

SENS ANNOUNCEMENT

(the "Announcement")

ISSUER



REAL ESTATE INVESTMENTS ZAMBIA 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

AUTHORISATION

Approval for this Announcement has been granted by:

- The Lusaka Securities Exchange
- The Securities and Exchange Commission Zambia
- Real Estate Investments Zambia 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: 23 SEPTEMBER 2022



REAL ESTATE INVESTMENTS ZAMBIA PLC (“REIZ” or the “Company”)

(Incorporated in the Republic of Zambia; Company Registration Number: 10951)

(Share Code: REIZ; ISIN: ZM0000000045)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Real Estate Investments Zambia PLC (“REIZ” or the “Company”) will take place at Protea Hotel-Arcades, Lusaka, on Tuesday, 25 October 2022 at 10.00 Hours.

The Company is planning to offer new ordinary shares via a Renounceable Rights Offering in favour of the Shareholders of the Company on the terms and subject to the conditions set out in an offer document that will be mailed to Shareholders at a later date (“Rights Issue”). Subject to the adoption of the resolutions in this notice, it is envisaged that the Circular setting out the offer and the details and conditions of the Rights Issue will be mailed and circulated to the Shareholders on or about 14 November 2022.

Notice is hereby given that an Extraordinary General Meeting (“EGM”) of the Shareholders of the Company will be held for the purpose of conducting the following business:

AGENDA

1. To read the Notice of the EGM
2. To pass the following resolutions pursuant to the Companies Act no. 10 of 2017 and the Articles of Association of the Company and any other applicable provisions to approve;
 - (i) Special Resolution 1: To approve and authorize:
 - A) the Directors’ recommendation on the issuance and allotment of 162,966,597 new ordinary shares or otherwise such number of the authorized but unissued ordinary shares in the Company as are required:
 - to raise capital of USD 8,727,202 through the Rights Issue. The number of new ordinary shares to be issued as part of the Rights Issue and allotted to all participants of the Rights Issue is anticipated to be 139,635,233 ordinary shares;

- to convert 15% of the USD12,005,930.83 corporate bond (ISIN: ZM2000000181) due 26 November 2022 and initially issued by the Company in November 2010 and supplemented in 2012 pursuant to the supplementary bond document dated 24 August 2012 (the “Bond”) into equity in the Company, as settlement of 15% (representing USD1,800,889.62) of the Bond to the bondholders. The number of new ordinary shares to be issued and allotted to the bondholders following conversion of 15% of the Bond is anticipated to be 23,331,364 ordinary shares and for this purpose, the Shareholders authorize the Directors to convert 15% of the Bond into equity in the Company and to allot such conversion shares to the bondholders without first being offered to the Shareholders in proportion to their existing holdings; and
 - to satisfy the guaranteed allocation to LM&C Properties Limited (the “Underwriter”) or its nominee of 51% of the total issued share capital of the Company at a purchase price of ZMW1.00 per ordinary share, following the Rights Issue, as consideration for the Underwriter agreeing to underwrite the Rights Issue, provided that the additional number of shares to be allotted shall be subject to Ordinary Resolution 1 below so that the total number of shares to be allotted to the Underwriter or its nominee as a result of the Rights Issue and any such additional shares shall not exceed 51% shareholding in the Company. For purposes of this resolution, the Shareholders authorize the Directors to allot such additional shares to the Underwriter or its nominee without first being offered to the Shareholders in proportion to their existing holdings;
- B) the registration with the Securities and Exchange Commission of the new ordinary shares to be issued pursuant to the new issue;
- C) the listing on the Lusaka Securities Exchange of the new ordinary shares ranking *pari passu* with the existing ordinary shares. The number of new ordinary shares to be registered and the price thereof will be contained in a rights issue circular to be issued to the Shareholders at a future date;
- (ii) Special Resolution 2: That subject to Special Resolution 1 above being passed by the Shareholders, the Shareholders have no objection to the Securities and Exchange Commission granting a waiver to the Underwriter from making a mandatory offer in the event of the Underwriter or its nominee acquiring 35% or more of the voting rights of the Company;
- (iii) Ordinary Resolution 1: Subject to Special Resolution 1 above being passed by the Shareholders, to approve the underwriting of 80% of the Rights Issue and to authorise the Board to agree the terms and conditions of the underwriting proposal and to do all things necessary to effect the terms and conditions of the underwriting as applicable;

(iv) Ordinary Resolution 2: Subject to Special Resolution 1 above being passed by the Shareholders, to authorize the Directors to restructure the Bond as follows, and to do all things as are necessary to effect this resolution:

A) to redeem 50% (representing USD6,002,965.42) of the Bond. The Shareholders hereby authorize the Directors to use part of the proceeds of the Rights Issue to partially settle the USD 12,005,930.83 Bond to the bondholders on a day other than an interest payment date of the Bond which interest payment dates are currently 26 May and 26 November. For purposes of this resolution, the partial settlement of the Bond using proceeds of the Rights Issue is proposed to occur by or about 19 December 2022 after the Rights Issue is completed;

B) to implement the conversion of 15% (representing USD1,800,889.62) of the Bond into equity in the Company as authorized under Special Resolution 1 above; and

C) to roll over and extend the remaining 35% (representing USD4,202,075.79) of the Bond for 5 years at a coupon interest rate of 5.5% per annum.

(v) Ordinary Resolution 3: Subject to: (a) Special Resolution 1 above being passed by the Shareholders, and (b) the Underwriter or its nominee acquiring 51% of the issued share capital of the Company as a result of the Rights Issue and any additional shares allotted to the Underwriter or its nominee pursuant to Special Resolution 1:

A) to accept the resignation of Efi O'Donnell and Mark O'Donnell as members of the board of directors of the Company in accordance with the conditional resignation letters signed by each of the said members of the board of directors of the Company; and

B) to approve the appointment of Diego Casilli, Dipak Patel, Rory Mackey and Samson Mojalefa, being nominees of the Underwriter or its nominee, as new members of the board of directors of the Company.

(vi) Ordinary Resolution 4: To authorize the Directors to perform such acts and do all things necessary and incidental to the Rights Issue and to give effect to all the resolutions.

3. Any Other Business

Notes:

1. A shareholder of the Company is entitled to appoint one or more persons as his/her proxy to attend and vote and speak in his/her stead. A proxy need not be a shareholder of the Company.
2. The Company's Articles of Association provide that instrument of proxy must be

deposited at the registered office of the Company, which is located at Stand 2713, Cairo Road, Lusaka, not less than 48 hours before the time appointed for the holding of the meeting. Accordingly, Shareholders are encouraged to deposit their instruments of proxy at least 48 hours before the time of the EGM. However, instruments of proxy will not be regarded as invalid by virtue only that such instruments are deposited less than 48 hours with the Company.

3. The curricula vitae (“**CVs**”) of each person to be appointed as director under the conditional director appointments in Ordinary Resolution 3 above are available for the Shareholder’s perusal at the registered office of the Company, which is located at Stand 2713, Cairo Road, Lusaka. The CVs will also be circulated to the Shareholders at the meeting.

By order of the Board

Louis Chilufya Pulu

Company Secretary and Finance Manager

23 September 2022.

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

Pangaea Office Park, 1st Floor, Great East Road, P.O. Box 30163 Lusaka, Zambia

First Issued Date: 23 September 2022

Form of Proxy

For the Extraordinary General Meeting of REIZ (ISIN ZM0000000045) for which notice was given on 23 September 2022.

Person/entity that is given authorisation to vote, including voting instruction, at the Meeting:		For	Against	Abstain
Individual Name:				
Institution Name:				
Registration or Identification No.:				
Contact No.:				
Email:				
Resolutions		For	Against	Abstain
(i)	Special Resolution 1: To approve and authorize: A) the Directors' recommendation on the issuance and allotment of 162,966,597 new ordinary shares or otherwise such number of the authorized but unissued ordinary shares in the Company as are required: • to raise capital of USD 8,727,202 through the Rights Issue. The number of new ordinary shares to be issued as part of the Rights Issue and			

allotted to all participants of the Rights Issue is anticipated to be 139,635,233 ordinary shares;

- to convert 15% of the USD12,005,930.83 corporate bond (ISIN: ZM2000000181) due 26 November 2022 and initially issued by the Company in November 2010 and supplemented in 2012 pursuant to the supplementary bond document dated 24 August 2012 (the "Bond") into equity in the Company, as settlement of 15% (representing USD1,800,889.62) of the Bond to the bondholders. The number of new ordinary shares to be issued and allotted to the bondholders following conversion of 15% of the Bond is anticipated to be 23,331,364 ordinary shares and for this purpose, the Shareholders authorize the Directors to convert 15% of the Bond into equity in the Company and to allot such conversion shares to the bondholders without first being offered to the Shareholders in proportion to their existing holdings; and
- to satisfy the guaranteed allocation to LM&C Properties Limited (the "Underwriter") or its nominee of 51% of the total issued share capital of the Company at a purchase price of ZMW1.00 per ordinary share, following the Rights Issue, as consideration for the Underwriter agreeing to underwrite the Rights Issue, provided that the additional number of shares to be allotted shall be subject to Ordinary Resolution 1 below so that the total number of shares to be allotted to the Underwriter or its nominee as a result of the Rights Issue and any such additional shares shall not exceed 51% shareholding in the Company. For purposes of this resolution, the Shareholders authorize the Directors to allot such additional shares to the Underwriter or its nominee without first being offered to the Shareholders in proportion to their existing holdings;

B) the registration with the Securities and Exchange Commission and Lusaka Securities Exchange Plc of the new ordinary shares to be issued pursuant to the new issue;

	<p>C) the listing on the Lusaka Securities Exchange of the new ordinary shares ranking pari passu with the existing ordinary shares. The number of new ordinary shares to be registered and the price thereof will be contained in a rights issue circular to be issued to the Shareholders at a future date.</p>			
(ii)	<p>Special Resolution 2: That subject to Special Resolution 1 above being passed by the Shareholders, the Shareholders have no objection to the Securities and Exchange Commission granting a waiver to the Underwriter from making a mandatory offer in the event of the Underwriter or its nominee acquiring 35% or more of the voting rights of the Company.</p>			
(iii)	<p>Ordinary Resolution 1: Subject to Special Resolution 1 above being passed by the Shareholders, to approve the underwriting of 80% of the Rights Issue and to authorise the Board to agree the terms and conditions of the underwriting proposal and to do all things necessary to effect the terms and conditions of the underwriting as applicable.</p>			
(iv)	<p>Ordinary Resolution 2: Subject to Special Resolution 1 above being passed by the Shareholders, to authorize the Directors to restructure the Bond as follows, and to do all things as are necessary to effect this resolution:</p> <p>A) to redeem 50% (representing USD6,002,965.42) of the Bond and for this purpose authorise the use of the proceeds of the Rights Issue to partially settle the USD 12,005,930.83 Bond to the bondholders on a day other than an interest payment date of the Bond which interest payment dates are currently 26 May and 26 November. For purposes of this resolution, the partial settlement of the Bond using proceeds of the Rights Issue is proposed to occur by or about 19 December 2022 after the Rights Issue is completed;</p>			

	<p>B) to implement the conversion of 15% (representing USD1,800,889.62) of the Bond into equity in the Company as authorized under Special Resolution 1 above; and</p> <p>C) to roll over and extend the remaining 35% (representing USD4,202,075.79) of the Bond for 5 years at a coupon interest rate of 5.5% per annum.</p>			
(v)	<p>Ordinary Resolution 3: Subject to: (a) Special Resolution 1 above being passed by the Shareholders, and (b) the Underwriter or its nominee acquiring 51% of the issued share capital of the Company as a result of the Rights Issue and any additional shares allotted to the Underwriter or its nominee pursuant to Special Resolution 1:</p> <p>A) to accept the resignation of Efi O'Donnell and Mark O'Donnell as members of the board of directors of the Company in accordance with the conditional resignation letters signed by each of the said members of the board of directors of the Company; and</p> <p>B) to approve the appointment of Diego Casilli, Dipak Patel, Rory Mackey and Samson Mojalefa, being nominees of the Underwriter or its nominee, as new members of the board of directors of the Company.</p>			
(vi)	<p>Ordinary Resolution 4: To authorize the Directors to perform such acts and do all things necessary and incidental to the Rights Issue and to give effect to all the resolutions.</p>			

We hereby confirm that the person/institution specified above has the right to vote on behalf of:

**Shareholder/
Nominee:**

Aggregate shares held:

Authorised signature of shareholder:

Date:
