

# SENS ANNOUNCEMENT

(the “Announcement”)

---

## ISSUER

---



### REAL ESTATE INVESTMENTS ZAMBIA PLC (“REIZ PLC”)

Incorporated in the Republic of Zambia

Company registration number: 10951

Share Code: REIZ

ISIN: ZM0000000045

---

## BROKER

---



Pangaea Securities Limited

[a member of the Lusaka Securities Exchange]

Regulated and Licensed by the Securities and Exchange Commission Zambia

Telephone Number: +260 211 220707 | Website: [www.pangaea.co.zm](http://www.pangaea.co.zm)

---

## AUTHORISATION

---

Approval for this Announcement has been granted by:

- The Lusaka Securities Exchange (“LuSE”)
- The Securities and Exchange Commission Zambia (“SEC”)
- REIZ PLC

---

## DISCLAIMER AND RISK WARNING

---

The announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

**ISSUED ON: 7 June 2023**



REAL ESTATE INVESTMENTS ZAMBIA PLC  
[Incorporated in the Republic of Zambia]

Company registration number: 10951

Share Code: REIZ

ISIN: ZM0000000045

["REIZ PLC" or "the Company"]

## MARKET ANNOUNCEMENT SMALL RELATED PARTY TRANSACTION

### 1. INTRODUCTION

The Board of Real Estate Investments Zambia PLC ("REIZ PLC or the Company") wishes to inform its shareholders and the public that effective 1<sup>st</sup> March 2023, REIZ PLC has entered into a Property Management Agreement ("the Agreement") with Napoli Property Investment Limited ("Napoli") in respect of REIZ PLC's property portfolio.

Napoli is a property management private limited company incorporated in the Republic of Zambia with Registration Number 128403 and currently manages East Park Mall, Acacia Park, Lewanika Centre and Jacaranda Mall among other properties. On the other hand, REIZ PLC is a listed company also incorporated in the Republic of Zambia with Registration Number 10951 which is primarily involved in investment, development and restructuring of commercial and non-commercial property for letting.

Napoli and REIZ PLC are related because they have a common shareholder, Gillian Casilli. Gillian Casilli is a shareholder in Napoli and LM & C Properties Limited. LM & C Properties Limited is a shareholder in REIZ PLC.

Through the Agreement, REIZ PLC has appointed, and Napoli has accepted to provide property management services ("the services") as set out under Clause 9 of the Agreement for the following properties belonging to REIZ PLC:

### TRANSACTION DETAILS

In line with the Listings Requirements of the Lusaka Securities Exchange ("LuSE"), this announcement sets out the major salient details of the Transaction, amongst others, as follows:

<b>Parties:</b>	<b>1. REIZ PLC</b> <b>2. Napoli Properties Investment Limited</b>
<b>Commencement date</b>	1 <sup>st</sup> March 2023
<b>Consideration</b>	(a) A fixed percentage of 18% (eighteen percent) of the gross rental income, management fee subject to a minimum of \$20,000 (Twenty Thousand United States Dollars) per month exclusive of all operating expense. The total estimated management fee will be \$240,000 to \$514,000 annually; the range in relation to the market cap will be between 2% to 4% of the market Cap of REIZ PLC; and  (b) 10% (ten percent) debt collection fee on recovery of old debts (being debts accrued prior to this Agreement).

<b>Duration</b>	Renewable for a period of 12 months
<b>Properties subject of the Property Management Agreement</b>	<ol style="list-style-type: none"> <li>1. Arcades Shopping Centre</li> <li>2. Central Park</li> <li>3. Counting House Square</li> <li>4. Deloitte Square (formerly Abacus Square)</li> <li>5. Nyerere Road</li> <li>6. Judiciary Building</li> <li>7. Eureka Park</li> <li>8. Southview Park</li> <li>9. Parkway.</li> </ol>
<b>Categorisation of the Transaction</b>	The nature of the Transaction is classified as a Small-Related-Party Category 2 Transaction and is not subject to Shareholder approval according to Section 10.7 of the Lusaka Securities Exchange Listings Rules.
<b>Fair and Reasonable Opinion on the Transaction:</b>	The Independent Expert (“Expert”) conducted an analysis on the terms of the Transaction to ascertain the extent to which the terms of the Transaction are fair and reasonable as far as the minority shareholders of REIZ PLC are concerned. The Expert has declared that the Transaction is Fair and Reasonable, and the fairness opinion will be available for inspection by shareholders at the REIZ PLC offices for a period of 28 days from Thursday, 8 <sup>th</sup> June 2023 to Tuesday 17 <sup>th</sup> July, 2023.

The Board believes that the transaction will help the growth of REIZ PLC given Napoli’s expertise and experience.

By Order of the Board

**Louis Pulu**

**Company Secretary**

Lusaka, Zambia - 7 June 2023



Sponsoring Broker

**Pangaea Securities Limited**

*(Member of the Lusaka Securities Exchange)*

*(Regulated by the Securities and Exchange Commission)*

---

Tel: +260 (211) 220 707 or 238 709 / 16 Fax +260 (211) 220 925

First Floor, Pangaea Office Park, Great East Road, P.O. Box 30163 Lusaka, Zambia

---

**First Issued: 7 June 2023**