

EAGLE REIT

VFEX LISTING CIRCULAR





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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or as to the action you should take, you should consult an independent professional adviser authorised under the Securities and Exchange Act (Chapter 24:25) who specialises in advising on the acquisition of shares and other securities



(Incorporated as a Trust and registered with Registration Number SECZ 101143S)

PRE-LISTING STATEMENT

Prepared and issued in terms of the Victoria Falls Stock Exchange Listing Requirements, ("VFEX Listings Requirements") and of the requirements in the Collective Investment Schemes Act (Chapter 24:19) ("the Act"), as amended as read with the Income Tax Act (Chapter 23:06), as amended, relating to a Listing by introduction of the Eagle Real Estate Investment Trust on the Victoria Falls Stock Exchange.



MANAGER
Fidelity Life
Asset
Management



**INDEPENDENT
ACCOUNTANTS
AND
AUDITORS**
Kreston



**FINANCIAL
ADVISOR**
ZimRe Capital



TRUSTEE
CBZ



**LEGAL
ADVISOR**
Mawere Sibanda
Commercial
Lawyers



**TRANSFER
SECRETARIES**
ZB Transfer
Secretaries



**SPONSORING
BROKER**
Ingenium

This Pre-listing Statement is not an invitation to the public to subscribe for securities but is being issued in compliance with the listing rules of the VFEX for the purpose of giving information to the public with regard to the Eagle Real Estate Investment Trust.

The Trustee and the REIT Manager accept full responsibility for the accuracy of the information given in this Pre-listing Statement and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts and that this Pre-listing statement contains all information required by law.

The Trustee and REIT Manager confirm that the information in this Pre-listing Statement includes all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) as investors and their professional advisors would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits or losses and prospects of the Issuer and of the rights attaching to the units to which the listing particulars relate. Each of the advisors, legal, sponsoring broker, transfer secretaries and reporting accountants have consented in writing to act in the capacity stated and to their names being stated in the Pre-listing statement and have not withdrawn their consents prior to the publication of this Pre-listing statement.



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This Pre-Listing statement, accompanied by the documents referred to under "Documents available for inspection" as set out in section 6 was approved by the Victoria Falls Stock Exchange (VFEX). Copies of this Pre-listing Statement (in English only) can be obtained during normal business hours from 0900 hours , Monday, 5 May 2025 till 1600 hours Friday, 9 May 2025, both days inclusive, from the REIT Manager's registered office as well as the offices of the Sponsoring Broker and Transfer Secretaries.

The Pre-listing statements will also be available at <http://www.eaglereit.co.zw> and www.vfex.exchange

Date of Issue: **Monday, 05 May 2025**

Important Information

The definitions and interpretation provisions commencing on page vii of this Pre-listing statement also apply to this section on Important Information.

The Eagle Real Estate Investment Trust ("the Fund" or "the Eagle REIT") has been licenced by the Securities and Exchange Commission of Zimbabwe (SECZIM) in terms of the Collective Investment Schemes Act [Chapter 24:19] and approved for listing on the Victoria Falls Stock Exchange by the VFEX Listing's Committee in terms of the VFEX Listing Requirements.

This document comprises a pre-listing statement (the "Statement") relating to the Eagle REIT and has been prepared in accordance with section 118 of the Securities and Exchange Act [Chapter 24:25] as read with section 42 of the Collective Investment Schemes Act [Chapter 24:19] and The Collective Investment Schemes (Internal Schemes) (Amendment) Regulations, 2019 (No. 5).

This Pre-listing statement does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is unauthorised nor to any person to whom it is illegitimate to make such offer or solicitation. It is the responsibility of each person wishing to make an application hereunder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other approvals which may be required or the observance of other formalities which need to be observed.

It is also a policy of the Fund to prohibit the sale of REIT Units ("Units") to any investor to whom such sale would be unlawful in Zimbabwe. The Fund Trustee has, and intends to exercise, the right to force the redemption of any Units sold in contravention of any of the prohibitions described in this Pre-listing statement.

Investors should note that because investments in securities can be volatile and their value may decline as well as appreciate, there can be no assurance that the Fund will be able to attain its objective or that Units, when redeemed/sold, will be worth more than when they were purchased. The price of Units as well as the income may fall as well as rise to reflect the changes in the Net Asset Value of the Fund. The principal risk factors associated with investment in the Fund are set out in the section of this Pre-listing statement titled "Investor Considerations and Risk Factors".

Neither the delivery of this Pre-listing statement nor the offer, issue or sale of Units in the Fund shall under any circumstances constitute a representation that the information given in this Pre-listing statement is correct as at any time subsequent to the date hereof. This Pre-listing statements will be updated by the Financial Advisor to take into account any material changes and any such amendments will be notified in advance to the SECZIM and the VFEX.

The Pre-Listing statement is issued for the purposes of providing information to the public in respect of:

The listing of the Eagle REIT by way of introduction as a primary listing on the VFEX.



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Important Dates

Pre-listing statement published	Monday, 5 May 2025
Expected listing date	Friday, 16 May 2025
Expected Date for Commencement of Trading	Monday, 19 May 2025

This timetable is tentative and is subject to changes, which may be necessary to facilitate implementation procedures.

Where there are changes in the dates stated above or where the closing date of the application is extended from the original closing date, the notice of such change(s) or extension(s) will be advertised in widely circulated daily newspapers within Zimbabwe on the website of the fund manager as well as that of VFEX.

Caution

In making your investment decision to invest in a Real Estate Investment Trust (REIT) you should be aware that there is very limited, if any, recourse to the assets of the Issuer or the Trustee. Your investment in REIT securities, and as a REIT securities holder in the REIT, is as an equity investor. Distributions and return of capital are not guaranteed and are entirely dependent on the performance of the assets of the REIT. Your rights in most cases will be limited solely to the assets of the REIT. If the Trustee is authorized to borrow on behalf of the Trust, then your rights to distributions and to the assets will rank after the payments to lenders. The Trustee, REIT Manager and other parties are also entitled to receive payment of fees and expenses ahead of payments to REIT securities holders who invest in REIT securities.



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Forward Looking Statements

This Pre-Listing statement contains certain "forward-looking statements". Certain statements contained in this Pre-listing statements, including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements within the meaning of the laws and as such are based upon Eagle REIT, ("the "Trust") current beliefs as to the outcome and timing of future events. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "approximately," "anticipate," "assume," "believe," "budget," "contemplate," "continue," "could," "estimate," "expect," "future," "hypothetical," "intend," "may," "outlook," "plan," "potential," "predict," "project," "seek," "should," "target," "will" or other similar words or expressions. There can be no assurance that actual forward-looking statements, including projected capital resources, projected profitability and portfolio performance, estimates or developments affecting the Trust will be those anticipated by the Trust. Forward-looking statements presented in this Pre-listing statement are based on management's beliefs and assumptions made by, and information currently available to, management.

The forward-looking statements contained in this Pre-listing statement are based on management's current plans, estimates and expectations in light of information currently available to the REIT and are subject to uncertainty and changes in circumstances. There can be no assurance that future developments affecting the Trust will be those that the REIT has anticipated. Actual results may differ materially from these expectations due to the factors, risks and uncertainties described above, changes in global, regional or local political, economic, business, competitive, market, regulatory and other factors described in the Fund's news releases and filings with the Securities and Exchange Commission of Zimbabwe (the "SECZIM"). Should one or more of these risks or uncertainties materialize or should any of the REIT's assumptions prove to be incorrect, the REIT's actual results may vary in material respects from what the REIT may have expressed or implied by these forward-looking statements. FLAM cautions that you should not place undue reliance on any of FLAM forward-looking statements. Any forward-looking statement made by the REIT in this Pre-listing statement speaks only as of the date of this Pre-listing statement. Factors or events that could cause the REIT's actual results to differ may emerge from time to time, and it is not possible for the REIT or its management to predict all of them. The REIT does not guarantee that the assumptions underlying such forward-looking statements contained in this Pre-listing statement are free from errors. The REIT has no obligation, and does not undertake, to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable securities laws.





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REIT Trustees' Responsibility Statement

This Pre-Listing statement together with the documents specified herein, having been approved by the Issuer and the REIT Trustee, have been approved by SECZIM and the VFEX.

This Pre-Listing statement is issued in accordance with section 118(6) of the Securities and Exchange Act [Chapter 24:25] as read with section 42 of the Collective Investment Schemes Act [Chapter 24:19] and The Collective Investment Schemes (Internal Schemes) (Amendment) Regulations, 2019 (No. 5) and is in compliance with the VFEX Listing Rules.

The Promoter, Trustee and Manager/Issuer assume full responsibility for liability for any statements and representations included in this Pre-listing statement, including the statements of other parties and experts, except expert opinions issued by the respective experts.

The Financial Advisor, the Sponsoring Broker and other professional advisors have reasonably satisfied themselves as to the completeness and accuracy of the information provided by the Promoter, Trustee and Manager/Issuer and accordingly no liability is accepted in relation to information that the Promoter, Trustee and Manager/Issuer have omitted to provide.

The Trustee and the REIT Manager, hereby declare that this Pre-listing statement and related Documents comply with the Act and the relevant REIT Regulations.

The directors of the REIT Manager have, collectively and individually, made all reasonable enquiries and confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in this Pre-listing statement false or misleading and have duly authorized the undersigned to sign this declaration on their behalf.


Signed.....


Simbiso Victoria Musa
c/o CBZ Bank Limited (Trustee)

Signed.....


Bevin Ngara
Managing Director
Fidelity Life Asset Managers (Fund Manager)

We, the Financial Advisor and the Legal Advisor, hereby declare that this Pre-listing statement and the Scheme Documents comply with the Act and the REIT Regulations are not false or misleading and have duly authorized the undersigned to sign this declaration on their behalf.

Signed.....


Vulindlela B. Sibanda
Partner
MawereSibanda Commercial Lawyers

Signed.....


Chakanyuka Nziradzemhuka
Managing Director,
ZimRe Capital (Private) Limited



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Definitions

In this admission document, where the context permits, the expressions set out below shall bear the following meanings:

"Business Day"	Any day other than "Saturday", "Sunday" or a Public Holiday
"CBZ" or "CBZ Trustees" or "the Trustee"	CBZ Bank Limited are the Trustees of the Eagle REIT. They represent the interests of investors and ensure that the Fund is managed in accordance with the Trust Deed and complies with all applicable legislation. The Trustee also keeps custody of the documents of title for the underlying investments of the Fund.
"CIS"	The Collective Investment Scheme (Chapter 24:19), the legislative framework in Zimbabwe that governs the formation, management, and operation of pooled investment vehicles, such as mutual funds, unit trusts, and Real Estate Investment Trusts (REITs)
"Eagle" or "Eagle REIT" or "The REIT" or "the Fund"	The Eagle Real Estate Investment Trust, a Real Estate Investment Trust licensed by the Securities and Exchange Commission of Zimbabwe in terms of the Collective Investment Schemes Act Chapter 24:19 under Registration Number SECZ 101143S
"FLAM" or "Fund Manager"	Fidelity Life Asset Management Company (Private) Limited are the Fund Managers of the Eagle REIT. They are responsible for the day-to-day running of the REIT's assets and operations of the Trust
"IPEC"	Insurance and Pensions Commission of Zimbabwe, a statutory body established in terms of the Insurance and Pensions Commission Act [Chapter 24:21] to regulate the insurance and pensions industry in Zimbabwe
"Participant/ Unit Holder"	means the holder of a unit issued by the Eagle Real Estate Investment Trust
"Prescribed Asset Status" or "PAS" or "PA" Status	Is a classification given to certain investments by the IPEC, which requires institutional investors, such as pension funds and insurance companies, to allocate a specified percentage of their funds into these assets as mandated by law.
"REIT"	Real Estate Investment Trust, a collective investment scheme that owns, manages and/ or invests in real estate.
"SECZIM" or "the Commission"	Securities and Exchange Commission of Zimbabwe, a statutory body established in terms of the Securities and Exchange Act [Chapter 24:25] for the purposes of inter alia, regulating the marketing of securities and Investment of securities In Zimbabwe, including REITs.



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"VFEX"

The Victoria Falls Stock Exchange (VFEX) is a securities exchange incorporated and domiciled in Zimbabwe, licensed by the Securities and Exchange Commission of Zimbabwe (SECZIM) in terms of Part IV of the Securities Act [Chapter 24:25]. Following the issuance of SI 29 2025, the VFEX is now a member of the International Financial Services Center. It is a subsidiary of the Zimbabwe Stock Exchange (ZSE) and operates as a specialized exchange focusing on hard currency investments, primarily USD, offering enhanced incentives to attract regional and international investors.

"ZHL"

Zimre Holdings Limited, a Public Company incorporated in Zimbabwe under Company Registration Number 2873/98 and listed on the Zimbabwe Stock Exchange (ZSE).



Salient Features of the Proposed Transaction

This Pre-Listing Statement comprises particulars for the listing by introduction of 137,553,752 Units of the Eagle Real Estate Investment Trust on the Victoria Falls Stock Exchange. Below is a summary of the salient details of the listing by introduction of the 137,553,752 Eagle REIT Units:

Name of the Fund	Eagle Real Estate Investment Trust Fund (Eagle REIT)
Fund Type	Real Estate Investment Trust (REIT)
Anchor Investors	Fidelity Life Assurance of Zimbabwe Limited Zimre Holdings Limited
Fund Manager	Fidelity Life Asset Management Company (Pvt) Ltd
Trustee	CBZ Bank (Private) Limited
Domicile and legal form	Licensed by the Securities and Exchange Commission of Zimbabwe in terms of the Collective Investment Schemes Act Chapter 24:09 under Registration Number SECZ 101143S
Number of Units to be listed by introduction	137,553,752
Mode of Listing	Introduction
Rights attached to Units	<p>The Units shall rank <i>pari passu</i> in all respects</p> <p>Each Unit shall confer the right to one vote at all meetings of Unitholders and to participate pro rata in any distributions by the Trust.</p> <p>The beneficial interest and rights generally of a Unitholder shall be limited to the right to participate pro rata in distributions payable to Unitholders when and as declared by the Trustee in accordance with the Trust Deed and distributions payable to Unit Holders upon the dissolution of the Eagle REIT</p>
Transferability of the Units	<p>The Units are freely transferable, and subject to the provisions of the laws of Zimbabwe. The Trustee shall not impose any restriction on the transfer of Units.</p> <p>Investors can invest into the Fund in the secondary market through purchase of Units at the Quoted Price thereafter. Unitholders can exit by trading their Units on VFEX at the Quoted Prices</p>
Governance	Committees that currently provide oversight of the Fund include Advisory Board, Projects Steering Committee, FLAM Executive Committee, ZHL Group Investments Committee and FLAM Audit Committee.



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Target Investors	Institutional, Corporate and High Net worth individuals who seek Resilient Risk Adjusted Returns
Fund Investment Strategy and Objectives	The principal objective of the Fund is developing, owning, managing and investing in real estate for investors seeking long-term, and resilient risk-adjusted returns. This is achieved by investing in resilient property sectors such as tourism, health, residential and retail.
Dividend Policy/Income Distributions	A minimum of eighty percent (80%) of the REIT's taxable income shall be distributed in the form of shareholder dividends to the Participants in each financial year
Admission to trading	Approval has been granted for the Units to be admitted to trading on the Victoria Falls Securities Exchange under the symbol EAGL.VX
Currency of the securities issue	The Units will be denominated and shall trade in United States Dollars ("USD").
Net Asset Value of the Units	As at 31 December 2024, the Fund held Total Assets valued at USD23, 845,140 and a Net Asset Value of USD 20,031,349 .
Eligible Investors	The REIT securities shall be available for purchase by the general public as well as professional and institutional investors.
Source of income and Minimum distributions and the impact on the taxation of the REIT Scheme or on distributions if these requirements are not complied with	<p>The main source of income is net earnings from rentals from eligible real estate investments owned directly by the Eagle REIT.</p> <p>The Eagle REIT will also earn revenue from sale of Property assets that will have been developed under its operations.</p> <p>The income of the Eagle REIT will be tax exempt as long as it continues to comply with the REIT Regulations; remains authorised by SECZIM and is registered by the Commissioner General of Zimra.</p> <p>Should the Eagle Real Estate Investment Trust not comply with the REIT Regulations and cease to be a real estate investment trust scheme authorised by SECZIM, then the net profits earned by the Eagle Real Estate Investment Trust Fund (including its subsidiaries), will be subject to income tax at the rate prevailing at that time.</p> <p>Capital gains on sale of the underlying real estate assets will be subject to Capital Gains Tax at the rate prevailing at the time of disposal.</p>
Target Return	6% - 8% USD Net Income Yield on NAV per annum
Governance and Management	Fidelity Life Asset Management Company (Pvt) Ltd is the appointed REIT Manager responsible for the operational management of the fund that covers investment and property management.



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CBZ Bank (Pvt) Ltd is the Trustee responsible for the Fund's custodianship in accordance with the Collective Investment Schemes Act and represents the interests of Unitholders.

The REIT Manager has established an Advisory Board initially comprising representatives of the Anchor Investors, other investor representatives and identified independent experts to oversee the REIT Activities.

Fee Structure

Fund Manager is paid 1% of the total market value of the REIT per annum and Trustee is paid 0.01% of the total market value of the REIT per annum
According to *CIS regulations S. 172 of 1998, 202 of 2002, 107 and 176 of 2003*, payments made to the Manager and the Trustee shall not exceed in aggregate 8,5% of the value of the property of the REIT in any given financial year.

Valuation of REIT Assets

There shall be a full scope valuation every year. The Fund Manager has the authority to make additional valuations on a regular basis at its discretion subject to the Manager giving notice to the Trustee of its intention in this regard.

Key Investment Attractions

The principal investment attractions into the Fund are as follows:

- Prescribed Asset Status
- Competitive returns
- Consistent foreign currency dividend payments
- Developers Profit
- Investment Liquidity
- Diversified Property portfolio anchored in Hospitality and Medical Sectors
- Value Preservation

Key Risk Considerations

Key risk considerations, though not exhaustive are as follows:

- Currency Risk
 - Liquidity Risk
 - Counterparty Risk
 - Legal and Contractual Risk
 - Portfolio Vacancy Risk
 - Market Risk
 - Cost over-run Risk
-

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1. Eagle REIT Information

1.1. Background

Eagle Real Estate Investment Trust is an internal scheme registered (Registration Number SECZ 101143S) with the Securities and Exchange Commission of Zimbabwe under the Collective Investment Schemes Act (Chapter 24:19). The Fund is a development REIT whose principal objective is developing, owning, managing and investing in real estate. Fidelity Life Asset Management, the Fund Managers of the development-oriented Eagle REIT, intend to list the Fund on the Victoria Falls Stock Exchange (VFEX). In light of recent developments in the macroeconomic environment and the property sector, the proposed REIT is aimed at providing property investors with the following:

- Opportunity to earn the lucrative developer profit margins associated with property development – The target developer's profit ranges from 15% to 25% on costs.
- Investment in the resilient tourism and retail sectors - Victoria Falls, for example, remains one of the world's most popular tourist destinations and the land owned by the fund is the last major commercial land available within the current city limits.
- Asset Diversification – Pension Funds are heavily invested in Listed Equities and Properties and are required to maintain a portion of their investments in Prescribed Assets (PA) which have previously resulted in value erosion. The Eagle REIT carries Prescribed Asset status and thus offers investors an opportunity to reduce concentration risk and improve PA compliance.

1.2. Investment Objectives and Strategies

- Our investment approach is underpinned by thorough market research and risk evaluation, enabling us to identify attractive investment opportunities in profitable nodes. We take a sustainable and socially responsible approach to investment and strive to create long-term value for our investors and local communities alike.
- The principal objective of the Fund is owning, managing and investing in real estate for investors seeking long-term, and resilient risk-adjusted returns. Other objectives of the Fund include:
 - To expand the real estate asset base of the Fund and increase its income available for distribution through an accretive acquisition program that delivers long-term capital growth.
 - To deliver regular and stable income distribution to investors - A minimum of eighty percent (80%) of the Fund's taxable income shall be distributed in the form of shareholder dividends to the Participants in each financial year. The return to investors is set to be enhanced through property development projects which allows investors to earn property development margin. The property development profit margin ranges from 15% to 25%. Acquiring land and developing own properties lowers the cost of the property and enhances the rental yield.
 - To enhance returns for investors through development - Property development, in comparison to the common approach of transferring fully built properties to a REIT is more tax efficient and thus enhances the return to investors.
 - Capital Preservation – Over the last two and half decades, Zimbabwe has been gripped by episodes of hyperinflation, currency depreciation and changes that led to investors losing value on monetary assets. Over the same period, property proved to be a hedge against inflation as prices generally moved in line with exchange rate movements. With the underlying assets being property, the Fund seeks to preserve capital for investors.



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- At least eighty percent (80%) of the taxable income of the Fund shall be received from real estate investment projects. The Fund is expected to start generating income for distribution in the first year following its listing.

1.2.1. Conditions for Investing

- Investments for the Fund will be made in view of the long term.
- The investment portfolio will primarily comprise tourism facilities, medical facilities, shopping malls, industrial warehouses, and office parks.
- Future investments will be considered in resilient sectors dominated by hospitality real estate, health facilities and a mix of complementary retail and residential offerings.
- Emphasis is on earning developers' profit and generating stable rental cashflows which are typically foreign currency denominated.

1.2.2. Target Investors

The Fund is designed to suit the needs of Pension Funds, Insurance companies with annuity obligations, institutional and other qualifying investors who seek to achieve capital growth over time. The Fund is particularly appropriate for investors with long-term investment horizons and are targeting consistent foreign currency denominated dividends. The Fund is particularly suitable for long-term investors who seek:

- Real Estate exposure anchored in Hospitality and Medical Sectors.
- Long-term real growth of capital.
- Prescribed Asset compliance.
- Consistent dividend receipts.

1.3. Key Participants

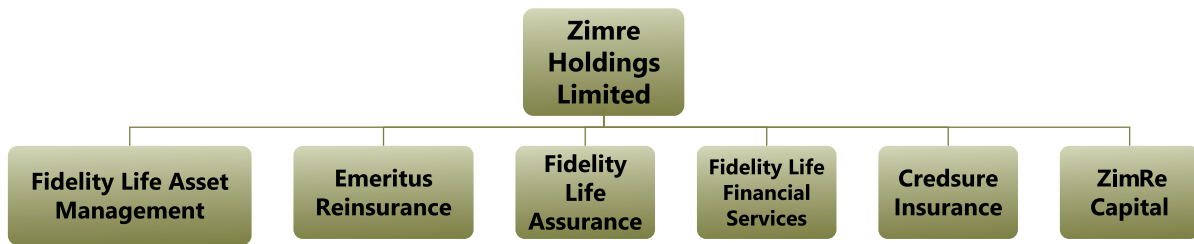
1.3.1. FLAM - Fund Manager

Fidelity Life Asset Management Company (Private) Limited, a SECZIM licensed and regulated investment management firm, is the Fund Manager for the Eagle REIT. FLAM has been in existence since 1998 and is a wholly owned subsidiary of Zimre Holdings Limited which is a diversified investment holding company with sustainable core competencies in insurance and property, with investments and operations located in Zimbabwe and the Southern African region. ZHL is listed on the Zimbabwe Stock Exchange.



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1.3.1.1 FLAM Products and Services

FLAM is a Licensed Securities Investment Manager under the Securities Act [Chapter 24:25] as read with the Asset Management Act [Chapter 24:26]. The company offers a whole range of Investment Management services which include the following:

- Portfolio Management;
- Property Investment Management and consultancy;
- Fixed income and debt securities;
- Alternative Investments; and
- Economic research and commentary.

1.3.1.2. FLAM Directors

FLAM's Board of Directors comprises five esteemed members, including four Independent Non-Executive Directors and one Executive Director, providing effective governance and oversight, driving the company's success. The Directors are:

Agmos Moyo (Non-Executive Chairman)

Agmos holds B.L. (Hons.) and LL.B. degrees from the University of Zimbabwe and was admitted to practice law in 1991. He has over 30 years of experience in commercial and corporate law practice. Throughout his career Agmos has worked mainly in private sector but consulted for government, international law firms and financial services institutions. His scope of work included various arbitration proceedings including capital raising projects, listings and registration of awards for both local and international clients. Agmos is currently board chairman for Zimbabwe Agriculture Development Trust, Credit Insurance Zimbabwe Limited and Fidelity Life Asset Management.



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Isaac Hawafadzwa Chimbetete
(Non-Executive Director)

Isaac Hawafadzwi Chimbetete, is a Fellow of the Royal Institution of Chartered Surveyors (RICS) registered Estate Agent and Valuer in Zimbabwe in terms of the Regulatory Acts. Isaac is a Chartered Valuation surveyor & Real Estate planning & Development Consultant who holds a Bachelor of Arts (BA) degree - single subject Major in Geography, from University of Zambia (1988), a Master of Philosophy (MPhil) degree in Land Management, University of Reading, UK (1991) and Diploma by the Royal Institution of Chartered Surveyors, General Practice Division (February 1994). Isaac has 29 years post qualification experience in the valuation and real estate Investment appraisals of land and buildings, property developments in the SADC region and sub-Sahara Africa, United Kingdom and the Middle East. He has worked in both private and public sectors and has carried out regional and international assignments.

Patience Bekezela Dhlwayo
(Non-Executive Director)

Patience Bekezela Dhlwayo, holds a B Com (Hon) Finance Degree from the National University of Science and Technology and an Executive MBA from London Business School. She has 26years' experience, 16 of which leading the National Railways of Zimbabwe Contributory Pension Fund (NRZCPF). Her experience spans financial reporting, financial management, treasury investments, equity and bond markets investments as well as risk and strategic management. She has mastered the art of prudently managing and preserving other people's funds in a turbulent economic environment.

Austin Zvidzai
(Non-Executive Director)

Austin Zvidzai holds a Bachelor of Accountancy (Honours) Degree from the University of Zimbabwe, Management Development Program Diploma from Manchester University and is a Chartered Accountant (Zimbabwe). With a career spanning over 30 years, he has worked for companies listed on the Zimbabwe Stock Exchange as well as service, manufacturing, construction and the education sectors. He has been responsible for financial management and reporting, treasury functions, as well as strategic management. Austin is the current Chairman of the Board of Directors for Fidelity Life Financial Services (Private) Limited.



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1.5.1.3. Fund Managers Key Personnel

FLAM is led by the following key personnel:

**Bevin Ngara,
Managing Director**

Bevin Ngara, a CFA Charter holder and holder of an MBA from ESMT (Berlin), leads Fidelity Life Asset Management as the Managing Director. He provides strategic leadership and drives the company's vision and an unwavering commitment of delivering exceptional investment solutions to clients. With a wealth of experience in alternative investments and a strong track record of delivering results, Bevin is dedicated to driving the company's growth and ensuring the success of clients' investment strategies. In addition to his role at Fidelity Life Asset Management, Bevin is a board member of a Zimbabwe Stock Exchange (ZSE) listed manufacturing company and serves as the Vice Chairperson for one of the leading Commercial Banks in Zimbabwe. He is a recipient of the Kofi Annan Fellowship and an ESMT Responsible Leaders Fellow, demonstrating his commitment to ethical leadership and sustainability.

**Robert Mugonera,
Head of Investments**

Robert is a seasoned investment expert overseeing investment strategies and portfolio management at Fidelity Life Asset Management. With a strong educational foundation, holding an MSc Degree in Finance & Investments, he brings extensive portfolio management expertise. Robert's responsibilities include designing and implementing investment strategies aligned with client objectives. His deep understanding of financial markets, combined with a disciplined approach, contributes significantly to FLAM's investment success. Throughout his career, Robert has managed diverse portfolios comprising loans, equities, property, money market securities, capital market securities, and real estate investments for renowned institutions, including Commercial Bank divisions, Asset Management firms, and a Development Finance Institution.

**Yemurai Nyamutswa,
Finance Manager**

Yemurai is a Chartered Accountant with over 10 years of expertise in accounting, auditing and taxation. She began her career with the tax regulator where she handled compliance and audit in the Large Clients Office. She then served her articles at one of the big four firms where she rose to the position of Audit Supervisor. She went on to complete a year with one of the smaller firms where she managed the accounting and audits of various clients. Yemurai holds a BSc (Hon) Degree in Banking and Finance, a BSc Hon Degree in Applied Accounting and an MSc in Professional Accountancy. She is a Member of the Association of Chartered Certified Accountants (ACCA), the Institute of Chartered Accountants of Zimbabwe (ICAZ) and the Institute of Internal Auditors Zimbabwe (IIAZ).



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Darlington Chirima,
Head of Properties

Darlington is a highly experienced Chartered Surveyor with over 15 years of expertise in property investment and development. Darlington spearheads the identification and execution of lucrative real estate investment opportunities. He began his career at one of the leading international real estate companies as a Property Valuer and has since held leadership positions in the financial services and Insurance organizations in Zimbabwe. He has been involved in multi-million-dollar projects across all use-classes, delivering unparalleled results and ensuring optimal returns. Darlington holds a BSc (Hon) Degree in Rural and Urban Planning, an MSc in Rural and Urban Planning, a Master of Business Administration, and an Executive Certificate in Investments and Portfolio Management. He is a Member of the Royal Institution of Chartered Surveyors (RICS), registered Valuer with the Valuers Council of Zimbabwe, Licentiate with the Real Estate Institute of Zimbabwe, and registered Estate Agent



1.3.2. CBZ

Trustee and Custodian

The trustee is CBZ Bank (Private) Limited, a company incorporated and registered in Zimbabwe with company number 1276/80 and licence number SECZ7805T whose registered office is at 60 Kwame Nkrumah Avenue Harare.

Simbiso Victoria Musa,
Trustee and Principal Officer

Simbiso is the trustee and Principal Officer for CBZ Trustee Services. She joined CBZ Bank as the Head of Custodial Services and currently serves as the Executive Assistant to the Group CEO. She provides 14 years of financial markets experience starting off in stockbroking, moved to portfolio management and strategy. Simbiso serves as a committee member on the ZSE Board Committees. Simbiso is a member of the South African Institute of Financial Markets and holds an MBA in Strategic Management and a BCom Hon in Finance from the National University of Science and Technology.



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1.3.3. Kreston - Auditors

Kreston Zimbabwe is a dynamic and reputable accounting firm in Zimbabwe, specializing in audit, tax, accounting, and advisory services. As a member of Kreston Global, a worldwide network of professional services firms, Kreston Zimbabwe provides clients with access to expertise and knowledge from over 115 countries. With a strong commitment to quality and reliability, Kreston Zimbabwe is an esteemed member of the Forum of Firms, promoting high standards of financial reporting and auditing practice. The firm's independence, combined with its global reach, enables it to deliver tailored services that meet the unique needs of businesses in Zimbabwe.

1.4. Governance Framework

The Eagle Real Estate Investment Trust ("Eagle REIT") is committed to adopting a robust governance framework aligned with the requirements of the Collective Investment Schemes (CIS) Act (Chapter 24:19), the regulations of the Victoria Falls Stock Exchange (VFEX), and international best practices. The governance structure ensures transparency, accountability, and investor protection, fostering sustainable growth and long-term value creation for all stakeholders.

1.4.1. Fund Manager

The fund manager is responsible for the day-to-day management of the REIT's assets and operations, ensuring that the investment strategy and objectives outlined in the pre-listing statement are followed. The fund manager's primary role is to maximize returns for unit holders while maintaining compliance with regulatory requirements and managing risks.

1.4.1.1 Scope of work

- **Asset Management:** The fund manager oversees the acquisition, management, leasing, and disposal of real estate assets within the REIT portfolio.
- **Investment Strategy Execution:** The manager ensures that the REIT follows its investment guidelines, focusing on generating returns through rental income, property appreciation, and other real estate activities.
- **Financial Reporting:** The fund manager prepares and submits detailed financial reports, including income statements, balance sheets, and cash flow reports, to ensure transparency to unit holders.
- **Regulatory Compliance:** The manager ensures compliance with the regulations set forth by the CIS Act, the VFEX listing rules, and other relevant authorities.
- **Investor Communication:** The fund manager is responsible for maintaining communication with investors by providing updates on performance, distributions, and any key changes to the investment strategy or the portfolio.

1.4.2. Trustee/Custodian

The Trustee/Custodian acts as an independent party responsible for safeguarding the assets of the REIT. The Trustee ensures that the Fund Manager operates within the scope of the Trust Deed, regulatory guidelines, and the best interests of the unit holders. Their role focuses on monitoring the fund manager's actions and ensuring investor protection.



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- The Trustee is the custodian of all property of the REIT and takes reasonable care to ensure that the Manager manages the REIT in accordance with the Collective Investment Schemes Act, the Regulations and the Trust Deed.
- Satisfying itself on reasonable grounds that the Fund Manager has maintained and is maintaining sufficient records, in particular records regarding the calculation of prices at which units are issued and redeemed.
- Taking all steps and executing all documents necessary to secure that acquisitions and disposals of assets made by the manager are completed.
- Collecting any income due to be paid to the scheme, including the repayment of tax, and to hold such income in trust for the participants in accordance with the trust deed.
- Keeping such records as are necessary to enable it to comply with the trust deed and to demonstrate such compliance.

1.4.3. Fund Advisory Board

The Advisory Board is established to provide strategic guidance, expert oversight, and recommendations to Eagle Fund's management team, FLAM, on matters pertaining to the REIT.

1.4.3.1 Scope Of Work

The Advisory Board will:

- **Review and Advise** - Offer insights and recommendations on investment strategies, portfolio management, and market trends.
- **Oversight** - Monitor the performance and compliance of fund management practices.
- **Approve Budgets and Financials** - Review and approve annual budgets and financial statements.
- **Risk Management** - Assess and advise on risk management strategies and practices.
- **Networking** - Facilitate connections and introductions to potential investors, partners, and industry experts.
- **Corporate Governance** - Ensure that the fund complies with all regulatory requirements and adheres to high standards of corporate governance.

1.4.3.2 Composition and Roles on the Fund Advisory Board

The Advisory Board shall be composed of members who bring diverse expertise and substantial experience relevant to the Fund's operations. The fund shall have a minimum of three board members and a maximum of five (5), led by the Chairperson. Typically members have expertise in finance and investments, real estate, legal and compliance, as well as in risk management

Role of Advisory Board Chairperson

The Chairperson's role is to lead the Advisory Board meetings, ensure effective communication with FLAM, and coordinate the activities of the Board members.

Advisory Board Members

Board Members roles include the following:

- Participate actively in meetings;
- Provide strategic advice;
- Review financial documents and reports; and
- Offer recommendations on operational matters, and ensure the fund adheres to best practices



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Chairperson**Richard Morgan**

Richard Morgan is the Chairman of the Eagle REIT Advisory Board. He is an Independent Non-Executive Director of Zimre Holdings Limited, one of the promoters and anchor investors of the Eagle REIT.

Richard Morgan has extensive Executive Management experience gained through holding the position of Finance Director since 2001 at various listed and private companies in the tobacco industry, as well as through various consulting roles that he has held across a wider range of industries. Richard has held positions across Southern Africa as well as in Russia and the United Kingdom (UK) over his career and has been in Zimbabwe since 2005. Presently, he is the Finance Director at Great Lakes Tobacco Company Malta.

Raymond Manhika**Board Member**

Raymond is the Chief Executive Officer of Motor Industry Pension Fund, where he oversees the overall strategy and direction of the fund. He is an Executive with a strong background and experience in Pension Fund administration, investments research and Fund management having worked at various senior levels in Pensions and Investments industries for 22 years in Zimbabwe and Zambia. Raymond sat on the Zimbabwe Association for Pension Funds (ZAPF) council as the Chairman of the Investments Committee, and MBCA Capital Pvt Ltd board by invitation. Currently he sits on the Zim Campus board, a student accommodation property development vehicle. Eagle REIT Advisory board and Motor Industry Pension Fund board. He holds a master's degree in business administration from University of Zimbabwe and BSc (Honours) Degree in Applied Mathematics from the National University of Science and Technology.

Hopewell Zinyau**Board Member**

Mr. Hopewell Zinyau is currently the Chief Executive Officer of the Deposit Protection Corporation (DPC), a position he assumed effective 1 July 2023. The DPC is an independent statutory body established by the Government of Zimbabwe under the Ministry of Finance and Economic Development and Investment Promotion.

Hopewell holds a Master of Business Administration, Bachelor of Arts in English and Communication from the University of Zimbabwe, and a Bachelor of Laws degree from the University of South Africa (UNISA). He is also a certified practitioner in Personnel and Training Management with the Institute of People Management of Zimbabwe (IPMZ), where he has received several accolades including Human Resources Practitioner/Director of the Year.



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Hopewell possesses a wealth of business leadership in private and public sector management and strategic planning experience at Executive level from his engagement with TelOne (Pvt) Ltd where he served as the Corporate Services Director responsible for Human Capital Management, Corporate Strategy and TelOne Centre for Learning. Prior to this role, Hopewell served Liquid Telecoms (Pvt) Ltd and National Foods (Pvt) Ltd at the apex of the Human Resources structure.

1.4.4. Ownership and Investor Rights

- Investors in the REIT will hold units, providing them with proportional ownership in the pooled real estate assets.
- Voting Rights: Unit holders may participate in general meetings and vote on critical matters, including changes to the Trust Deed and the appointment of the Trustee or Fund Manager (CIS Act, Section 23).
- Distribution of Returns: A minimum of 80% of taxable income will be paid to unit holders as dividends in each financial year in accordance with REIT regulations.

1.4.5. Compliance and Reporting

- The REIT will comply with VFEX listing rules and Section 25 of the CIS Act, requiring regular reporting to both investors and regulators.
- Annual and Interim Reports: The REIT will publish audited financial statements and detailed interim performance reports.
- Disclosure Obligations: Material events, including changes in property portfolios, distributions, and regulatory developments, will be disclosed promptly to maintain transparency.

1.4.6. General Meetings and Decision Making

- The REIT will hold annual general meetings (AGMs), providing unit holders with updates on the performance and future outlook of the portfolio (CIS Act, Section 23).
- Special Resolutions: Changes to the REIT's structure, such as mergers or liquidations, will require approval by unit holders.
- Investor Participation: Investors can raise questions, propose agenda items, and vote on major changes during general meetings.

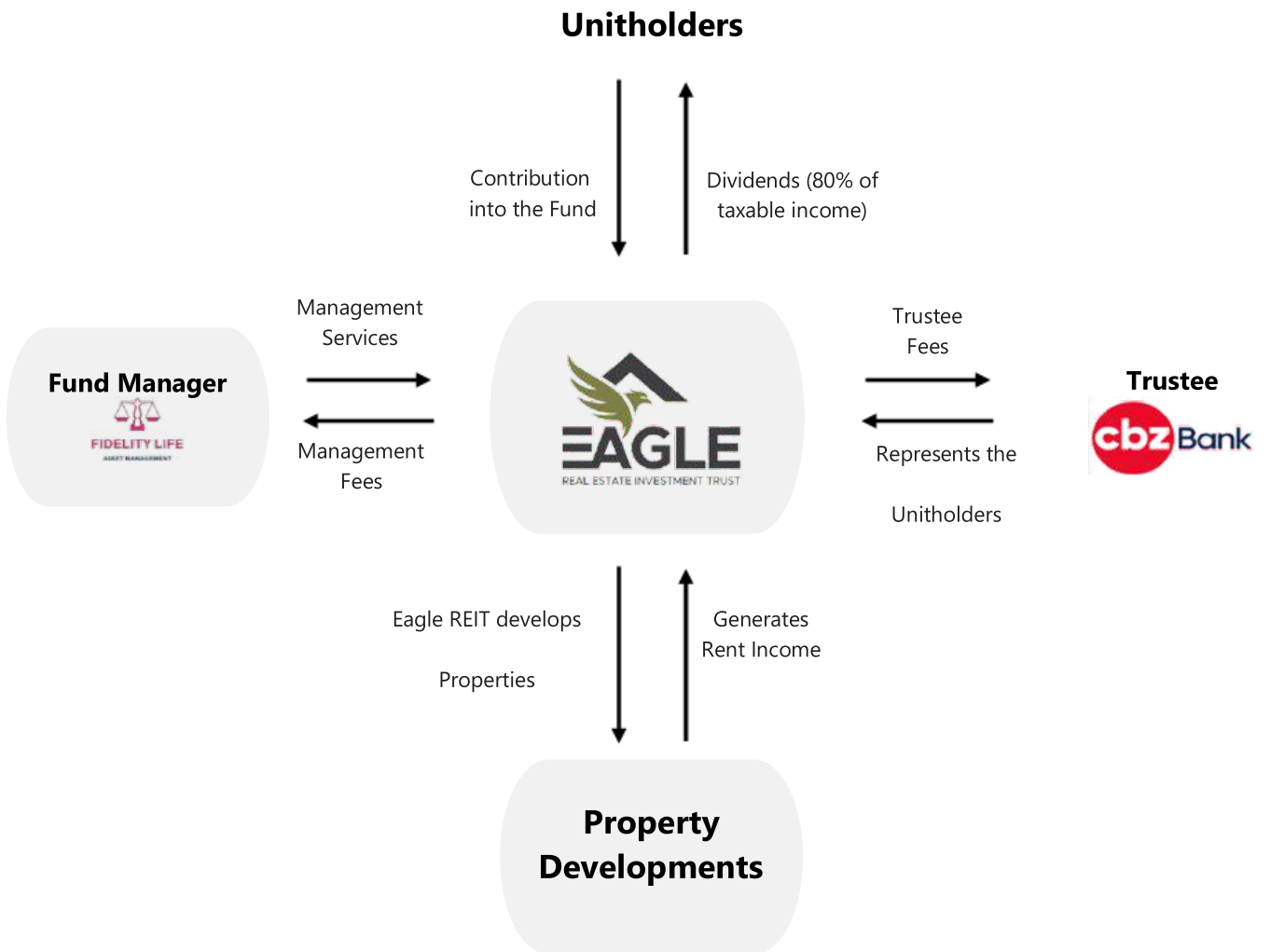
1.4.7. Registration, Title and Custody

All the title deeds for properties owned by the Fund shall be registered in the name of the Fund or an entity wholly owned by the Fund and kept under the custody of the Trustee.



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1.4.8. Structure of the Eagle REIT



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1.4.9. Meeting of Participants/Unitholders

Meetings of the Fund shall be held in accordance with the provisions of the Trust Deed. In summary:

- The Trustee, or the Manager, or Unitholders of at least 10% in value of the Units in issue may at any time convene a meeting of the Participants on at least fourteen (14) clear days' written notice specifying the place, day and time of the meeting and the nature of the business for which the meeting is to be held.
- The Manager and its representatives are entitled to attend every meeting but are not entitled to vote and are not to be counted in the quorum of any meeting.
- No associate of the Manager is entitled to vote at any meeting except in respect of Units which it holds on behalf of a person other than the Manager or another associate of the Management Company and from whom it has received voting instructions.
- For the purposes of considering a resolution, a quorum shall consist of Participants present in person or by proxy and holding an aggregate of not less than 10% of the value of the Units in issue.
- The Trustee or its representative shall preside as chairman at a meeting. If the Trustee or its representative is not present within ten (10) minutes of the time appointed for the holding of the meeting, the Participants then present shall choose one of their own number to preside as chairman.

1.4.10. Winding up/Termination

- The Fund may be wound up for reasons provided for in the Trust Deed or the CIS Act and include any of the following:
 - i. There is potential for loss of value to remaining Unitholders arising from significant withdrawal requests that may require the disposal of substantial assets of the Fund.
 - ii. Approval for winding up is approved by 75% of Unitholders and endorsed by the regulator.
 - iii. The Fund is amalgamated with another.
 - iv. Cancellation or withdrawal of the operating licence of Fund or The Fund Manager by the Securities and Exchange Commission of Zimbabwe or such other regulator with powers to do so.
- The Trustee shall apply to the Commission for the winding up or termination of the REIT and upon obtaining the Commission's approval, the Trustee shall give 30 calendar days' notice of the REIT's winding up in a newspaper circulating in Zimbabwe.
- The notice of winding up shall disclose the circumstances leading to the winding up or termination of the REIT.
- The Trustee or any other person authorised by the Commission shall dispose of the assets of the REIT in the best interests of the Participants and any sale, settlement or arrangement executed by the Trustee or any other person authorised by the Commission shall be binding on the Participants.
- The proceeds from the sale of the REIT's assets shall be first utilised towards the discharge of such liabilities as are due and payable by the REIT and the costs of winding up and termination of the REIT and thereafter the balance of the proceeds shall be paid to Participants in proportion to their respective interests in the assets of the REIT.
- Upon the completion of the distribution of the proceeds from the sale of the REIT's assets, the REIT shall be delisted, with the approval of the Commission, from the Securities Exchange.



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1.5. Financial Information

1.5.1. Base Currency

- The currency of transaction of the Fund shall be solely the United States Dollar and the Manager, Trustee or any Distributor shall not be obliged to transact the issuance or redemption of the Units in any other currency.
- Regulators in Zimbabwe may issue requirements on reporting currency from time to time. These requirements are subject to changes in monetary policies, exchange control regulations, and financial reporting standards as prescribed by relevant authorities, including the Reserve Bank of Zimbabwe (RBZ), Securities and Exchange Commission of Zimbabwe (SECZ) and other regulatory bodies. Entities operating within Zimbabwe including the REIT must ensure compliance with the latest regulatory directives and update reporting frameworks accordingly.

1.5.2. Income Distribution

After determining the amount available for distribution to Participants the Manager shall ensure that:

- A minimum of eighty percent (80%) of the REIT's taxable income is distributed in the form of shareholder dividends to the Participants in each financial year; and
- The distribution of income is made not later than a period of two (2) months after the end of each Accounting Period.

1.5.3. Fees

All fees payable by the Fund are subject to the provisions of the Trust Deed. The following fees are payable by the Fund:

- Fund Manager's Remuneration - The Manager shall be entitled to charge a remuneration of an amount not exceeding 1% percent of the total market value of the REIT per annum. Any increase in the rate of remuneration for the Manager shall be approved by an Extraordinary Resolution of the Participants. The remuneration due to the Manager shall be paid quarterly.
- Trustee's Remuneration - The Trustee shall be entitled to a fee calculated as 0.01% per annum of the total market value of the REIT. This fee shall be considered during calculation of unit prices.
- Payments made to the Manager and the Trustee shall not exceed in aggregate 8.5% of the value of the property of the REIT.
- Audit Fees - The audit fees of the Auditor of the REIT shall be agreed between the Manager and the Auditor and shall be based on the number of hours worked by the Auditors as per common practice.



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1.5.4. Listing Expenses

Item	Amount (USD)
Financial Advisor	30,000.00
Sponsoring Broker	10,000.00
VFEX Listing Fees	18,000.00
Legal and Advisory Fee	5,000.00
Transfer Secretary	10,000.00
Advertising And Marketing	17,000.00
Events	33,300.00
Total Expenses	123,300.00

1.5.5. Historical Audited Financial Results

Eagle Real Estate Investment Trust
Statement of Financial Position
As at 31 December 2024

	Notes	2024 USD	2023 USD
Assets			
Non-current assets			
Investment property	4	20,069,146	8,699,332
Current assets			
Inventory	5	247,818	-
Trade and other receivables	6	496,544	-
Cash and cash equivalents	7	3,031,632	15,842
Total Assets		23,845,140	8,715,174
Equity and Liabilities			
Equity			
Unit holders funds		13,825,427	8,767,754
Other components of equity		541,477	-
Retained earnings		5,664,445	(79,236)
Long-term liabilities			
Convertible Debentures	8	2,980,410	-
Trade and other liabilities			
Trade payables and other payables	9	620,019	26,656
Tax payable	10.3	213,362	-
Total equity and Liabilities		23,845,140	8,715,174



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Eagle Real Estate Investment Trust
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2024

	Notes	2024 USD	2023 USD
Revenue	11	2,738,850	-
Cost of sales	12	(1,657,207)	-
Gross Profit		1,081,643	-
Other Income	13	5,983,326	(15,050)
Total Income		7,064,969	(15,050)
Administration expenses			
Bank Fees		630	66
Trustee fees expense		18,310	5,840
Consulting & Accounting		23,903	1,581
Audit fees		2,400	1,600
Manager's fees expense		116,786	55,099
Advertising & Marketing		61,720	-
Administration Expenses		29,304	-
Expected credit losses		3,323	-
Exchange Loss		796,060	-
Profit / (loss) before interest and tax expense		6,012,534	(79,236)
Net Interest expense	14	(55,491)	-
Profit / (loss) before tax expense		5,957,043	(79,236)
Tax expense	10.1	(213,362)	-
Profit / (loss) for the year		5,743,681	(79,236)

1.5.6. Pro-Forma Financials

The following proforma financial statements provide an overview of the projected financial performance and position of the REIT. These statements have been prepared to give prospective investors a clear understanding of the REIT's anticipated earnings, expenses, and overall financial health based on current and expected market conditions.

While due care and diligence has been taken in preparing the forecast financial statements, the underlying assumptions and their consequent results may or may not prove to be correct, more-so in the medium to long term, and prospective investors should be guided accordingly. No representations, expressed or implied, are made as to the accuracy of such statements, estimates and projections. Presented below are the forecast financials:

1.5.6.1 Pro-Forma Statement of Profit and Loss

This statement outlines the projected revenues, costs, and net earnings for the REIT over the forecast period. It highlights the expected rental income from the REIT's property portfolio, operating expenses, and anticipated profit margins. The figures provide insight into the profitability of the REIT and its ability to generate consistent returns for investors.



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All Figures in USD	2025F	2026F	2027F	2028F	2029F
Revenue					
Gross Rental Revenue	\$235,068	\$470,584	\$1,314,017	\$2,803,396	\$3,396,365
Property Operating Expenses	(\$29,384)	(\$58,823)	(\$131,402)	(\$280,340)	(\$339,636)
Net Rental Income	\$205,685	\$411,761	\$1,182,615	\$2,523,057	\$3,056,728
Other Income	\$687,942	\$1,853,919	\$1,644,692	\$15,721	\$8,163
Total Income	\$893,627	\$2,265,680	\$2,827,307	\$2,538,778	\$3,064,891
Administration Expenses	(\$637,171)	(\$765,282)	(\$860,514)	(\$896,504)	(\$815,757)
Net Operating Income	\$256,456	\$1,500,398	\$1,966,793	\$1,642,274	\$2,249,134
Maintenance reserve	\$0	(\$51,048)	(\$51,883)	(\$20,310)	(\$24,519)
Finance Cost	\$0	(\$400,000)	(\$400,000)	(\$400,000)	\$0
Tax	\$0	\$0	\$0	\$0	\$0
Distributable Income Before F V A	\$256,456	\$1,049,350	\$1,514,911	\$1,221,963	\$2,224,615
Fair Value Gains/Loss	\$0	\$0	\$0	\$0	\$0
Total Comprehensive Income	\$256,456	\$1,049,350	\$1,514,911	\$1,221,963	\$2,224,615

1.5.6.2 Pro-Forma Statement of Financial Position

The statement of financial position presents a snapshot of the REIT's projected assets, liabilities, and equity at a given point in time. It includes an analysis of the REIT's property portfolio, debt levels, and overall financial leverage. This statement helps prospective investors assess the REIT's financial strength and its capacity to meet long-term obligations while sustaining growth.



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All Figures in USD	2025F	2026F	2027F	2028F	2029F
Assets					
Investment property	\$35,159,603	\$43,514,379	\$56,869,155	\$56,869,155	\$56,869,155
Inventory	\$1,449,150	\$1,199,719	\$0	\$0	\$0
Trade and other receivables	\$1,432,419	\$2,495,310	\$1,644,202	\$133,093	\$251,909
Cash and cash equivalents	\$525,127	\$5,511,817	\$7,447,788	\$3,498,240	\$3,623,467
Total Assets	\$38,566,298	\$52,721,226	\$65,961,144	\$60,500,488	\$60,744,530
Unit holders funds	\$38,127,862	\$46,638,620	\$60,196,770	\$60,339,276	\$60,586,257
Unit holders funds	\$32,437,771	\$40,792,547	\$54,147,323	\$54,147,323	\$54,147,323
Retained earnings	\$5,690,091	\$5,795,026	\$5,946,517	\$6,068,713	\$6,291,175
Maintenance Reserve	\$0	\$51,048	\$102,930	\$123,241	\$147,760
Liabilities	\$438,436	\$6,082,605	\$5,764,374	\$161,212	\$158,273
Trade payables & Other payables	\$438,436	\$1,082,605	\$764,374	\$161,212	\$158,273
Debt	\$0	\$5,000,000	\$5,000,000	\$0	\$0
Total Equity and Liabilities	\$38,566,298	\$52,721,226	\$65,961,144	\$60,500,488	\$60,744,530

These proforma financial statements are based on assumptions detailed below and are critical in evaluating the REIT's potential for delivering value to shareholders:

- The forecasts are in USD currency
- The fund must pay out at least 80% of its profits to maintain REIT status
- The fund is expected to earn developers profit since it is a development REIT and as such realised profit from any investment property disposals will be significant
- An average finance cost of 8% per annum on long-term borrowings in USD basis and repayment period will be 5 years
- Property revaluation gains have not been assumed in these forecasts
- An average occupancy rate of 90% has been assumed in the forecasts
- Lease escalation costs will be per lease and each lease will average 10 years



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1.6. Investment Considerations and Risk Factors

Ownership of units in the Fund carries several risks, which, if they occur, may have a significant adverse impact on the Fund's performance, which in turn might depress the Fund's share price. An investment in units involves careful consideration and risk factors, which are explored in detail in this section, as well as which investors should carefully consider before subscribing.

In addition, prospective and potential investors should review and evaluate the following documented risk factors, others that might have been missed, before investing in the Fund. An investment in the Fund's units forms only a part of a complete investment programme, and an investor must be able to bear the loss of the entire investment. Investors should carefully consider whether an investment in the units suits them, considering their objectives, circumstances, and financial resources. Prospective and potential investors are invited to consult with their professional advisors before applying or subscribing for the units. It is worth noting that the following risks are not set in any priority or given any weight; for example, the Fund's performance might be adversely affected by changes in market and/or economic conditions and legal, regulatory, and tax requirements (if applicable). Further, only those risks that are believed to be material and are currently known to the directors and managers of this Fund have been disclosed. Additional risks and uncertainties not presently known by the Fund's directors and managers, or the Fund's directors and managers deem to be immaterial, may also significantly adversely affect the Fund's future performance and operations and the Fund's share price.

In this context, there can be no guarantee or promise that the Fund will successfully implement the strategy articulated in this document. Similarly, there is no assurance that the Fund will meet its objectives outlined in this document, and no representation can be postulated or made about the Fund's future performance.

1.6.1. Risks relating to investing in Africa.

(i) Investments in emerging markets such as Africa are subject to greater risks than investments in developed countries.

The Fund is domiciled in Zimbabwe and shall be listed on the Victoria Falls Stock Exchange, part of the emerging markets. The Fund is designed to accommodate local, regional, and international investors. Generally, emerging market securities, compared to developed market securities, carry the risks of relatively volatile markets, less public information available, and underdeveloped exchange regulations. Further, emerging markets operate on a different efficiency level than developed markets; thus, trade volumes and liquidity levels are lower than in developed markets, owing to less developed and unstable financial market structures. Due to liquidity constraints, selling security, especially foreign currency-denominated securities, in emerging markets can take time and effort, possibly resulting in more significant transactional costs.

In addition, the exchange markets house several issuers that are not subject to uniform accounting and financial reporting standards, practices, and requirements compared to those applicable to issuers domiciled in developed markets. Moreover, due to unstable and unpredictable policy changes that characterize emerging markets, the quality and reliability of the official data published by the exchange may not accurately preview the actual circumstances being reported.

With respect to some emerging markets, trades settlement is slower and the longer it takes, the higher the risk of trade failure, than would be the case in developed markets. In addition, with emerging markets, there is greater possibility of exchange rates fluctuations, civil unrest, social and political instability, and hyperinflation, which can adversely affect the performance of capital markets and erode investments values.



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On the other hand, the regulatory framework in emerging markets can be less predictable and more prone to sudden (without warning) changes, making it harder to enforce long-term agreements. In addition, firms operating in emerging markets adopted regulatory control and corporate governance that offer minimal protection to minority shareholders. Unlike in developed markets, regulations and legislations such as anti-fraud and anti-insider trading may be rudimentary, with little to no corrective measures taken. Moreso, in comparison to developed markets, the concept of fiduciary duties owed to shareholders by firms or Fund Managers is less developed. In this respect, and in certain instances, the Fund's directors or managers or the firm's management may take significant actions without the consent of shareholders, and anti-dilution protection might be limited.

Considering all the above-stated risks and others, if they materialise, they may significantly adversely impact the Fund's operations and performance.

1.6.2. Risks Relating to Investing in Zimbabwe

The country's previous severe socio-economic difficulties and political instability may continue to present material challenges to the investment climate and operating environment in Zimbabwe, which may hamper Fund's performance.

The country recently experienced hyperinflation, culminating in the ZWL's abolishment in favour of the newly structured currency, Zimbabwe Gold (ZWG). The new currency, ZWG, stabilised the macroeconomic environment in the first few months, but the parallel market premium soared beyond 100%, which prompted the Reserve Bank of Zimbabwe to devalue the currency by over 42% in September 2024. The currency instability, volatile exchange rates, high inflation and general macroeconomic instability may adversely affect property values and rental yields. In the past, the country's investment climate was marred with political uncertainties, and abrupt changes in government policies, which, collectively and stand-alone, may have adverse material effects on the Fund's performance.

However, the government is taking positive strides to improve the business environment to lure foreign investors by adopting the "open for business" policy in 2018 and establishing the Zimbabwe Investment Development Agency (ZIDA) in 2020, which replaced the Zimbabwe Investment Authority (ZIA) and serves as a one-stop-shop to promote and facilitate both local and foreign investment in the country. Despite the government's re-engagement drive and relative improvement in the business environment, the country is still marred with negative publicity about its prior severe socio-economic difficulties and political instability, culminating in negative perceptions about the country, which could lead to share value decline on the exchange and deterring foreign investors

The multi-currency regime cannot be assured to last until 2030 as per legislation

The country, Zimbabwe, experienced one of the most chronic hyperinflations in the world between 2008 and 2009, which saw the Government of Zimbabwe (GoZ) officially dollarizing in April 2009 and adopting a basket of currencies led by the United States Dollar (USD) and South African Rand (ZAR). The multi-currency regime continued until 2019 when the GoZ issued Statutory Instrument (SI) 142 of June 2019, which banned the use of multi-currency, though the local currency was re-introduced in February 2019 and a few months later in 2019, SI 212 was promulgated, which enforced the sole use of local currency for domestic use. In 2020, through the promulgation of SI 85, the government allowed the use of foreign currency for domestic transactions to ease the effects of the COVID-19 pandemic. Through the issue of SI 118A of 2022, the use of the multi-currency regime was set to end in 2025 but was extended to 2030 by the promulgation of SI 218 of 2023. Considering



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the above chronology and despite the multi-currency regime extension, political statements to pursue mono-currency are not going away, and with elections coming in 2028, the continued use of the multi-currency regime may come to an end before the legally stipulated date. Should this risk materialise, property values and rental yields may be negatively affected.

Land or other property owned or acquired by the Fund could be expropriated by the Government of Zimbabwe and/or subject to disputes

The Fund intends to acquire land banks and develop them by following all regulations and Zimbabwean laws relating to property ownership, development, and any other laws with respect to real estate. There is no guarantee or assurance that the land banks acquired by the Fund may not be subject to land disputes. The GoZ enforces property rights in residential and commercial properties in urban areas. The legal framework in the country remains ambiguous, complex, and sometimes contradictory; for example, section 72 of the 2013 constitution provides for property rights but also allows for compulsory acquisitions by the state for public purpose and interest, the interest of defence, public safety, public order, public morality, public health, town and country planning, or land settlement. Despite the government's commitment to upholding property rights, historically, land has been expropriated with limited or no compensation. In Zimbabwe, local property rights disputes (local investor vs local investor or state) are solved through civil courts, but mediation and arbitration methods are often preferred for quicker resolutions. These headwinds may have adverse material effects on the Fund's performance.

The Fund will be subject to regulation and changes in laws which could adversely affect performance of the Fund and share price.

The Fund is domiciled in Zimbabwe and is subjected to local laws and regulations because of its operations. The Fund may experience significant unanticipated costs from compliance with laws, rules, legislations, regulations, or ordinances. Such laws, regulations, or rules may act as headwinds for the Fund to implement and achieve its strategy and objectives successfully and concomitantly affect the Fund's performance. For example, a regulation body like the Environmental Management Agency (EMA), which oversees environment-related regulations to ensure sustainable land development, maybe a hurdle in the operations of the Fund through Environmental Impact Assessments (EIAs) that may change occasionally. Failure to comply with these regulations may invite unanticipated costs impacting the Fund's profitability.

The change in exchange control rules and other laws regarding repatriation of investments by foreign investors

The Fund shall be listed on the Victoria Falls Stock Exchange (VFEX), which caters to both local and foreign investors, with a strong focus on attracting foreign investors to boost foreign direct investment. The prevailing Exchange Control Act allows foreign investors to repatriate 100% of their dividends, interest, and profits earned from investments in Zimbabwe. In addition, the Act's current guidelines foster operational flexibility, as foreign investors are permitted to operate Foreign Currency Accounts (FCAs) in Zimbabwe, facilitating the smooth transfer of funds in and out of the country in the event of an exit. Further, the recently gazetted Statutory Instrument 29 of 2025, Banking (International Financial Services Centre) Regulations, caused the establishment of the Victoria Falls International Financial Services Centre ("VFIFSC"). The Victoria Falls Stock Exchange is a deemed licensed participant in the Victoria Falls International Financial Services Centre where the Exchange Control Act [Chapter 22:05], among other statutes, do not apply.



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However, as is often the case, laws in Zimbabwe are subject to amendments and other changes that may prohibit the repatriation of foreign currency. Moreover, if economic conditions deteriorate, the repatriation of foreign currency in the form of dividends, profits, or interest earned may depend on the availability of foreign currency in the country. Furthermore, the Fund must seek permission from the Reserve Bank of Zimbabwe through a formal application prior to the repatriation of foreign currency capital gains. However, the Fund cannot offer assurance or guarantee that the same Exchange Control regulations will remain favourable to foreign investors.

Zimbabwe still lags in infrastructural transformation and faces power supply interruptions and connectivity is still low compared to other regional countries.



The state of the country's infrastructure falls significantly below international standards, with many roads connecting major towns and cities in need of maintenance. However, it is worth noting that there has been considerable improvement in road construction, with major highways under construction and others undergoing dualization. Additionally, the country continues to grapple with power shortages due to inadequate electricity generation capacity and insufficient maintenance of power-generating infrastructure. The ongoing power outages will increase the cost of doing business, as the Fund invests in alternative energy sources, which may negatively impact its financial condition. Moreover, poor infrastructure can hinder property development and decrease the attractiveness of real estate investments due to poor connectivity.

Exogenous risks

The Fund's assets (properties) may face direct or indirect impacts due to force majeure events. Additionally, events such as war, civil unrest, riots, armed conflicts, and acts of terrorism, which are beyond Fund manager's control and typically not covered by insurance, pose significant risks. These events could lead to various adverse consequences, including the destruction of assets owned by the Fund, and the prolonged inability to use these assets for their intended purposes.



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The Fund is exposed to counterparty risk and may be adversely affected by the lagging of counterparties, which are mostly contractors.

The Fund, as aforementioned, the Fund is development focused, hence it will employ the services of contractors such as electricians, plumbing, framing, landscaping, and general contractors to oversee the development of the assets. These contractors may fail to meet or default on contractual targets such as meeting deadlines, quality issues, regulatory compliance, and supply chain issues. Notwithstanding, the Fund conducts thorough due diligence on all contractors to mitigate such risks but cannot guarantee or provide assurance that such risks will not occur. If these above-outlined risks materialise, if ever, they adversely affect the Fund's operations and performance alike.

The Fund's operations may be affected by shortage of construction materials and skilled labour force.

The operation of the Fund involves the procurement of raw materials, such as building materials and others. A shortage, delay in supply, or disruption in the supply chain of these raw materials may adversely impact the operations and performance of the Fund. Additionally, the inability to recruit or retain enough skilled labour may result in project delays, cost increases, or, consequently, the abandonment of the project, which may adversely impact the Fund's financial condition.

Tenant defaults, vacancy rates, subjective property valuation, high property maintenance expenses, and, in general, real estate downturn.

A downturn in the real estate market would lead to declines in property values and rental rates, potentially depressing the value of the Fund. Despite the efforts of Fund Managers to mitigate this risk, if a tenant defaults or there is a surge in vacancy rates, the Fund will experience rental shortfalls and incur additional expenses such as legal fees, surveying costs, maintenance expenses, service charges, insurance premiums, and marketing costs. Prolonged high vacancy rates could adversely affect the Fund's profitability. Although the properties in the Fund are pre-leased to minimize vacancy rates, there is no guarantee that voids will be entirely avoided. Additionally, high maintenance costs combined with elevated vacancy rates can render the properties unprofitable. Furthermore, real estate valuation is inherently subjective and uncertain due to the unique characteristics of individual properties; thus, there is no assurance that property valuations will accurately reflect their sale value if transactions occur shortly after valuation.



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1.6.3. Risks associated with the construction and completion of the project.

The processing and granting of permits and requisite approvals may take longer than planned.

The project development involves several stakeholders, and all requisite project permits and approvals must be solicited from relevant authorities before project commencement or during the project. These permits include, but are not limited to, subdivision or development permits, EMA certificates, and consent from all relevant government ministries such as the Ministry of Transport and Infrastructural Development and the Ministry of Local Government and Public Works. Government ministries and the respective licensing authorities may delay the granting of permits, which are construction precedents. Project funding is contingent on all approvals and permits being in place. Additionally, the issuance of Title Deeds and Certificates of Completion of Occupation is dependent on pre-regulatory project approvals being in place. Delays in the granting of all pre-project regulatory approvals and permits may adversely impact project timelines, project funding, and consequently, the operations of the Fund.

Project financing may not be adequately available when needed and may incur additional costs than planned.

Massive projects require substantial funding, which may not be readily available when needed. Notwithstanding the efforts made by Fund Managers to ensure adequate project funding, there is no guarantee or assurance that funding bottlenecks will not materialize. The risks of funding bottlenecks and insufficient project funding, if they materialize, may result in extensions of project timelines, potentially inviting litigation from tenants with whom Agreements to Develop and Lease have been finalized and signed. Consequently, these litigations may taint the reputation of project managers and adversely affect the future operations and performance of the fund, potentially depressing its share price. Similarly, funding bottlenecks may compromise project quality, and the longer the project takes, the higher the likelihood of cost overruns. Costs are an important element in every project development, and running into cost overruns may jeopardize the project's viability.

Procurement of sub-standard raw materials and inability to hire or recruit competent craftsmen

The quality of a project depends on the quality of raw materials, among other factors. The Fund employs project architects who oversee that the quality of building raw materials meets the specified standards, including checking and assessing materials such as cement, steel, bricks, and other construction materials. Despite the Fund's efforts to ensure all quality checks are conducted, there is no assurance or guarantee that all procured raw materials will meet the specified quality standards. The use of poor building materials will result in structurally dysfunctional buildings, ultimately increasing maintenance and reputation costs, thus reducing the Fund's profitability. The quality of raw materials is measured by their ability to withstand harsh weather conditions and be aesthetically pleasing at the same time. Additionally, since the Fund is domiciled in Zimbabwe, some building materials intended for project use are available locally, while others must be imported. Any procurement bottlenecks may adversely impact project timelines, quality, and costs. Project quality also depends on the ability to identify, recruit, and retain competent craftsmen who can produce high-quality workmanship, which is essential for large-scale projects like those of the Eagle REIT Fund. A poor-quality project associated with poor workmanship invites a bad reputation, thus negatively affecting the Fund's performance.



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The Fund is constructing commercial buildings and injuries may occur during the construction process

The Fund's operations include the development of projects, during which injuries may occur. To mitigate this risk, the Fund's contractor employs a Safety, Health, and Environment (S.H.E) officer to ensure adherence to all safety and health procedures outlined in the manuals. While efforts are made to prevent injuries, there is no guarantee that they can be entirely avoided. First aid kits are available, and in the event of an injury, the S.H.E representative will administer on-site treatment and call an ambulance if hospitalization is necessary. Additionally, the S.H.E representative conducts morning safety training sessions at the start of each workday. Safe working practices and proper waste disposal are prioritized, with all materials handled carefully to minimize injury risks. Rubble from the project is retired or disposed of safely and responsibly. Furthermore, measures are in place to ensure that all construction activities comply with Environment Management Agency (EMA) regulations. Non-compliance with EMA regulations may result in fines, negatively impacting the Fund's financial condition.

2. Property Portfolio

The Eagle REIT owns commercial land in Mazowe and Victoria Falls as summarized below:

Property	Size (Hectares)	Current Market Value	Proposed Development	Estimated Cost Of Development
Eagle Heights Project Chinotimba Township , Victoria Falls	9.4932	USD 7,911,634	Mixed Use Development that includes: <ul style="list-style-type: none">• Medical Facility• Hotel• Retail• Residential	USD 42,418,577
Mazowe Walk Mall	7	USD 2,450,000	Mixed Use Development that includes: <ul style="list-style-type: none">• Medical Facility• Shopping mall• Residential	USD 12,228,831
Stand 4061 Chegutu Pfupajena Township	1.431	USD 450,000	Commercial	
TOTAL		USD 10,811,634		USD 54,647,408



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- The Eagle REIT has full title to the Victoria Falls land through Deed of Transfer 1911/2023
- The Mazowe land is currently under a Lease Agreement (with option to Purchase) with Mazowe Rural District Council (RDC). The Lease Agreement Number is **MAZ/LB/965/2022**. The Land was purchased directly from Mazowe RDC. When Councils sell land, they initially enter into a Lease with option to purchase agreement with the buyer. Upon satisfaction of all conditions precedent, Council will process title for the land in favour of the buyer. The Eagle REIT has satisfied all conditions precedent to obtain title and the processing of title deeds is underway. A letter of support to that effect is among the documents available for inspection.
- Chegutu - concluded sale and purchase agreement with Chegutu Town Council.

2.1. Project Pipeline

2.1.1. Victoria Falls Mixed Use Development

The Fund's flagship project is a mixed-use development in one of the world's most popular tourist destinations, that is, Victoria Falls. The proposed development is comprised of a mid-scale 120 key hotel, a 36-bed premium hospital, a commercial centre, and residential properties. The developments are estimated to cost USD 42.4 million over a 3-year period beginning 2025 and are summarized below:

Hotel	Tourism Hospital	Retail & Offices	Residential
<ul style="list-style-type: none"> • 120 key mid-scale, internationally branded hotel • Estimated cost USD 25.5 million • Rental Yield 8% 	<ul style="list-style-type: none"> • 36 bed premium tourism hospital • Estimated Cost USD 8.1 million • Rental Yield 8% 	<ul style="list-style-type: none"> • Retail to include Convenience store; Drive through and service station. • Estimated Cost USD 1.5 million • Rental Yield 8% 	<ul style="list-style-type: none"> • Estimated cost of development is USD 7.7 million • Developer's profit of 26% .



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2.1.2. Novotel Hotel



Positioning and Branding

- Upper mid-scale internationally branded hotel
- Novotel, one of the largest hotels and resorts group will manage the midscale hotel. Novotel is a mid-scale hotel brand, founded in 1967 in Lille, France, inspired by American motels. In 1983 the company became a part of what is now called AccorHotels Group. Novotel manages over 600 hotels across 68 countries.

Hotel Layout and Design

- Unique and reflective of the local culture with a focus on creating a contemporary but authentic experience.
- To blend into the natural surroundings with natural materials utilised throughout the design.

	<ul style="list-style-type: none"> • Layout and design of the hotel to take advantage of the location with the hotel building positioned towards the views surrounding the site. • A bar and viewing deck to be provided on the upper levels of the property to maximise views of the sunrise/sunset. The rooftop deck will enable guests to view the natural surroundings and potentially spot animals. • Leisure facilities to be provided include swimming pool, a small spa and guided walking trails in the surrounding landscape.
<p>Rooms Configuration</p>	<ul style="list-style-type: none"> • Room sizes aligned with international standards for properties positioned within the midscale segment and adhering to the operator’s preferences. • Total of 120 standard rooms with sizes ranging from 32 – 36 square metres • The rooms will have the following standard in-room facilities: <ul style="list-style-type: none"> • Queen size bed; • Mosquito nets that can be drawn around the bed; • Electronic connection panel at bedside with USB connectivity; • Individually controlled air-conditioners in all rooms; • LCD or plasma televisions with satellite television channels; • Mini bar; • Free wireless internet connectivity; • Workstation desk (of a decent size) with chair, lamp and plug points; • Built-in luggage racks; • Iron and ironing board; • Tea and coffee making stations (traditional kettle); • Universal adaptors for plug points; • Main light switches near the beds and at the entrance; • Electronic swipe door access; • Smoke detectors; • Hair dryers; • Full length mirror; and • Safes connected to a power-point that can store and charge a laptop computer (minimum 13")
<p>Public Areas</p>	<ul style="list-style-type: none"> • Lobby lounge area will be used as a multi-purpose area that has a dedicated lounge with bar leading into an open plan restaurant that spills over onto the outdoor deck surrounding the swimming pool.



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	<ul style="list-style-type: none"> Limited front office facilities. A multifunctional approach to reservations, switchboard, reception and cashier services will be adopted.
Food and Beverage Facilities	<ul style="list-style-type: none"> Full-service restaurant offering a buffet breakfast and a la carte lunch and dinner options. Lunch and dinner service open to external visitors while breakfast shall be for in-house guests only. Rooftop bar and lounge Room service
Meeting Facilities	<ul style="list-style-type: none"> Affordable and flexible facilities to enable the hotel to cater to the conference market. To include the following: <ul style="list-style-type: none"> 1 x medium sized flexible venue accommodating 200 delegates but divisible into four smaller venues of maximum 50 delegates or one of about 100 delegates and two of 50 delegates; and 2 x smaller boardrooms accommodating 10 to 20 delegates – these rooms can be utilised as breakaway facilities if required.
Leisure Facilities	<ul style="list-style-type: none"> Swimming pool Gym Spa



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2.1.1.2 Accor Group Overview

Accor Group is a French multinational hospitality company that owns, manages and franchises hotels, resorts and vacation properties. It offers experiences across more than 110 countries with over 5,500 hotels, 10,000 food and beverage venues, wellness facilities and coworking spaces. The Group has one of the industry's most diverse hospitality ecosystems, encompassing more than 45 hotel brands from luxury to economy. Founded in 1967, Accor SA is headquartered in France and publicly listed on the Euronext Paris Stock Exchange (ISIN: FR0000120404) and on the OTC Market (Ticker: ACCYY) in the United States.



At the heart of Accor's portfolio lies Novotel, a mid-scale brand launched in 1967. With over 600 properties globally, Novotel caters to business and leisure travelers seeking modern comfort. Characterized by sleek design, innovative amenities, and flexible spaces for work and relaxation, Novotel hotels provide consistent quality and service worldwide. From restaurants and bars to fitness centers, spas, and meeting facilities, Novotel's key features ensure a seamless experience for guests.

Positioned in the upper-midscale segment, Novotel competes with brands like Hilton, Marriott, and Hyatt. Its focus on modern design, technology, and guest experience sets it apart. Strategic locations in city centers and airports, combined with flexible meeting and event spaces, make Novotel an attractive choice for business trips and family vacations alike.

Novotel's brand strength is reinforced by its strong loyalty program, ALL (Accor Live Limitless), offering exclusive benefits and rewards. Notable properties include Novotel Paris Tour Eiffel, Novotel Sydney Central, Novotel Singapore Clarke Quay, Novotel New York Times Square, and Novotel Dubai Deira City Centre.

HOTEL DETAILS	
Nature of Project	New Build
Brand	Novotel Owner acknowledges that the Hotel must comply with the applicable and required standards for the Brand.
Hotel	The hotel to be constructed on the A8 Road between Victoria Falls Airport & Victoria Falls town.
Facilities	(a) 120 guest rooms;



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	<ul style="list-style-type: none"> (b) 1 restaurants; (c) 1 bar; (d) swimming pool; (e) fitness centre; (f) 1 large, subdivisible meeting room + 2 board rooms; (g) car parking (TBC)
Other Facilities	Hospital, Residential, Commercial & some retail space to be constructed on land surrounding the hotel.
DATES AND PERIODS	
Initial Term	20 Fiscal Years
Renewal Term	2 Further terms of 5 Fiscal Years at mutual consent
Fiscal Year	<p>each calendar year (commencing from 1 January and ending on 31 December), provided that:</p> <ul style="list-style-type: none"> (a) the first Fiscal Year would be the period commencing on the Opening Date and ending on 31 December of the complete calendar year after the year in which the Opening Date occurs; and (b) the final Fiscal Year may be less than a full calendar year.



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2.1.3. Medical Facility

- The initial phase of the hospital will be developed with 36 beds. Design will be undertaken in such a way that expansion will be able to take place into the future.
- A single-story hospital will be constructed in order to reduce development cost and facilitate ease of operations.



Healthshare Solutions is a renowned healthcare consulting and solutions company based in South Africa. With a strong presence in the industry, they have established themselves as a trusted partner for healthcare providers, funders, and stakeholders. Healthshare Solutions is driven by a mission to transform the healthcare landscape through innovative solutions, expertise, and collaboration, ensuring accessible, affordable, and quality healthcare for all. Their vision is to be the trusted advisor and solutions partner in the South African healthcare industry, driving sustainable growth, innovation, and excellence.

The company offers a comprehensive range of services, including:

- Healthcare consulting and strategy development
- Clinical advisory services
- Healthcare facility development and operations optimization
- Managed care processes and cost containment
- Health information technology and data analytics solutions

Healthshare Solutions' team comprises experts in various fields, including:

- Healthcare policy and regulation
- Clinical governance and quality improvement
- Healthcare finance and economics
- Health information technology and digital health
- Healthcare operations and management



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2.1.4. Residential



- The feasibility study highlighted that the market is buoyant. In order to mitigate risk, the following strategy has been adopted:
 - Launch small numbers of units at a time;
 - Phase development;
 - Sell off-plan;
 - Provide a payment plan;
 - Make use of credible developer with an established investor base and a history of delivering good quality properties;
 - Careful calculation of development costs
 - Critical to maintain an on-site presence and maintain momentum
- Apartments shall be sold off plan,
- Careful costing required given exchange rate fluctuations and the nuances of development in Victoria Falls



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2.1.5. Service station and Fast Food

- A service station, fast food drive through and convenience store is proposed as part of the development given the site's strategic location at a pivotal gateway, serving as a crucial entry and exit point for both locals and tourists into Victoria Falls Town. The site's unique location offers exceptional advantages that not only attract tourists but also cater to the needs of the local community effectively.
- The proposed service station will fulfil the fuel and maintenance needs of travellers while also becoming a community hub for residents. Simultaneously, the fast-food drive-through will cater to the fast-paced lives of both locals and tourists looking for convenient dining options, whilst the convenience store will provide a range of everyday essentials, ensuring that residents have access to necessary goods without the need to travel far. By enhancing the consumer experience, we anticipate an increase in spending and economic activity in the area, which is a positive indicator for long-term viability and investment returns.



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2.1.6. Mazowe Walk

The mixed-use development in Mazowe adjacent to the Harare-Mazowe Road is where possibilities blossom. The development brings modern amenities to this under-served precinct as well as a destination center for visitors and locals alike. The facilities envisaged are retail and medical facilities, complementary apartment housing, together with a service station and food courts. As a greenfield precinct, Mazowe Walk is expected to grow gradually, reaching maturity in about 5 years, beyond which the development would be the driver of societal progress in Mazowe District.



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Description	Area (Square metres)
Shops	974
Food Court	199
Toilets	57
Pharmacy	171
24 hour Medical Facility	284
Large Retail	1,817
Hardware Shop	1,095
Farming Store	711
Supermarket	1,784
Service Station	254
Tyre Fitment	168
Total	7,514

The project is estimated to cost USD 12.2 million and is being funded through Equity and Convertible Debt. The initial phase of the project is, as at the date of this Pre-Listing Statement the project is due for completion in April 2025

- **Project Completion:** The overall project is largely complete, and the outstanding works relate to the access junction which is subject to Ministry of Transport signoffs as well as tenant specific fit-outs. The handover to tenants has commenced with the fuel station (Redan) and the 24 hour medical facility (Zimspine) already adjusting their spaces to suit their specification. MedOrange Pharmacies has started procurement of materials in time for fitting out their space. However, major retail tenant (OK Zimbabwe) has written notice to terminate the lease citing their financial incapacitation to expand. Negotiations are advanced with potential replacement tenant to take up the space given up by OK Zimbabwe.
- **Tenant Profile:** The leasing process for Mazowe Walk Mall strategically targets quality tenants through tenant identification, selection, and engagement, ensuring a balanced mix and competitive rental rates with the target 6% entry yield. The process concludes with lease agreements and seamless handovers, setting the mall up for success. The leading tenants include Redan, Med Orange, Zimspine 24 hour Medical Center, while the anchor retail space is undergoing lease negotiations. Following the lease cancellation by OK Zimbabwe, the development leasing status declined from 83% to 45%, with a list of prospective tenants currently under various stages of engagement and negotiation.



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- The tenants will be proceeding with their kitting out in the month of April through to July 2025. To further enhance our risk management, we maintain a proactive tenant engagement approach, ensuring open communication and collaboration to address any challenges early. This strategy, combined with the contractual safeguards in place, reinforces the stability and reliability of our lease agreements, providing confidence in the mall's long-term performance and resilience.

The pictures below show the progress at the Mazowe Mall construction site.



Figure 1: Supermarket and line shops



Figure 2: Service Station Forecourt and convenience store structure



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2.1.7. Chegutu Land Bank

The Fund recently acquired a parcel of commercially zoned land in Chegutu Town from the Chegutu Town Council. Development will commence once the projects in Mazowe and Victoria Falls are completed, for reasonable sequencing. In the interim, a comprehensive feasibility study will be undertaken to determine the most optimal use of the land.

3. Background and Market Information

3.1. Zimbabwe Economic Overview

Zimbabwe's economic growth has been hampered by a myriad of challenges in the recent past resulting in depreciation of the local currency and episodes of hyperinflation that have driven more than 40% of the country's population into extreme poverty according to the African Development Bank. The country's international isolation and debt overhang has secluded the country from accessing international capital and, resultantly, contributed to a slowdown in economic growth. Intermittent shocks like Cyclone Idai which struck the country in 2019, and disease outbreaks like the COVID-19 pandemic have all conspired to weaken economic growth. In 2021, government adopted the National Development Strategy 1 (NDS 1) which focuses on, among other things, infrastructure rehabilitation and development. NDS 1 has given a facelift to the country's infrastructure – notably the country's major highways which had become death traps. Infrastructure development projects have, however, had the unintended effect of injecting excess liquidity into the market resulting in the depreciation of the local currency. The frequent depreciation has dented confidence in the local currency and increased appetite for foreign currency. ZimStat estimates that 83% of transactions on key food purchases in the country are in foreign currency.

The persistent depreciation of the local currency has resulted in the country going through multiple currency regimes and reforms that include the debasing of the currency through removal of zeros back in 2008 and 2009, dollarization in 2009, reintroduction of the Zimbabwe dollar in 2019 and introduction of Zimbabwe Gold (ZWG) structured currency in 2024. Hyperinflation and changes to the currency regime resulted in investors with exposure to monetary assets suffering significant losses and value destruction. Throughout the currency changes and hyperinflation, property has proved to be an asset that preserves value. Long term investors like Pension Funds and Insurance companies have thus sought refuge in property. According to the Insurance and Pensions Commission (IPEC) report for Quarter 3 2023, property accounted for 55% of investment portfolios for Pension Funds as at 30th September 2023. IPEC investment guidelines restrict exposure to property to 40%.



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The performance of Zimbabwe's property market in the recent past mirrors the overall economic performance of the country. The impact of currency depreciation, high inflation, and low aggregate demand due to declining disposable incomes and COVID-19 pandemic includes the following:

- Low demand for commercial renting space as remote working has gained popularity since the COVID-19 pandemic struck;
- Preference by property sellers to receive payment in foreign currency due to the instability of the local currency. With foreign currency in short supply, and limited mortgage financing and long-term financing, the property market has largely become a buyers' market;
- Demand for office space in the Central Business District in Harare is dampening as there is a growing trend of businesses shifting to suburban areas like Newlands, Eastlea and Milton Park. The same is true for other major cities across the country; and
- Property owners are grappling with rental arrears due to businesses suffering from declining business volumes and waning profitability.

3.1.1. Property Sector Prospects

While the macroeconomic environment and the impact on the property sector has largely been adverse, the property market has had notable success stories and emerging opportunities which include:

- Development of shopping malls and conversion of Central Business District office into small retail outlets that have higher rental yields;
- The lack of major property development projects in the last decade means the country is overdue for such developments. Towns like Mazowe, for example, do not have a decent shopping centre let alone major supermarket despite the town's large catchment area;
- Growing domestic tourism has resulted in surging demand for tourism facilities in resort towns; and
- High profit margins on land development projects due to the scarcity of genuine, bona fide land development projects particularly residential stands. As an example, Fidelity Life Assurance of Zimbabwe Limited, an anchor investor in the proposed REIT, launched an investment product that guarantees a residential stand after 15 years and the uptake has been beyond expectations due to the company's good reputation in property development projects.

3.2. Market Overview and Investment Opportunities

3.2.1. Victoria Falls Market Study

- The town of Victoria Falls is situated on the west side of the Zambezi River and the east side of the Zambezi National Park in the province of Matabeleland North in Zimbabwe. It is connected by road to Hwange (102 kilometres), Bulawayo (440 kilometres) and Harare (approximately 800 kilometres) with a railway to both Hwange and Bulawayo.



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- The site for the proposed mixed-use development is located approximately 5 kilometres from the centre of Victoria Falls. The size of the site is 9.4932 hectares with 140 meters running along the length of the A8 which is the main access route to the City, the Victoria Falls International Airport, Hwange and Bulawayo.
- The Victoria Falls economy is small and primarily tourism-based, with a diversified offering of hotels and tourism activities including safaris, golf, bungee jumping, helicopter rides, white water rafting, zip lining and elephant rides. Victoria Falls central location neighbouring Botswana, Namibia and Zambia and its situation next to the Falls, has resulted in the city being a strategic tourism hub for the region.
- Victoria Falls is being ring fenced as an enclave for dollar-based activity. The establishment of the Victoria Falls International Financial Services Centre through Statutory Instrument 29 of 2025 and the positioning of the area as a Special Economic Zone (SEZ) is testament to this. The SEZ will encourage the movement of development away from town and in so doing protect the World Heritage Status of the City which is in jeopardy due to over development near the falls themselves. If the SEZ development is realised, the economy of the city will diversify and reliance on tourism will be reduced.

3.2.2. Recovering Tourism

- The Zimbabwean tourism market has remained volatile over the last two decades with tourist arrivals in 2019 not significantly higher than those being achieved in the late 1990's. Political and economic challenges have impacted the country since the early 2000's with the Zimbabwe Tourism Authority (ZTA) indicating "destination image issues" as a key inhibitor to significant demand growth.
- The years 2017 and 2018 were particularly good years for Zimbabwe with visitor arrivals exceeding those achieved in 2007 for the first time. The change in Government in 2017 had a significant impact on tourism demand with more positive perceptions for a post Mugabe era. The economic challenges experienced in early 2019 led to a decline in tourist arrivals of 11.1%. The impact of Covid was however catastrophic with a decline in arrivals of 72% in 2020 followed by a 40% decline in 2021.
- With the decline of COVID and re-opening of the world to international travel, Zimbabwean Tourism has experienced a positive rebound with growth of 174% in 2022 and a further 54% in 2023. Tourism recovery is at 70% of what it was in 2019. The outlook is positive with tour operators indicating positive forward bookings, notably for Victoria Falls, the primary generator of international tourism to the country. The table below shows annual tourist arrivals for the period 2015 to 2023:



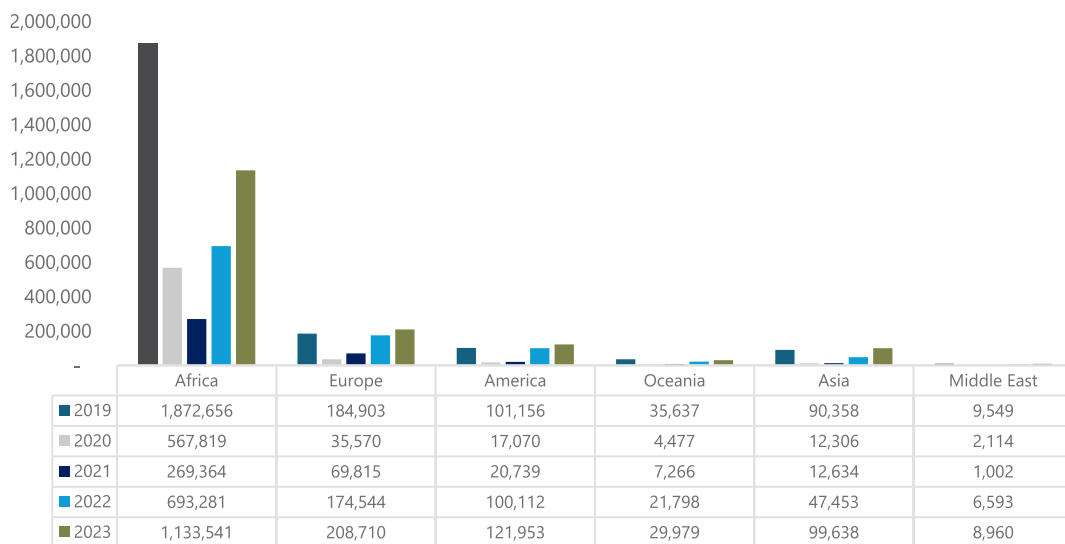
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Source – Zimbabwe Tourism Authority

- Zimbabwe sources the majority of tourist arrivals from the African continent followed by Europe, North America and Asia. Prior to Covid Africa generated 81% of arrivals followed by Europe and America.
- In 2023, arrivals from Europe, America and Asia rebounded strongly and surpassed the pre-pandemic levels. African travel remained below what was achieved in 2019 at 60% recovery. Both Europe and North America have shown a strong return to pre-pandemic levels at 94% and 99% respectively.

International Tourist Arrivals by Source Market (2019 - 2023)

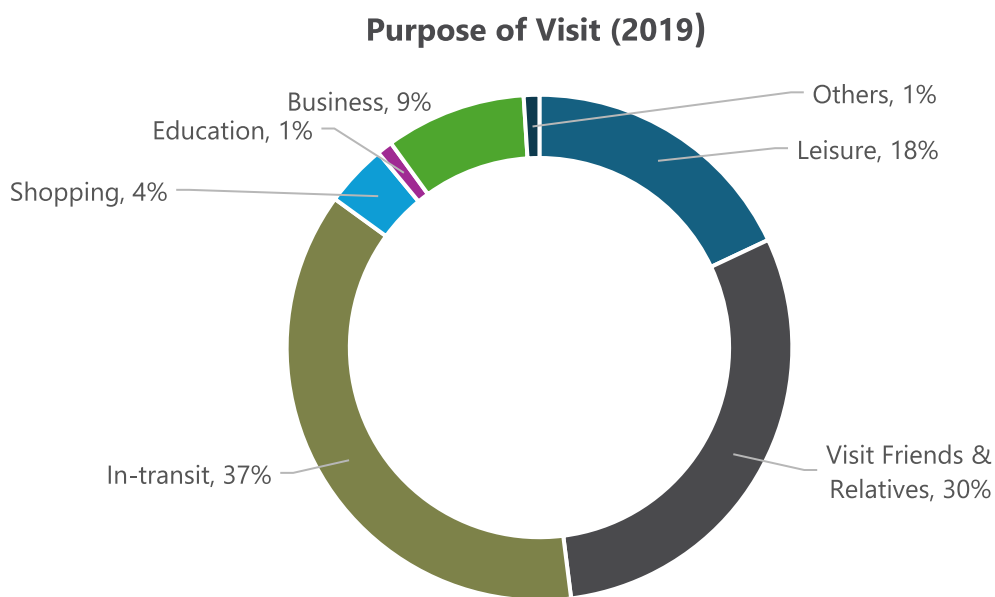


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- Within the African continent, the top source markets in 2019 were South Africa (501 638 arrivals in 2019), followed by Mozambique, Zambia, Botswana and Malawi. Recovery from these markets has been slow. Overseas markets are recovering at a quicker pace in particularly the USA, Germany and the UK showing strong recovery, particularly in Victoria Falls.
- Tourism to Zimbabwe is driven by the VFR (visiting friends and relatives) and leisure market. Victoria Falls and Kariba are the primary beneficiaries of leisure demand to the country, while Harare is more a business destination. The majority of travellers to Victoria Falls travel to the region for leisure or conferencing purposes with leisure being the predominant reason for travel. The chart below shows proportions of arrivals by purpose in 2019.

The chart below shows proportions of arrivals by purpose in 2019.



- On average most visitors travelling to Zimbabwe generally stay between 8 to 14 nights. The shortest length of stay is for regional countries, while the longest length of stay tends to be from Asian travellers.

3.2.3. Hotel Market Assessment

- In order to identify the level of opportunity within the market for the proposed development, HTI Consulting conducted an analysis of the quality three, four and five-star hotel market in Victoria Falls and its surrounds. The only properties assessed on the Zambian side included the Royal Livingstone Hotel, the Avani Hotel and the Radisson Blu.



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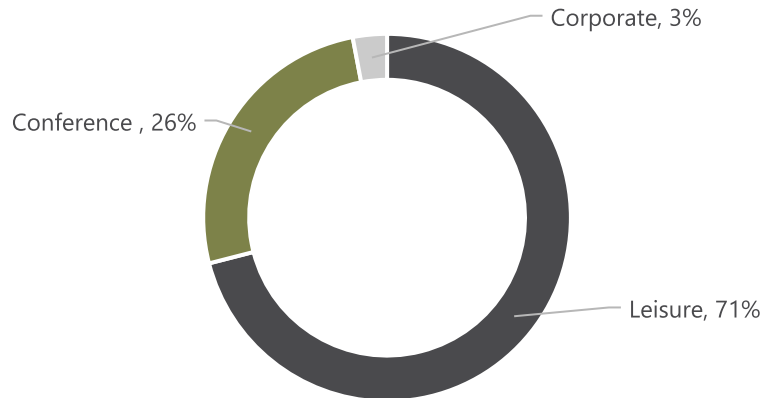
- The majority of the competitors are positioned in the midscale and upper midscale segment (68%). A total of 11 competitors were identified comprising of 1,568 rooms in total as shown in the table below:

Hotel	Rooms	Node	Positioning	Owner/Operator
Shearwater Village	42	Victoria Falls	Midscale	Shearwater
Cresta Sprayview Hotel	65	Victoria Falls	Midscale	Cresta Hotels
The Kingdom Hotel	294	Victoria Falls	Midscale	African Sun
A'Zambezi River Lodge	87	Victoria Falls	Midscale	Rainbow Tourism Group
Rainbow Hotel	88	Victoria Falls	Midscale	Rainbow Tourism Group
Elephant Hills Resort	276	Victoria Falls	Upper Midscale	African Sun
AVANI Hotel	212	Livingstone	Upper Midscale	Minor
Independent Guest Houses	150	Victoria Falls	Upper Midscale	
	1,214			
Victoria Falls Safari Lodge	98	Victoria Falls	Upscale	Independent
Ilala Lodge	73	Victoria Falls	Upscale	Independent
	171			
Mbano Manor	19	Victoria Falls	Upper Upscale	Recently branded Mantis Collection (franchise agreement)
Victoria Falls Hotel	160	Victoria Falls	Upper Upscale	Affiliated with Leading Hotels of the World
Royal Livingstone Hotel	173	Livingstone	Luxury	Minor
	352			
TOTAL	1 737			



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- The Victoria Falls market has recovered well from COVID-19 with some properties starting to see pre-covid levels of performance. Whilst airlift has yet to recover, pro-active efforts are being made to attract airlift to the City. Securing additional airlines will be key to ensuring future growth of the market and enabling new supply planned to be fully absorbed.
- The chart below shows that the hotel industry in Victoria Falls is on a recovery path as evidenced by the improving occupancy levels which had plummeted to 14% at the peak of COVID-19 in 2020.



Source – Zimbabwe Tourism Authority

- The strong presence of the leisure market in a post pandemic environment is extremely positive. The conference market in Victoria Falls drives approximately 26% of room nights for hotels in the competitive set. The Elephant Hills hotel and the Avani Hotel in Livingstone collectively contribute 70% of conference room nights. These two properties offer the largest conference capacity (500 pax (persons) and 450 pax respectively) and therefore attract the greatest share of conference activity. Both are driven by domestic business with Elephant Hills deriving almost 70% of its conference room nights from locals, and the remainder from regional and international guests. The Avani generates approximately 85% of its conference demand from the local market and 15% from the regional market.
- Corporate demand is very limited making up 3% of market demand. Three-star facilities noted an increase in demand from investors in the coal sector near Hwange. Most are using Victoria Falls as a base and travelling daily.

3.2.4. Hotel Demand Assessment – Market Performance

- The occupancy of Victoria Falls was positioned below 50% between 2014 and 2016 with 2016 showing an occupancy decline of 5%. However, the completion of the expanded Victoria Falls Airport towards the end of 2016 changed the dynamics of the destination.
- In 2017, new international airlines (Ethiopian Airlines and Kenya Airlines), combined with more pro-active marketing campaigns resulted in occupancy increasing by 7.3 percentage points. Rooms sold increased by 17.6% highlighting the positive impact of airlift on a destination. Average Daily Rate (ADR) also increased by 9.6%. Occupancy increased further in 2018 with room nights sold increasing by 11%. ADR showed a slight decline however driven by the expansion of the Ilala Lodge and Shearwater Lodge.



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- In 2017, new international airlines (Ethiopian Airlines and Kenya Airlines), combined with more pro-active marketing campaigns resulted in occupancy increasing by 7.3 percentage points. Rooms sold increased by 17.6% highlighting the positive impact of airlift on a destination. Average Daily Rate (ADR) also increased by 9.6%. Occupancy increased further in 2018 with room nights sold increasing by 11%. ADR showed a slight decline however driven by the expansion of the Ilala Lodge and Shearwater Lodge.
- The 2019 unrest in Zimbabwe, which was widely televised, saw occupancy declining once again to 52% highlighting the sensitivity of the market to micro-influences. Hoteliers in the upscale and upper upscale segments however continued to push ADR, offsetting the occupancy decline and revenue per available room (RevPAR) remained steady.



- The COVID-19 pandemic saw the complete collapse of the industry with occupancy of 14% and 20% recorded in 2020 and 2021 respectively. The limited occupancy was driven by domestic and regional travellers taking advantage of more discounted rates. The year 2022 has however been a strong recovery year for the falls. Whilst overall occupancy levels are subdued at 38.4% actual room nights sold were at an 88% recovery rate when compared to 2019. The lower occupancy is due to the addition of new supply over the Covid period including the 19 roomed Mbanjo Manor and the 73 roomed Palm Hotel. ADR is at 80% of 2019.
- The performance of the midscale segment was consistently poor prior to Covid. The year 2018 was the only year where occupancies surpassed 50%. Supply within the midscale segment is strongest with over 1,000 rooms. Capacity for three of the midscale properties is high with these properties making up 72% of the room nights available (Avani, Elephant Hills and Kingdom Hotels). The size of these properties, combined with their dated offering makes them more difficult to fill driving overall occupancy at more affordable prices. These independent properties are performing extremely well through the combination of strong quality, lower prices and good service standards.



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	2014	2015	2016	2017	2018	2019	2020	2021	2022
Midscale/Upper Midscale									
Occ	44%	45%	42%	49%	55%	50%	13%	22%	39.8%
ADR (USD)	103	98	101	104	113	113	86	111	102
RevPAR (USD)	46	44	42	52	62	56	12	25	41
Upscale									
Occ	67%	59%	64%	70%	75%	69%	18%	18%	50%
ADR (USD)	204	204	194	201	203	222	132	221	204
RevPAR (USD)	136	119	124	140	152	153	24	40	101
Upper Upscale									
Occ	52%	46%	44%	48%	53%	51%	12%	12%	29%
ADR (USD)	246	243	271	271	291	323	253	253	260
RevPAR (USD)	128	112	118	131	153	163	31		76

- ADR within the midscale segment is good and has remained relatively stagnant over the period (USD 100 to USD 113). More affordable products are however providing direct competition to the midscale segment. Despite charging lower prices, the Shearwater Village achieves a RevPAR only slightly below the Elephant Hills. Quality and affordability drives high occupancy creating a strong RevPAR. As new budget oriented properties enter the market, cross competition between more affordable properties and dated traditional midscale properties is likely to increase. The new deluxe rooms recently developed at the Shearwater Village will generate higher prices and once markets recover will drive ADR upwards.
- The upscale segment, is small and includes the Ilala Lodge and Victoria Falls Safari Lodge. Apart from 2015 and the Covid period, occupancy has remained above 60%, even in 2016 and 2018 when the Ilala Lodge added an additional 22 rooms and 16 rooms respectively to the segment. It must be noted however that total capacity in the upscale segment is only 171 rooms with the largest property being 98 rooms. This, combined with the good quality of these properties and their value for money pricing makes them easier to fill.
- The higher occupancies in the upscale segment have been accompanied by a relatively consistent ADR which remained between USD 190 and USD 205 between 2014 and 2018. In 2019 ADR within the upscale segment increased by 10%. The expansion of the Ilala Lodge with 17 new deluxe rooms in 2018 and the upgrading of the Victoria Falls Safari Club (as well as the public areas) enabled both properties to grow rates in 2019. It is interesting to note that RevPAR of the upscale segment has been consistently higher than, or aligned with the upper upscale segment. Properties within the upscale segment offer strong value for money with more affordable rates and good quality and creating strong levels of cross competition between the upscale and upper upscale segment.

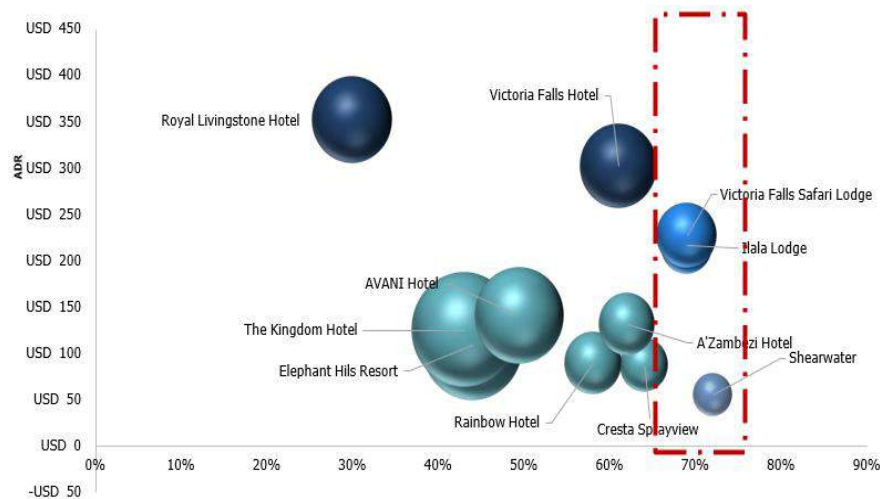


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3.2.5. Three Star Hotel Supply

- The three-star hotel supply in Victoria Falls is of a very poor quality and the closure of the Kingdom Hotel has reduced supply. Whilst the upgrading and re-opening of existing three star supply is anticipated, their extensive size and overall design will make it challenging to deliver an intimate, international standard three star experience. Considering the concentration of future supply at the higher end levels, and the poor quality in the midscale segment, a hotel positioned in the three-star market has been considered. The chart below shows the concentration of hotels in Victoria Falls and the "sweet spot" eyed by the Eagle REIT.



- The study recommended the construction of 120 keys upper midscale, internationally branded hotel with mostly standard rooms that caters to leisure groups and small conferences. The room sizes will range from 32 – 36 square metres. A traditional international hotel brand with contemporary offering was recommended resulting in the Fund Manager engaging the Accor Group which expressed interest in running the hotel under their Novotel brand.
- The proposed hotel is expected to most likely attract groups business which will be complimented by conference demand, corporate demand and aircrew demand from Victoria Falls International Airport.
- The hospital will also create opportunities for hotel demand and such guests are likely to be more price sensitive with budgets more aligned to midscale/three-star accommodation. Part of the residential apartments will also be used for hospital related business to enable individuals supporting hospital patients/specialists or doctors to have a greater number of facilities on offer if staying for longer than the average two-to-three-day period.

3.2.6. Victoria Falls Residential Market

- Commensurate with Harare the property market in Victoria Falls has also seen a high level of investment into gated communities/estates. Approximately five new estates/cluster developments have entered the Victoria Falls market within the last six years. These estates have represented the majority of activity in the market and details of each are outlined below:



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Estate Development	Number of Units	Building Size m ²	Launch Date	Launch Price (USD)	Estimated Sell Out Date	Bedrooms	Developer
Miombo Apartments	26	126	2021	188,000	2021	2	Condev
Outpost Townhouses	20	135	2022	195,000	Q4 2022	2	Condev
River Bean	8	276	2021	390,000	2021	3	Condev
533 Reynard	24	121	2019	160,000	2022 Q1	2	Capital Homes
Victoria Falls Estates	94	116 – 431	2020	155,000 599,000	2023 Q4	2 – 4	Cardinal Properties

- Estates in Victoria Falls were launched at a challenging time just before the on-set of Covid-19. Whilst developers of Victoria Falls Estate had very clear targets for their residential sales, the challenges of Covid reduced their key market (tourism sector) and most buyers were investors/HNWI (High Networth Individuals) based in Harare. The same is true for the majority of the estate developments with only a few local buyers and the remainder being bought on a buy to let basis.
- Approximately 165 sales were made in integrated estates over a period of three years equating to an estimate of 4.5 property sales per month.
- New supply was dominated by flats (49%) townhouses (29%), mid-range homes (16%) and luxury homes (6%).
- Most developments have been quick to sell. Con Dev released three small developments which sold quickly. Respondents highlighted that Con Dev is viewed as a credible developer with a loyal investor following enabling the sale of Miombo Mews to 10 loyal investors in total.
- Victoria Falls Estates townhouses and luxury homes took the longest to sell, however agents highlighted that apartments sold well with mid-range homes selling very quickly.
- Key buyers in Victoria Falls have been indicated as:
 - Institutions (banks);
 - High net worth individuals/investors; and
 - Diaspora (limited).
- Most properties are bought on a buy to lease basis. Property increasingly being viewed as a store of value in economically turbulent times.
- Estates preferred due to:
 - Security;
 - Services (water, electricity, maintenance); and Lock up and go.
- The residential estate market in Victoria Falls is in its infancy and the size of future development opportunities unknown. Opportunities are however apparent in the market and partnering with a credible and experienced developer, phasing, the releasing of a small number of units at a time and market related pricing will be key to longer term success.



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3.2.7. Retail Market

- Much of the retail supply in Victoria Falls is either informal or in the form of old-style arcades offering very poor quality. The entry of the Sawanga Mall into the market in 2019 introduced an international standard retail structure into the market by nature of its design and contemporary offering. The mall was unable to attract regional/international brands due to hesitancy around economic and political challenges in the country.
- Despite the poor quality of many of the retail offerings in Victoria Falls they remain fully let. Rentals in the more dated retail centres range between USD 9 and USD 17 depending on the size of the outlet. Interviews reported that rates had not been increased over an extended period of time due to economic pressures.
- Grocery stores in Victoria Falls also rely on business from the tourism sector with Pick n Pay indicating that over 60% of their revenues were sourced from lodges and hotels in the area. OK Supermarket indicated that 30% of their business was derived from hotels and lodges with their sister company, OK Mart, deriving 60% from the sector due to their ability to offer greater discounts through bulk purchases.
- Market share has been eroded by increased competition from small vendors who entered the market over Covid to serve local communities in areas such as Chinotimba. Whilst not offering the type of store experience of Pick n Pay or OK, small vendors offer greater locational convenience and affordability for some consumers. Future supply planned in the CBD of Victoria Falls is likely to include a mixed-use development which will include a retail component. This will have a strong location with a more modern product offering and will therefore be a competitive player.
- The demographic analysis of the Victoria Falls population indicated that the proportion of the population with sufficient disposable income to spend on retail is limited. This, along with the regional competition limits the requirement for formal retail in Victoria Falls. Given that the location of the proposed development is just outside the town, the provision of convenience retail servicing the estate and the hospital should have been considered. Key considerations include a Convenience store, Coffee shop/deli, and Pharmacy.

3.2.8. Retail and Office Market

- The office market in Victoria Falls is extremely small and very limited. The more formal office space is dominated by banks who operate large establishments in the centre of town. Outside of these the office segment is very informal with offices found in mixed use centres such as the
- Phumula Centre, the Laxmi Centre, and Galleria among others. The quality of office space is very poor and dominated by tourism companies, insurance and technology companies.
- The majority of the supply is mixed use offering office and retail space and, in some cases, small apartments. The quality of supply is extremely poor and dated. However, the central location of most properties enables them to secure tenants despite their poor quality.
- The majority of the supply has been in the Victoria Falls market for an extended period. The most recent entry is the Sawanga Mall which opened in 2019, offering a contemporary retail product. The property represents the best retail supply in Victoria Falls with a more contemporary design, good access and egress and ample parking.



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- As with the property market, statistical information relating to the office and retail market in Victoria Falls is very limited. HTI Consulting visited some of the key centres in Victoria Falls in order to speak to the centre managers. Whilst some had statistics on their product offering, others were unable to share information. Information was obtained from the following establishments:
 - OK Supermarket
 - Phumula Centre
 - Galleria Centre
 - Victoria Falls Centre
 - Landela Complex
 - Sawanga Mall.
- The supply is strategically located within the CBD, with the new Sawanga Mall on the outskirts of the CBD. The location of much of the retail supply, despite its questionable quality is within easy reach of the residential suburbs and key work nodes in Victoria Falls. The location of the proposed site is approximately five minutes from the CBD making it a less convenient location for retail, relative to existing supply.
- The more dated supply caters primarily to local consumer needs with the Phumula Centre, for example, offering fashion retail, banks and a pharmacy whilst the more upmarket Landela Complex caters primarily to tourist needs through the supply of curio shops and tourist oriented services such as the Bureau de Change. It is notable that the primary grocery stores in Victoria Falls also rely on business from the tourism sector with Pick n Pay indicating that over 60% of its revenue was sourced from lodges and hotels in the area. OK Supermarket indicated that 30% of their business was derived from hotels and lodges with their sister company, OK Mart deriving 60% from the sector due to their ability to offer greater discounts through bulk purchases.
- Retailers indicated that they had yet to make a full recovery from COVID. Market share has been eroded by increased competition from small vendors who entered the market over COVID to serve local communities in areas such as Chinotimba. Whilst not offering the type of store experience of Pick n Pay or OK, small vendors offer greater locational convenience and affordability for some consumers. The Chinotimba market also offers more affordable prices and in increasingly challenging economic times, this serves as strong competition.
- Retailers in Victoria Falls also compete to an extent with regional retailers, notably in Kasane (and to some extent South Africa). Prices in Zimbabwe are extremely high due to hyperinflation and import duties and many citizens cross the border to Kasane (approximately one hour away) to buy goods, clothing, and materials.
- Based on market discussions, a hypothetical analysis of the Victoria Falls population indicated that the proportion of the population with sufficient disposable income to spend on retail is very limited. This, along with the regional competition limits the requirement for additional formal retail in Victoria Falls.



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Retail Centre	High Income	Middle Income	Lower Income	Total
% of Victoria Falls Population	5%	15%	80%	100%
Size of Market	1 750	5 250	28 000	35 000

- Despite the low retail opportunity, the proposed development is just outside the town and forms part of a mixed-use development. The provision of convenience retail servicing the estate and the hospital could therefore be considered.
- The office market in Victoria Falls is extremely small and very limited. The more formal office space is dominated by banks who operate large establishments in the center of town. Outside of these the office segment is very informal with offices found in mixed-use centres such as the Phumula Centre, the Laxmi Centre, Galleria etc.
- The quality of office space is very poor and dominated by tourism companies (Shearwater), insurance and technology companies. The table below shows a summary of office space available at Phumula Centre and Laxmi Centre.

Mixed Use Centre	Number of Floors	Occupancy	Number of Rental Properties	Rents Charged (USD/m ²)	Service charges per month (USD)	Anchor Tenant	Quality
Phumula Centre	G+2	100%	33 – 14 offices	9 – 17	+ -700	Zimnat	Very Poor
Laxmi Centre	G+1	100%	8	10	+ - 400	High Tech	Very Poor

Source: HTI Consulting



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- Considering that premium office rental rates in Harare are at an average of USD 12, the ability of these properties to charge the rental rates outlined is surprising. There is no quality space in the market and poor quality suppliers are able to charge unrealistic rentals. The opportunity for good quality, international standard office space is therefore evident. Future supply could include a form of co-working office space in the CBD, this is however likely to cater to a more transient market.
- Discussions indicated that during peak season the centre of Victoria Falls is very crowded and the development of office space in a less congested area could be appealing. Office space provided would not need to be extensive and could be developed in phases. A connection to the hospital with controlled hospital access, as well as a separate entrance for visitors/other businesses should be considered. In this way the hospital can feed demand for office rentals whilst also accommodating other small businesses looking for more upmarket commercial space.
- The study concluded that the opportunity for the development of additional retail and office space in Victoria Falls is small. The mixed-use element of the Eagle REIT development proposed does lend itself to the provision of convenience retail, which, if developed in conjunction with a small office space would be sustainable. Office space of approximately 500m² was recommended over two to three floors with the ground floor element comprising of retail suited to the needs of the hospital, residents and office employees.

3.2.9. Medical Facility

• Healthcare Provision in Zimbabwe

- The deterioration in Zimbabwe's health-care services coincided with a fall in demand for services, following the introduction of user fees. These fees, which are often applied in an ad hoc way and so vary from provider to provider, act as a barrier to basic health services for many of the most vulnerable people in Zimbabwe. Government policy is to provide free-of-charge health services for pregnant and lactating mothers, children under five and those aged 60 years and over, but the policy has proved to be difficult to implement. Currently, in the absence of substantial government financial support, user fees provide the main income for many health care facilities, enabling them to provide at least the minimum service.
- The country's health sector faces numerous challenges: a shortage of skilled professionals and health-care staff; an eroded infrastructure with ill-equipped hospitals, many lacking functional laundry machines, kitchen equipment and boilers; and a lack of essential medicines and commodities. The system breakdown has been exacerbated by humanitarian crises such as the cholera and measles epidemics between 2008 and 2010, by poor maternal and child health services and by consistently falling but nevertheless still-high numbers of people living with HIV.



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• **Medical Tourism**

- Medical Tourism is the act of travelling to another country to obtain medical, dental or cosmetic care. While medical treatment is at the core of medical tourism, it involves various complimentary services such as travel, lodging, food and sight-seeing besides healthcare provision. As a result of this dynamic structure of the sector, many stakeholders such as healthcare providers, medical professionals, travel companies, lodging facilities and insurance companies have a fundamental role for the efficient and effective functioning of the market.
- Push and pull factors in medical tourism are summarized below:

• Push Factors	Pull Factors
Recommendation from doctors, family, friends	Lower medical costs
Inadequate insurance coverage (cosmetic, dental, vision, etc)	Service quality
Desire for privacy and confidentiality treatments	Language proficiency of the medical staff
Prior medical tourism experience	Accreditation of medical facilities
Proximity of destination	Less waiting time
Affordability of international travel	Access to treatments/medications not available in their home country
Sociodemographic status (age, gender, income, etc)	Hospital reputation
Cultural similarities	Reputation of the practitioners
Lack of treatment options in home country	
Distrust in local healthcare systems	



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- Although traditionally medical tourists travel from less developed countries for medical treatment unavailable in their own communities, the advocated Zimbabwean scenario calls for a reversal situation where tourists are coming from more developed countries. This kind of crusade from decidedly industrialized homelands to less affluent nation states for medical attention is motivated by the appeal to find treatment at a lower cost with less waiting times. Medical tourists from developed countries also seek treatment including various medical procedures in other developed countries.
- In India, medical tourism is expected to contribute about 30% towards its gross domestic product. Reports indicate that Thailand receives 400 000 foreign medical tourists every year, of which 50 000 are Americans going to a single hospital, the Bumrungrad. Cuba in 1995-1996 treated some 25 000 foreigners. In 2004, 150 000 foreign patients travelled to India for treatment, while the year before, some 50 000 British medical tourists travelled to Thailand, South Africa, India, and Cuba.
- Zimbabwe, because of its Traditional healers, Herbalists, Doctors, and Apostolic faith healers should be able to attract a fairly large number of medical tourists. These foreign patients would generate more revenue for the country that hosts them.
- Africa is a source and destination for patients who form part of medical tourism. Medical tourism is an emerging market segment that has expanded in recent years in several African countries. In Africa, the North–South dimension of medical tourism is characterized by tourists from Europe seeking low-cost, high-quality specialized medical services and cosmetic and reconstructive surgery in Mauritius, Morocco, South Africa and Tunisia. The South–South dimension is marked by African nationals seeking high-end specialized medical services and primary health-care services mainly in India and, increasingly, in various African countries.
- African countries that are attracting international attention and targeting the industry include South Africa, Tunisia, and Morocco. These countries are developing comprehensive national strategies such as public-private partnerships, tax-investment incentives, and marketing. A common medical tourism strategy is to provide comprehensive packages that include assistance with medical visas, a meet and greet at the airport, private nurses, hospital accommodations before and after surgery, as well as a luxury safari post-treatment.



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- In addition to essential treatments, South Africa is well known for affordable cosmetic surgery procedures as well as fertility treatments. Some of the more popular treatments done by medical tourists visiting South Africa being different types of plastic surgery procedures, that is, breast augmentation, liposuction, nose reshaping, facelifts and tummy tucks as among the most popular cosmetic surgical procedures done. Other common treatment areas include:
 - Dentistry
 - Obesity surgery
 - Heart surgery
 - Orthopaedic surgery
 - Organ transplantation
- Pre COVID-19 pandemic, an estimated USD 400 million per annum was spent by about 20 000 Zimbabweans seeking outbound medical services, while other African countries such as Nigeria lose USD 1 billion and Uganda at least USD 185 million annually to medi-tourism.
- Despite the prevailing macro-economic constraints, Zimbabwe, with the participation of the private sector, is well positioned to develop a flourishing health sector that would attract medical tourists from the rest of Africa. The medi-tourism market in Africa is still large and a facility that earns the reputation for being a centre of excellence with any number of the specialities that are in high demand for Zimbabweans and Southern African countries will be able to attract a portion of the large outbound medical tourism market in Africa.

- **Healthcare in Victoria Falls**

- Although there are some health facilities in the immediate areas surrounding the project site, only two private health facilities were identified that seem to have a slightly better service offering. This includes The Health Bridge (THB) Private Hospital Dental Clinic in Victoria Falls town and Mukuni Medical Centre in Livingstone.
- The patient base is made up mainly of the local population (90%) and a smaller portion (10%) is from the tourist population. At least 60% of payments are made via medical aid and the balance are cash payments. There are visiting specialists who come to the area (e.g. physician, ophthalmologist).
- There is a lack of theatre facilities with only one theatre available at the Victoria Falls District Hospital. There is no nearby private facility with theatre facilities and patients requiring theatre may be referred to Hwange Colliery which is 100 kilometres away. Common conditions consulted for include pregnancies, ovarian cysts, ectopic pregnancies, pelvic pain, etc. There is a demand for general surgery, especially hernias (adults and paediatrics). There are Zambian patients who consult on a cash paying basis.



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• Market Demand and opportunity for a Private Hospital

- The Market Potential/Bed Demand was determined by utilizing the projected private population in the first operational year and applying the ratio of 1.7 beds per 1,000 lives, which is the ratio of hospital beds to population in Zimbabwe. This is considerably low when compared against the South African ratio of 2.5 beds and the global mean of 2.9 beds per 1,000 population.
- After calculating the private bed demand per 1,000 lives, the number of existing competing beds in the catchment area was deducted to quantify the expected "shortage" which should exist at the time of hospital commissioning (2024/5).
- The market potential calculations indicate that there is a positive bed demand for the identified catchment areas amounting to 116 beds in year 2023, gradually increasing to 131 beds by year 2028. The demand for private beds could be potentially higher once the hospital has established itself and its reputation to serve as a referral point attracting clients from other parts of Zimbabwe and a portion of medical tourists from other countries.
- The study recommended that a phased approach be applied to the development of the hospital which will, in its initial years, primarily serve the local population from Victoria Falls and Livingstone. Once the hospital has built its clientele and reputation, further expansion of specialties and wards, based on demand, can be considered.
- In line with the recommendations of the study, the initial phase will involve the construction of a 32-bed hospital.

3.2.10. Mazowe

Mazowe is strategically located, as it offers gateway into Mashonaland Central and linking to Kanyemba Border Post. Mazowe has no major retail outlet thus presenting a significant opportunity for a large supermarket to set up shop in the town. Need a destination mall capable of pulling traffic and appealing more to the middle-income category and merging into the tourism ecosystem. The farming and mining community of Mazowe requires a nearby Hardware shop. There is high demand for gated cluster houses as indicated by nearly half of the market from studies. Villas and duplex apartments were also preferred by significant proportions of the target market. The area needs modern medical facilities which will be met through a 24-hour facility.



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3.3. Parent Company of the Fund Manager

3.3.1. Zimre Holdings Limited

ZHL is a diversified investment holding Group that operates in Zimbabwe and the Southern African region. The Group's core competencies lie in the insurance value chain, property and wealth management. ZHL was established in 1983 and has grown through mergers, acquisitions and organically to become an active and growth-oriented investor that has a role in providing strategic leadership and guidance ensuring value creation and optimisation of the Group's portfolio. ZHL was listed on the Zimbabwe Stock Exchange in 1999.

With a significant presence in Southern Africa, ZHL operates through subsidiaries in Zimbabwe, Botswana, Mozambique, Malawi, and Zambia. The company focuses on delivering innovative financial solutions, leveraging its expertise in risk management and value creation to drive sustainable growth. Through its dynamic subsidiaries, ZHL aims to expand its influence across Africa while fostering long-term partnerships and contributing to regional economic development.

3.4. Prescribed Asset Status

Prescribed Asset Status ("PAS") is a regulatory classification in Zimbabwe that mandates certain institutional investors, primarily insurance companies and pension funds, to invest a portion of their funds in government-approved assets. These assets are designated as prescribed assets to support government initiatives, particularly in infrastructure, agriculture, housing, and other sectors deemed critical for national development. PAS aims to channel funds into projects that align with Zimbabwe's economic priorities and bolster long-term growth, while also providing a secure investment avenue for institutional investors.

The Eagle REIT falls within the Prescribed Asset Framework in Zimbabwe due to its alignment with key pillars of the National Development Strategy ("NDS1"), particularly in the areas of infrastructure development, housing, and sustainable economic growth. The NDS1 emphasizes the importance of infrastructure development as a foundation for achieving national progress, and REITs can directly contribute to this goal by funding projects such as residential, commercial, and industrial property development.

The Eagle REIT applied for and was duly accorded Prescribed Asset Status by IPEC on 12 February 2024

3.5. REITs in Zimbabwe

3.5.1. Types of REITS

Under the Collective Investment Schemes (CIS) Act in Zimbabwe, there are primarily two types of Real Estate Investment Trusts (REITs):

1. Income REITs (I-REITs):

These REITs focus on generating regular income for investors. They typically invest in income-producing real estate properties such as commercial buildings, shopping centres, or residential properties. The primary objective is to distribute a significant portion of the rental income as dividends to investors



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2. Development REITs (D-REITs):

These REITs focus on property development and capital appreciation. They primarily invest in properties that are under development or redevelopment with the goal of increasing the value of the properties and achieving capital gains upon completion or sale.

These classifications help differentiate between REITs based on their income generation (through rental yields) versus value appreciation (through development projects).

3.5.2. Characteristics of D-REITs

A **Development Real Estate Investment Trust (D-REIT)** is a type of REIT focused on investing in real estate development projects. Unlike Income REITs (I-REITs), which concentrate on income-generating properties, D-REITs primarily target properties under development, redevelopment, or significant renovation with a view toward capital growth. The key characteristics of a D-REIT are:

1. Capital Appreciation Focus

D-REITs are structured to maximize capital gains through the development and sale or eventual leasing of completed real estate projects.

These projects may include residential, commercial, industrial, or mixed-use developments. The appreciation in property value, once development is complete, provides the potential for significant returns on investment.

2. Higher Risk, Higher Reward

Development projects inherently involve more risk compared to stabilized, income-generating properties. These risks may stem from construction delays, cost overruns, changes in market demand, and regulatory hurdles. However, the potential returns are also higher due to the appreciation in property values as the projects progress from planning and construction to completion.

3. Longer Investment Horizon

Investors in a D-REIT should be prepared for a longer holding period, as it may take several years for development projects to reach completion and start yielding significant returns. Unlike I-REITs that provide steady dividends from rental income, D-REIT investors may need to wait for the realization of gains through the eventual sale or refinancing of developed properties.

4. Reinvestment of Income

In the early stages, a D-REIT may reinvest most of its income back into new or ongoing development projects rather than distributing dividends. This reinvestment is essential to ensure the completion of existing developments and the initiation of new ones. However, as the portfolio matures, and projects are completed, the REIT may shift toward distributing profits.

5. Diversification of Portfolio

D-REITs typically invest in multiple projects across different property types and locations to diversify the risk. This diversification strategy is important because development risks can vary significantly depending on the type of property (residential vs. commercial) and the region (urban vs. rural).

6. Active Management

Development REITs require a more hands-on approach compared to I-REITs. The management team is actively involved in overseeing the construction process, working with contractors, obtaining permits, and ensuring that projects are completed within budget and on time. The success of a D-REIT largely depends on the expertise and experience of its management team in the real estate development sector.



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7. Limited Initial Income Distributions

In contrast to I-REITs, D-REITs typically do not provide regular income distributions during the early stages of a project. Most of the income generated is allocated toward covering construction costs, regulatory approvals, and reinvestments into future developments. Only when properties are completed and possibly sold will significant distributions be made to investors.

Key Distinction from I-REITs:

- **Income vs. Capital Gains:** I-REITs focus on providing regular rental income distributions to investors, making them attractive for income-seeking investors. On the other hand, D-REITs prioritize capital appreciation, with less emphasis on immediate income distribution.
- **Risk Profile:** I-REITs typically carry lower risk since they invest in stabilized, income-producing properties. In contrast, D-REITs are subject to higher risk due to the uncertainties in the development process.
- **Dividend Policy:** I-REITs distribute the majority of their income as dividends to investors, while D-REITs may reinvest most of their earnings to fund ongoing development projects, leading to fewer or delayed dividend payments.

4. Environmental, Social, and Governance (ESG) Commitment

Eagle Real Estate Investment Trust (Eagle REIT) is committed to sustainable and responsible investing, ensuring that our developments create long-term value while preserving the natural environment and positively impacting local communities. Our Environmental, Social, and Governance (ESG) framework aligns with global best practices and national regulations, embedding sustainability into our core operations.

4.1. Environmental Responsibility

Eagle REIT integrates environmentally conscious practices across its projects, prioritising green development initiatives that minimise ecological impact, in the process ensuring alignment with dictate for responsible investment. Our sustainability efforts include, though not limited to, the following:

- **Biodiversity Conservation** – Developments in Victoria Falls adhere to responsible investing principles by preserving natural green spaces, observing wildlife corridors, and using earth-friendly building materials and colours that blend harmoniously with the environment.
- **Green Energy & Resource Efficiency** – We incorporate solar energy solutions and maximise natural lighting in our building designs to reduce energy consumption. Water sustainability is promoted through the utilisation of boreholes and biodigesters for water and waste management respectively.



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- **Regulatory Compliance** – Our developments comply with Environmental Management Agency (EMA) certifications and other local regulations, ensuring the protection of natural species, particularly fauna and flora, in ecologically sensitive areas.
- **Sustainable Construction** – In partnership with the proposed internationally branded operator for the hotel, we finalising adoption of a green building certification for the proposed Victoria Falls hotel development, in the process, subscribing to the global environmentally responsible building standards.

4.2. Social Impact & Community Engagement

Eagle REIT is dedicated to fostering socio-economic development within the communities where we operate. Key initiatives include:

- **Local Employment and Skills Development** – In collaboration with local councils, we maintain a recruitment policy that ensures over 80% of general labourers employed in Mazowe and Victoria Falls are from surrounding communities, creating local job opportunities and economic empowerment.
- **Essential Amenities for Community Well-being** – Our portfolio includes critical healthcare facilities, such as doctor's rooms occupying 280 sqm of lettable space in Mazowe and a hospital in Victoria Falls, ensuring access to essential medical services for local communities.
- **Community Infrastructure & Water Access** – We enhance local infrastructure by installing boreholes to improve access to clean water and promoting sustainable livelihoods through our developments.

4.3. Governance & Ethical Standards

Eagle REIT upholds transparency, accountability, and adherence to best corporate governance practices.

Our governance framework ensures:

- **Regulatory Oversight & Investor Protection** – Eagle REIT is licensed under the Collective Investment Schemes (CIS) Act, ensuring compliance with industry regulations. Additionally, the appointment of an independent Trustee to oversee the fund's activities provides an additional layer of security and governance, enhancing investor confidence.
- **Investor Representation & Transparency** – The establishment of an Advisory Board with investor representation ensures inclusivity in decision-making, promoting transparency and alignment with stakeholder interests.
- **Stakeholder Engagement** – Regular engagement with investors, regulators, and community representatives fosters trust and accountability in our operations.
- **ESG Integration in Decision-Making** – Our investment and development strategies incorporate ESG principles to ensure long-term sustainability and value creation.

Eagle REIT remains steadfast in its mission to develop high-quality, sustainable real estate assets while prioritising environmental stewardship, social responsibility, and strong governance.



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5. General Disclosures

5.1. Conflicts of interest

The Trustee, Fund Manager, Advisory Board, and other service providers to the Fund may from time-to-time act in a similar capacity in relation to, or be otherwise involved in, other business interests established by parties other than the Fund which have similar objectives to those of the Fund. It might happen that any of them may, in the course of business, have possible conflicts of interest with the Fund. In such cases, each will, at all times, have regard in such event to its obligations to the Fund to:

- Disclose the nature of the conflict of interest
- Provide working solutions to resolve the specific conflict of interest
- Report such solutions to resolve the conflict to the Trustee for their approval.

Should a conflict arise, which cannot be fairly and objectively resolved, then the Trustee shall act as the final decision-maker and provide a working solution

5.2. Investor Commitments

Prior to the listing of the Eagle REIT, the Fund Manager undertook a Private Placement to raise funding for the Eagle REIT projects in Mazowe and Victoria Falls. Under the Private Placement, the Fund Manager received firm commitments from investors who have started making disbursements from their commitments. As at the date of this Pre-listing statement, the following commitments had been received, and the respective state of drawdowns is as given.

	Amount Committed	Amount Disbursed	Balance
Investors	USD 24.5 million	USD 19.7 million	USD 4.8 million

Investors will be issued with units as and when they make disbursements. Based on the NAV/Share at the time of these commitments, the estimated number of units to be issued for the outstanding commitments is 35,224,902.

5.3. Current Shareholding

	UNIT HOLDER	UNITS HELD	% HOLDING
1	Fidelity Life Nominees - Vaka Yako	40,811,681	29.67%
2	Zimre Property Investments	23,433,799	17.04%
3	National Social Security Authority	19,053,335	13.85%
4	Motor Industry Pension Fund-CABS Custodial	10,756,510	7.82%
5	Zimre Holdings Limited	8,523,224	6.20%
6	Deposit Protection Corporation	8,121,046	5.90%
7	Motor Industry Pension Fund-FBC Custodial	4,709,809	3.42%



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8	Hippo Valley Estates Pension Fund	4,052,003	2.95%
9	FLAM Nominees – Gateway Construction (Pvt) Ltd	3,800,000	2.76%
10	Flam Nominees NO. 4	3,449,517	2.51%
11	Emeritus Non Life Technical Fund	2,609,824	1.90%
12	Fidelity Life Asset Management Company (Pvt) Ltd	1,921,534	1.40%
13	Emeritus Life & Health Technical Fund	1,373,126	1.00%
14	FLIMAS	773,053	0.56%
15	Zimre Pension Fund	538,876	0.39%
16	St Gobain Pension Fund	381,740	0.28%
17	Fidelity Funeral Assurance	379,030	0.28%
18	LOCAL AUTHORITIES PENSION FUND	377,745	0.27%
19	Fidelity Life Oasis Sub 2	314,568	0.23%
20	Fidelity Life Funeral 2	267,497	0.19%
	Others	1,905,835	1.39%
	TOTAL	137,553,752	100.00%

5.4. Convertible Debt

The Fund is issuing debt securities in the form of Convertible Debentures. The terms and conditions of the convertible debentures are summarized below:

	USD	ZWG	TOTAL
Face value of Convertible Debentures Issued	2,500,000	54,600,000	
Interest Rate (per annum)	8.00%	8.00%	
Tenor (months)	36	36	
Number of units to which the Convertible Debentures may be converted to pre-splitting (assuming 100% conversion)	19,879,274	14,667,372	34,546,646
Total Interest Accrued as at 30 April 2025	110,111.11	2,153,058.08	
Units to be issued in lieu of interest	808,055	546,586	1,354,641
Total Units to be issued to Debenture holders assuming 100% conversion and settlement of interest in units	20,687,329	15,213,958	35,901,287



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- The debentures are convertible to a fixed number of Eagle REIT units that is determined on the date of initial subscription for the Eagle REIT Convertible Debentures.
- The interest accrued and unpaid on the date of conversion may be converted to Eagle REIT units at the election of the debenture holder.
- Assuming 100% conversion, the total number of units to be issued to Debenture holders is 34,546,646.
- Assuming all Debenture holders elect to receive Eagle REIT units for interest accrued up to 30th April 2025, the total number of units to be issued in lieu of interest is 1,354,641.

5.5. Post Debenture Conversion Shareholding

Post debt conversion, the shareholding structure would be as below:

	UNIT HOLDER	UNITS HELD	% HOLDING
1	Fidelity Life Nominees - Vaka Yako	40,811,681	23.53%
2	National Social Security Authority	39,740,657	22.91%
3	Zimre Property Investments	23,433,799	13.51%
4	Motor Industry Pension Fund-CABS Custodial	10,756,510	6.20%
5	Zimre Holdings Limited	8,523,224	4.91%
6	NSSA Staff Pension Fund	8,463,662	4.88%
7	Deposit Protection Corporation	8,121,046	4.68%
8	Motor Industry Pension Fund-FBC Custodial	4,709,809	2.72%
9	Hippo Valley Estates Pension Fund	4,052,003	2.34%
10	FLAM Nominees – Gateway Construction (Pvt) Ltd	3,800,000	2.19%
11	Flam Nominees NO. 4	3,449,517	1.99%
12	Emeritus Non Life Technical Fund	3,008,605	1.73%
13	Emeritus Life & Health Technical Fund	2,832,379	1.63%
14	Construction Industry Pension Fund	2,180,793	1.26%
15	Fidelity Life Asset Management Company (Pvt) Ltd	1,921,534	1.11%
16	Stanbic Pension Fund	1,685,943	0.97%
17	Fidelity Life Medical Aid Society	773,053	0.45%
18	Tobacco Industry Marketing Board Pension Fund	639,673	0.37%
19	Zimre Pension Fund	538,876	0.31%
20	St Gobain Pension Fund	381,740	0.22%
	Other	3,630,535	2.09%
	TOTAL	173,455,039	100.00%



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The shareholding above assumes that debenture-holders convert their Debentures to Eagle REIT units on 30th April 2025, being the last day of exercising the conversion right. Interest accrued up to the date of conversion shall be payable through issue of units and the units to be issued in lieu of interest have been factored into the shareholding above. The Debenture-holders have committed to exercise their conversion rights, and receive units in lieu of interest hence the 100% conversion assumption.

5.6. Private Placement post listing

Following the listing of the Fund, the Fund Manager will continue to raise additional capital—both equity and debt—through structured private placements. This process will follow the Collective Investment Scheme (CIS) Act framework, specifically through the creation of new units. By participating in the Fund, investors acknowledge and accept that the Fund Manager retains the right to issue additional units as part of ongoing capital raising efforts aimed at achieving the Fund's investment objectives. Such units shall be issued at the Fund's Offer Price which is determined as Net Asset Value (NAV) plus 1%. The Fund's NAV shall be published daily on its website, that is, <http://www.eaglereit.co.zw>. The creation and issuing of Units at NAV safeguards against dilution.

These new issuances may be directed at strategic or institutional investors and are designed to enhance the capital base, diversify the investor profile, and facilitate the scaling of the Fund's portfolio over time.

5.7. Post-Listing Unit Liquidity and Redemptions

In line with regulatory requirements and market norms post-listing, investors will not be able to redeem their units directly through the Fund Manager. All liquidity events must be executed through open market transactions on the exchange where the Fund is listed. This structure is intended to promote transparency, market-based price discovery, and a more robust secondary market for the Fund's units.

Investors should therefore consider their investment horizon and liquidity needs prior to subscribing.

5.8. Debt Application

The Fund is in discussions with finance institutions for project finance targeted at the proposed hospitality apartments, the medical facility and hotel in Victoria Falls.

5.9. Litigation Statement

The fund has not been involved in any litigation.



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6. Documents Available for Inspection

The following documents will be available for inspection at the Issuer's registered office at 1st Floor Block D Smatsatsa Office Park, Borrowdale, Harare, Zimbabwe during normal business hours on any Business Day:

- a) Audited financial results 31 December 2024
- b) Independent valuation Reports 31 December 2024
- c) Information Memorandum
- d) Trust Deed
- e) Material Agreements
- f) Experts Consents
- g) Eagle Heights Project (Victoria Falls) Title Deeds
- h) Mazowe Stand Ownership Documents which include Lease Agreement, Cession Agreement
- i) Eagle REIT Property Valuation Report
- j) Eagle REIT Tax Clearance Certificate
- k) Prescribed Asset status letter of approval for Eagle REIT



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Annexure**ANNEXURE 1A – REPORT OF THE INDEPENDENT REPORTING ACCOUNTANT ON EAGLE REIT'S FORECASTED FINANCIAL INFORMATION****To the Fund Manager and Trustee of Eagle REIT**

Report on the assurance engagement on the compilation of forecasted financial information included in the Pre-Listing Statement. We have completed our assurance engagement to report on the compilation of the forecasted financial information of Eagle REIT by the Fund Manager. The forecasted financial information, as set out in the Pre-Listing Statement, consists of the forecasted statement of financial position as at 31 December 2024 and the forecasted statement of profit or loss and other comprehensive income for the year then ended. The applicable criteria on the basis of which the Fund Manager has compiled the forecasted financial information are specified in the Victoria Falls Securities Exchange (VFEX) Listing Requirements and described in the Pre-Listing Statement of Eagle REIT.

The forecasted financial information has been compiled by the Fund Manager to illustrate the impact of the capital raise of USD 58,152,468 in the statement of financial positions as at 31 December 2025, 31 December 2026 and 31 December 2027 and the statement of profit or loss and other comprehensive income for the years then ended. As part of this process, the information about the REIT's financial position and performance has been extracted by the Fund Manager from the financial statements of Eagle REIT for the years ended 31 December 2023 and 31 December 2024. The audit reports contained unqualified opinions.

Fund Managers' Responsibility for the Forecasted Financial Information

The Fund Manager is responsible for compiling the forecasted financial information on the basis of the applicable criteria specified in the VFEX Listing Requirements and as described in the Pre-Listing Statement.

Reporting Accountant's Responsibility for the Financial Information

Our responsibility is to express an opinion about whether the forecasted financial information has been compiled, in all material respects, by the Fund Manager on the basis of the applicable criteria specified in the Victoria Falls Stock Exchange Listing Requirements and described in the Reporting Accountants' section of the Pre-Listing Statement based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3420, "Assurance Engagements to Report on the Compilation of Forecasted Financial Information included in the Pre-Listing Statement", issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the forecasted financial information has been compiled, in all material respects, on the basis specified in the Victoria Falls Stock Exchange Listing Requirements.



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For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the forecasted financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the forecasted financial information.

The purpose of the forecasted financial information included in this Pre-Listing Statement is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the REIT as if the event or corporate action had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at 31 December 2025 would have been as presented

A reasonable assurance engagement to report on whether the forecasted financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the fund manager in the compilation of the forecasted financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related forecasted adjustments give appropriate effect to those criteria; and
- The forecasted financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of Eagle REIT, the event or transaction in respect of which the forecasted financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the forecasted financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the forecasted financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the Victoria Falls Stock Exchange Listing Requirements.



Modern Mutumwa – Managing Partner
Registered Public Auditor (PAAB No: 0540)
On behalf of Kreston Zimbabwe Chartered Accountants
Registered Public Auditors



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ANNEXURE 1B – REPORT OF THE INDEPENDENT REPORTING ACCOUNTANT ON EAGLE REIT'S AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31ST DECEMBER 2023 & 31ST DECEMBER 2024

INDEPENDENT ASSURANCE REPORT IN RESPECT OF THE AUDITED FINANCIAL INFORMATION OF EAGLE REIT.

Introduction

The Fund Manager of Eagle REIT is proposing to list 164,213,722 units of the Eagle Real Estate Investment on the Victoria Falls Stock Exchange.

We present our report on the audited:

- Statement of Financial Position of Eagle REIT as at 31 December 2023 and 31 December 2024
- Statement of profit or loss and other comprehensive income of Eagle REIT for the years ended 31 December 2023 and 31 December 2024
- Statement of Changes in Equity of Eagle REIT for the years ended 31 December 2023 and 31 December 2024
- Statement of Cash Flows of Eagle REIT for the years ended 31 December 2023 and 31 December 2024 in accordance with the applicable criteria specified in the Victoria Falls Stock Exchange ("VFEX") Listing Requirements which require that the financial information is presented in a manner consistent with the accounting policies of the REIT.

We have acted as an independent auditor of Eagle REIT and have reported on the financial statements of Eagle REIT for the years ended 31 December 2023, and 31 December 2024.

The financial statements for the years ended 31 December 2023, and 31 December 2024 are available for inspection at the fund manager's registered office, First floor, Block D, Smatsatsa Office Park, Borrowdale, Harare.

Responsibilities

The compilation, contents and presentation of the Pre-Listing Statement is the responsibility of the Fund Manager. Our responsibility is to express an opinion on the financial information presented in the Pre-Listing Statement.

Fund Managers' responsibility for the financial statements

The Fund manager is responsible for the preparation, contents and presentation of the Pre-Listing Statement and the fair presentation of the financial statements in accordance with International Financial Reporting Standards ("IFRS"), the Victoria Falls Stock Exchange ("VFEX") Listing Requirements and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), and the relevant Statutory Instruments. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.



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Reporting accountant's responsibility

Our responsibility is to express an opinion on the audited financial statements for the years ended 31 December 2023 and 31 December 2024.

Scope of the audits

The audits conducted for the financial years ended 31 December 2023 and 31 December 2024 were conducted in accordance with International Standards on Auditing ("ISA"). Those standards require that the auditor complies with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal controls relevant to REIT's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for the audit opinion.

Audit opinion**Year ended 31 December 2023 – AUDITED**

An unqualified opinion was issued in respect of the audited financial statements.

Year ended 31 December 2024 - AUDITED

An unqualified opinion was issued in respect of the audited financial statements.



Modern Mutumwa – Managing Partner
Registered Public Auditor (PAAB No: 0540)
On behalf of Kreston Zimbabwe Chartered Accountants
Registered Public Auditors



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ANNEXURE 1C – REPORT OF THE INDEPENDENT REPORTING ACCOUNTANT ON EAGLE REIT ASSUMPTIONS UNDERLYING THE FINANCIAL PROJECTIONS (2025 – 2029)

INDEPENDENT ASSURANCE REPORT ON THE PROSPECTIVE FINANCIAL INFORMATION OF EAGLE REIT

We have examined the accompanying forecasts of Eagle REIT, which comprise of forecasted statements of profit or loss and other comprehensive income for the years ended 31 December 2025, 31 December 2026, 31 December 2027, 31 December 2028, and 31 December 2029, in accordance with the International Standard on Assurance Engagements applicable to the examination of prospective financial information. Management is responsible for the forecasts including the assumptions set out in the Pre-Listing Statement on which they are based. The forecasts were prepared in fulfilment of the Victoria Falls Stock Exchange (VFEX) requirements for REIT's intended listing on the VFEX and inclusion in the Pre-Listing Statement.

Our responsibility is to express an opinion on the forecasts based on our examination. An examination involves performing procedures to obtain evidence about the forecasts. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the forecasts, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the forecasts. Further, in our opinion the forecasts are properly prepared on the basis of the assumptions and are presented in accordance with International Financial Reporting Standards.

Actual results are likely to be different from the forecasts since anticipated events frequently do not occur as expected and the variation may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Registered Public Auditor (PAAB No: 0540)



Modern Mutumwa – Managing Partner
Registered Public Auditor (PAAB No: 0540)
On behalf of Kreston Zimbabwe Chartered Accountants
Registered Public Auditor




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coming soon



 1st Floor Block D, Smatsatsa Business Park
Borrowdale. Harare

 www.eaglereit.co.zw