORPORATE ACCOMMODATION

#### MULITANI (100%)

Tete, Mozambique  
70 rooms

#### KAIA VILLAGE (QSS) (100%)

Pemba, Mozambique  
50 rooms

#### ACACIA VILLAGE (54%)

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%)

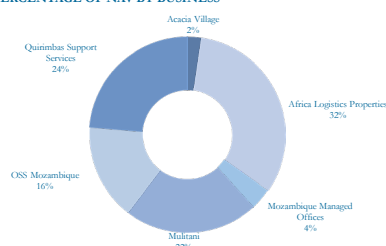
Nairobi, Kenya

Completed 52,381Sqm at site 1

Planned 100,000Sqm at site 2

( ) indicates Maris equity stake

PERCENTAGE OF NAV BY BUSINESS



## DIVISION OVERVIEW

ALP had another strong quarter with Q4 revenues at USD\$535k and occupancy rates steady at 82%. ALP posted a NOPAT of US\$680k in 2019 which is quite remarkable considering 2019 was the first fully operational year with the Tatu City warehouses development completed.

The Mozambican property portfolio continues to perform well, with Q4 revenues up 36% compared with Q4 2018. Kaia Village continues to benefit from oil and gas clients (e.g. ExxonMobil) with occupancy consistently over 95% and is seeing renewed interest for further expansion of the facility. MMO completed fitout of an additional 300m2 expansion within Rani Towers and has seen enquiries increase as LNG projects look to take off in 2020. A key contractor of Exxon has already taken space within the expansion and it is likely that they will extend further with MMO in Q2 2020.

Mulitani continues to operate at 100% occupancy with its long term anchor client Barloworld. OSS Mozambique had a difficult quarter as it waits for LNG projects to capitalise on its vacant properties in Cabo Delgado. The collapse of a key bridge north of Pemba has also delayed further construction on the OSS site in Palma.

In Q4 Acacia Village delivered its best quarter of 2019 with US\$500k in revenues and occupancy rate of 74%.

### HIGHLIGHTS

- Kaia Village posted a healthy profit of US\$238k, the first yearly profit since FY2015.
- MMO secured a major oil and gas client.
- Acacia Village occupancy rate reached 74%.

### LOWLIGHTS

- Low occupancy at OSS Mozambique warehouses.
- Rainy season causing delays in OSS Mozambique's expansion into Palma.

## KEY FINANCIAL INDICATORS

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	Total 2018	% Change (2019 / 2018)
Revenues	1.2m	1.4m	1.6m	1.6m	<b>5.7m</b>	5.1m	12.6%
EBITDA	0.3m	0.4m	0.5m	0.3m	<b>1.6m</b>	1.5m	6.0%
Net Profit	0.2m	0.2m	0.3m	0.2m	<b>0.8m</b>	0.9m	-5.0%

EBITDA YTD



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

( ) indicates Maris equity stake

## DIVISION OVERVIEW

Equator Energy continued to grow through the fourth quarter, signing an additional 356 kW of solar capacity. This includes a 176 kW ground-mounted installation at a university in western Kenya and 180 kW of expansions at two flower farms; the yield on these type of expansions is particularly compelling as cost of equipment is consistently dropping. The pipeline for the first quarter of 2020 looks promising, with additional expansions and new projects lined up in Kenya (across various sectors) and in selected regions of Somalia (i.e. Mogadishu airport MIA zone, Somaliland and Puntland).

Year-end installed and signed capacity for Equator Energy stood at 7.7 MW, beating budget and cementing their position as the largest owner-operator of Commercial and Industrial solar power plants in eastern Africa.

The recently rebranded META Group (machinery dealership businesses) delivered relatively strong Q4 revenues in a period when normally sales wind down. EBITDA margin was slightly lower than Q3 due to some year-end adjustments to inventory but overall META Group delivered a full-year EBITDA growth of 66% compared to 2018; this excellent performance is mostly due to East Africa where META boasts a compelling arrays of brands, including JCB, Schwing Stetter, Baoli, Case NewHolland and ITR. Progress has been slower in Angola where the country is struggling to recover from the collapse of oil prices; at the end of Q4 however the Angolan Government allowed the currency to more or less free float, and whilst this caused some shocks to the economy it also improved the availability of forex which is essential to META's business model.

The planned expansion of the group aims to establish META over a wider geography from a base in Kenya, to spread risk across several markets and to achieve better economies of scale. By year end 2019 META Kenya had been incorporated and started trading in February 2020. Further countries are planned in H1 2020.

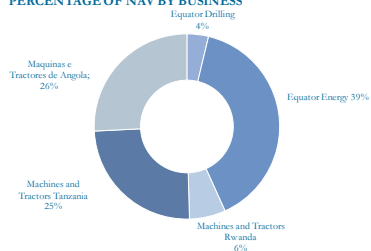
### HIGHLIGHTS

- Equator Energy added 3.5MW in 2019.
- META Group delivered 66% EBITDA growth and started to execute its expansion plans.

### LOWLIGHTS

- Recovery in Angola is still too slow.

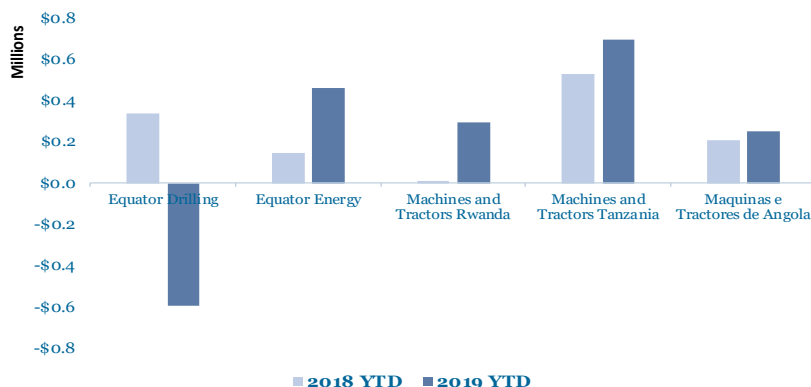
PERCENTAGE OF NAV BY BUSINESS



## KEY FINANCIAL INDICATORS

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	Total 2018	% Change (2019 / 2018)
Revenues	1.7m	3.7m	2.0m	2.8m	<b>10.3m</b>	10.8m	-5.2%
EBITDA	0.2m	0.5m	0.4m	0.4m	<b>1.5m</b>	0.6m	147.1%
Net Profit	-0.1m	0.2m	0.0m	0.0m	<b>0.2m</b>	0.0m	326.8%

EBITDA BY BUSINESS YTD



## COMPANIES

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

COMMONER MINE LIMITED (80%)  
Zimbabwe

VENICE MINE COMPLEX (VMC) (90%)  
Zimbabwe

( ) indicates Maris equity stake

## DIVISION OVERVIEW

Karebe Gold Mine reaffirmed its exceptional performance in Q3 by producing 80 kg of gold in Q4 thanks to high gold grades. The exceptional gold production and rising gold prices led to revenues and EBITDA growth of 65% and 145% respectively compared to Q4 2018. Despite the slow start in the year (the plant was shut down for 5 months due to political interference) the mine posted full year growth for revenues and net profit of 17% and 50% respectively.

Venice Mine posted a net loss in Q4 due to reduced production; management took the decision to process lower-grade ore until a new floating & roasting plant is in operation (expected in H1 2020). With this plant in place Venice will be able to increase the level of gold extracted from refractory ore from the current 40-50% to 70-80%. Other factors that contributed to the loss in Q4 are high power costs and mine development activities. Despite the accounting loss, Venice Mine generated positive cash from its operation throughout the year.

Via discussions with potential co-investors, it is becoming increasingly clear that the resource base at Venice is likely to be substantially higher than anticipated. Management recently presented a 5-year plan to the board of Venice which should see production increase 5-fold. The company will need to raise capital to meet this 5-year plan, something we will look to undertake in 2020.

Commoner Mine resumed minimal production in November and was able to cover its care and maintenance costs.

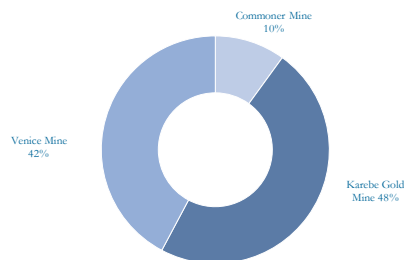
### HIGHLIGHTS

- Karebe posted record results and has now developed 3 more years of high grade gold reserves.
- Venice Mine geologists suggest the Venice Mine Complex is a multi-million ounce gold deposit.
- Commoner Mine resumed production.

### LOWLIGHTS

- Venice Mine posted a net loss in Q4.

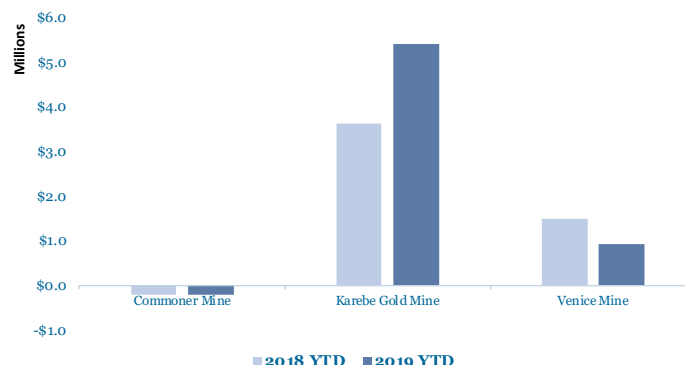
### PERCENTAGE OF NAV BY BUSINESS



## KEY FINANCIAL INDICATORS

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	Total 2018	% Change (2019 / 2018)
Revenues	3.4m	1.6m	7.4m	5.1m	<b>17.6m</b>	17.4m	0.9%
EBITDA	0.7m	-0.7m	4.2m	1.9m	<b>6.1m</b>	4.9m	24.6%
Net Profit	0.3m	-0.8m	2.8m	0.9m	<b>3.2m</b>	3.1m	3.4%

### EBITDA BY BUSINESS YTD



## 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 approximately 67%.

## DIVISION OVERVIEW

After weaker a October and November, the teak forestry operations delivered a strong December and closed the year with US\$2.5m EBITDA, albeit US\$1.0m lower than in 2018. ETC's export volumes substantially reduced as the remaining mature trees will have been completely harvested by Q1 2020. At GETC harvesting will continue until Q4 2020.

Thanks to intense planting activity, ETC & GETC now includes almost 2,000 hectares of growing teak, 20% more than the area harvested; the first substantial income from these growing trees will be from 2027 onward. Consequently, the objective now is to create alternative income streams to maintain our presence in the region and protect our forests. The primary short-term income stream will come from a natural forest concession agreement to sustainably harvest mahogany and other hardwoods in the ETC's concession. Further down the line we are continuing to trial vanilla, groundnuts and sesame seeds. We have also put forward an application for a matched funding grant from the Dutch Government to sponsor an outgrower's coffee programme on top of the 10 hectares ETC has already planted. The local coffee is a unique species known as Excelsa, which is already garnering interest from prospective customers.

At Tatepa the restructuring process continues and results at Wakulima Tea Company ("WTC") improved in Q4 2019, with favourable rains bringing record volumes of green leaf. Production is 50% above budget and is expected to reach 6,000 tons in 2020, with prices trending on the higher side at 1.71 US\$/kg (vs. 1.67 US\$/kg in the prior year).

At Rungwe Avocado Company costs have been brought back under control and the bulk of the debt has been restructured. With a new marketing strategy we expect the business to break even in 2020 with sales from its 60 hectare Kipunji Estate starting in Q2 2020, enabling the business to bring on a technical partner and develop new larger estate in the local area.

### HIGHLIGHTS

- Restructuring at Tatepa has brought results back under control, and a clearer strategy is in place for 2020.
- Alternative revenue streams at Equatoria Teak Company are starting to take shape.

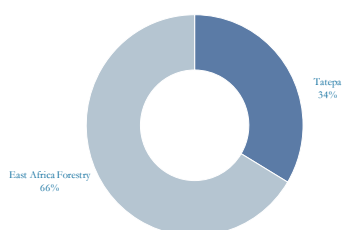
### LOWLIGHTS

- The mature teak at Equatoria Teak Company is now fully harvested reducing cashflows from the business.

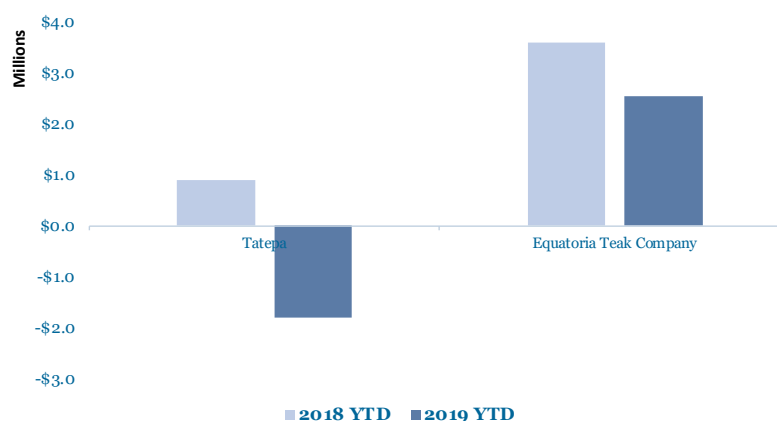
## KEY FINANCIAL INDICATORS

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total 2019	Total 2018	% Change (2019 / 2018)
Revenues	3.9m	3.1m	2.9m	2.2m	<b>12.0m</b>	14.3m	-16.2%
EBITDA	0.7m	0.7m	0.6m	0.4m	<b>2.5m</b>	3.5m	-29.3%
Net Profit	0.6m	0.6m	0.4m	0.4m	<b>2.0m</b>	3.2m	-38.2%

PERCENTAGE OF NAV BY BUSINESS



EBITDA BY BUSINESS YTD





AFRICA LOGISTICS PROPERTIES, NAIROBI

## MARIS LIMITED

c/o CrossInvest Global Management Services Ltd

Office FF01

Endemika Business Park Phase 2

Petit Raffray

Republic of Mauritius

[www.marisafrica.com](http://www.marisafrica.com)