

## SENS ANNOUNCEMENT

(the "Announcement")

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### ISSUER

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Real Estate Investments Zambia PLC.

Incorporated in the Republic of Zambia

Company Registration Number: 10951

Share Code: REIZ

ISIN: ZM4000000013 (formerly ISIN ZM0000000045)

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### BROKER

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[ A member of the Lusaka Securities Exchange ]

[ Regulated and Licensed by the Securities and Exchange Commission Zambia ]

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### AUTHORISATION

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Approval for this Announcement has been granted by:

- The Lusaka Securities Exchange
- The Securities and Exchange Commission Zambia
- Real Estate Investment Zambia PLC.

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### DISCLAIMER AND RISK WARNING

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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.

ISSUE DATE: 10th March 2025

## Cautionary Announcement

### Re-Release Of Cautionary Announcement

Shareholders are referred to the **cautionary announcement dated 13th December 2024**, which addressed developments surrounding an ongoing court case involving Forli Limited, the prior owners of Lewanika Mall, and the City of Lusaka Football Club. **Real Estate Investments Zambia PLC (“REIZ”)** wishes to advise that **there have been no material updates** to the case since that announcement. REIZ wishes to reiterate that it is not a defendant to the case.

Below is a summary of the matter as previously disclosed:

In accordance with the Lusaka Securities Exchange (“LuSE”) Listings Requirements, the Board of Directors (“the Board”) of Real Estate Investments Zambia plc (the “Company” or “REIZ”) wishes to address its shareholders regarding recent news and speculation circulating on social media regarding an ongoing court case involving Forli Limited, the prior owners of Lewanika Mall, and the City of Lusaka Football Club. REIZ acquired Lewanika Mall in 2023 and hence the company is indirectly impacted through this case.

While the matter remains under consideration by the courts, the Company wishes to emphasize its commitment to operating transparently and in full compliance with all legal processes. To provide clarity on the matter, the Company will offer an update based on the most recent information from the ongoing case. The key points to address in the matter are as follows:

1. This is an on-going case where an appeal has been lodged against a recent decision by the High Court and as such there are no final decisions at this stage. The case involves an action filed by a Trustee of the City of Lusaka Football Club in which it is alleged that without the club’s consent, Cavmont FMO Corporation Limited (“Cavmont”) increased the share capital in City of Lusaka Football Club, made changes in directorship therein and illegally sold a shareholding to Forli Limited.
2. The Judgment on this case by the Honourable Justice S. Chocho dated 9th December, 2024, was partly in favour of the Trustee in so far as their claims against Cavmont failing to allegedly follow internal company procedures and the Judge reversed Cavmont’s actions dating back to 1999/2000.
3. In this same judgement, the Judge acknowledged the “innocence” of Forli Limited stating that Forli had done nothing wrong. The Judge accordingly held that the Trustee and his club cannot be unjustly enriched. The Judge accordingly directed that Forli Limited ought to be restituted/compensated for all the developments on the Club property and that the Club and its members accordingly must pay 10% of the development costs to Forli Limited with Cavmont paying the remaining 90%, plus damages and costs. Lewanika Mall was acquired by REIZ in 2023 for a sum of USD 26,714,542.00.
4. Cavmont FMO Corporation Limited and Forli Limited have subsequently submitted an appeal against the decision, highlighting errors in the learned trial Judge failing to consider all evidence correctly. This was filed in the Court of Appeal on the 11<sup>th</sup> of December 2024.
5. At this stage, the case is on-going and as such there are no current impacts on the operations of Lewanika Mall or REIZ.

Shareholders and stakeholders are advised to exercise caution and rely only on official communications from the Company, including updates issued through the Stock Exchange News Service (SENS), to ensure access to accurate and verified information. Further announcements will be made as and when appropriate.

REIZ will **update its shareholders and other interested parties as soon as there are any material developments** in the court proceedings.

#### BY ORDER OF THE BOARD

Louis Pulu  
Company Secretary  
Lusaka



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