

This Mandatory Disclosure Document (MDD) provides investors with key information that is intended to assist the investor in understanding the nature and risks of investing in this fund.

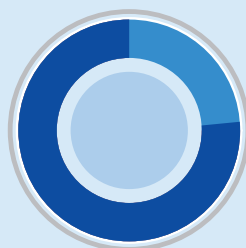
How This Fund Works

First World Hybrid Real Estate Plc ("FWHRE") is a real estate investment company that invests in a combination of primarily direct real estate and listed real estate investment trusts ("REITS"). All direct real estate is located in Great Britain and is predominantly distribution and warehousing in nature. Tenants are large, multinational and/or listed companies with strong financial ratings. The weighted average unexpired lease term of the portfolio is more than 9 years. All leases are fully repairing and insuring and tenants are therefore responsible for paying all operating costs.

FWHRE provides investors with reasonable liquidity and transparent pricing, two criteria that are not often found in direct property investments. The Company is a Regulated Fund in the Isle of Man and is subject to the Collective Investment Schemes Act 2008. It is managed by FIM Capital Limited ("FIM Capital") who is regulated by the Isle of Man Financial Service Authority and the UK Financial Conduct Authority. FWHRE is listed on The International Stock Exchange and is subject to the exchange's listing rules. The fund is regulated in terms of the Isle of Man Collective Investment Schemes (Regulated Fund) Regulations 2017. The fund is approved for sale in South Africa by the Financial Sector Conduct Authority (FSCA).

Direct Real Estate

- UK commercial real estate, yielding approximately 6.2%
- Weighted average remaining lease term of 8.7 years
- Each property is independently appraised at least twice per annum on a rolling basis, therefore less volatile pricing



Listed REITs

- UK listed REITs yielding approximately 5.4%
- Priced on stock market, therefore readily traded and liquid
- Pricing volatility
- Primarily to provide liquidity for redemptions

Fund Objective and Investment Approach

The objective of the fund is to generate a reliable, predictable and growing income primarily through investment in certain kinds of direct real estate, listed Real Estate Investment Trusts, property investment companies and money market instruments.

Key Features

Fund Classification (ASISA)	Real Estate - General
Inception Date (Class A)	14 December 2013
Base Currency	GBP
Minimum Initial Investment	£10,000
Minimum Additional Investment	n/a
Distribution Declaration (Class A)	Quarterly
Distribution Payment Dates (Class A)	Within 1 month of declaration
Instruction Cut-off	17h00 on weekly valuation day
Fund Valuation Frequency	Weekly
Risk Category	Moderately Aggressive

Low Medium High

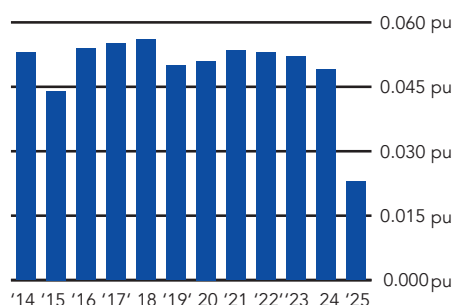
Fund Information

Registered Name	First World Hybrid Real Estate Plc
Fund Size	£132,913,594
Value of direct real estate:	£184,413,048
Value of external debt:	£85,068,720
Current loan to value of direct real estate:	46.1%
Distribution	£0.0115 per share Class A
Price (NAV) as at the last pricing date of the quarter	
Class A	£1.1128
Class B	£1.4978
Class C – LISP only	£1.4470

This fund aims to provide a reliable, predictable and growing income stream with low capital volatility. It aims for low to moderate growth on invested capital.

Distributions Since Inception Class A

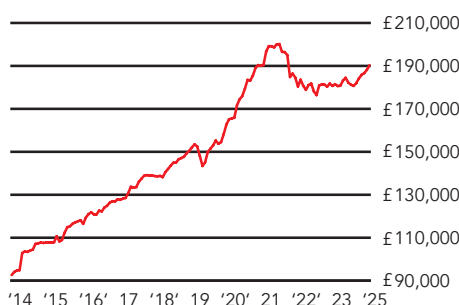
(Paid quarterly in pounds sterling per unit)



Source: Marriott

Total Returns Since Inception Class A

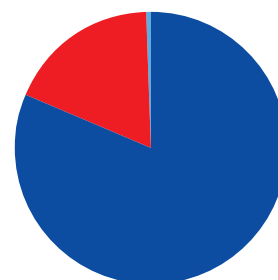
(Assuming £100,000 invested at inception)



Source: Marriott

Current Net Asset Allocation

- Direct Real Estate 81.6%
- REITS 18.1%
- Int Money Market 0.3%



Source: Marriott

Fund Limits and Constraints

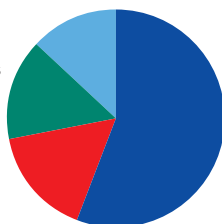
The fund endeavours to be fully invested in a combination of direct real estate and listed real estate investment trusts ("REITS") and reports in GBP.

Portfolio Analysis:

Property Sector Type by Value

LT Target: 75% Warehousing, 25% Regional Offices

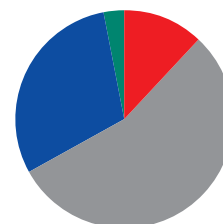
- Distribution Warehouse – 56%
- Retail Warehouse - Food – 16%
- Retail Warehouse - Value, DIY, Other – 15%
- Regional Offices – 13%



Lease Expiry Profile by Value

WAULT Target >10 yrs, Actual = 8.7 yrs

- <5 years – 12%
- >5 years and <10 years – 55%
- >10 years and <15 years – 30%
- >15 years – 3%



Performance (£): Class A & B

Net of all fees and expenses, excluding the Investment Management Fee.

Annualised (pa)	1 year	5 years	10 years	Since Inception (12/12/2013)
Income Return	4.3%	4.5%	4.8%	4.8%
Price Return	1.1%	0.2%	1.1%	0.9%
Total Return	5.4%	4.7%	5.9%	5.7%

Performance (£): Class C (LISP only)

Net of all fees and expenses, including the Investment Management Fee.

Annualised (pa)	1 year	5 years	Since Inception (15/10/2018)
Price Return	4.9%	4.2%	4.4%
Total Return	4.9%	4.2%	4.4%

Source: Marriott

For periods longer than 12 months annualised performance figures are used. An annualised performance figure represents the compounded average return in percentage terms earned by the fund over the given period of time. Returns from 13 March 2020 to 24 August 2020 are calculated using the Fund's indicative published prices, as a consequence of the temporary hold on pricing and weekly trading of the Fund's shares during that time. Please note that while the Class B Total Return is the same as that of Class A, Class B is an accumulating class and therefore no income is declared or distributed.

Fees and Charges

Total Expense Ratio of the fund	1.35% (Class A)** 1.35% (Class B)** 1.85% (Class C LISP only)	<table><tr><th>Investment amount</th><th>Total investment management fee per annum, excluding VAT* (Class A and B)</th></tr><tr><td>£10,000 – £49,999</td><td>0.75%</td></tr><tr><td>£50,000 – £99,999</td><td>0.70%</td></tr><tr><td>£100,000 – £249,999</td><td>0.65%</td></tr><tr><td>£250,000 – £499,999</td><td>0.60%</td></tr><tr><td>£500,000 – £999,999</td><td>0.55%</td></tr><tr><td>£1m – £1,999,999</td><td>0.50%</td></tr><tr><td>> £2m</td><td>0.45%</td></tr></table>	Investment amount	Total investment management fee per annum, excluding VAT* (Class A and B)	£10,000 – £49,999	0.75%	£50,000 – £99,999	0.70%	£100,000 – £249,999	0.65%	£250,000 – £499,999	0.60%	£500,000 – £999,999	0.55%	£1m – £1,999,999	0.50%	> £2m	0.45%
Investment amount	Total investment management fee per annum, excluding VAT* (Class A and B)																	
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£1m – £1,999,999	0.50%																	
> £2m	0.45%																	
Transaction Costs	0.90% per annum (includes the effective cost of direct property acquisition amortised over a 10 year period)																	
Advisor Initial Fee	maximum 3%																	
Marriott Initial Fee	0%																	
Advisor Annual Fee	maximum 1%																	
Investment Management Fee	Costs are based on a sliding scale for Class A and Class B (right) depending on investment size. This fee is excluded from the TER. Class C investment management fee is 0.5% and is included the TER.																	

* For clients based outside of the EU the investment Management Fee does not attract Isle of Man VAT (20%).

** Excludes investment management fee

Total Expense Ratio (TER):

The TER of FWHRE comprises its operating costs. It is not comparable to normal unit trusts which are investment holding entities that generally have no distinct operations. In contrast, FWHRE must manage a direct property portfolio, have the properties valued and incur costs of a normal operational company.

The TER of FWHRE includes the following expenses: property management, fund administration (accounting and regulatory), Custodian fees (as required by the Collective Investment Scheme regulations), audit fees, regulation, listing & license fees, directors fees & expenses, professional fees, property valuation fees, insurance, and other smaller, miscellaneous operating expenses such as bank fees.

Transaction Costs (TC):

Transaction costs of FWHRE include the costs of purchasing and selling REIT's within the portfolio (approximately 0.2%) as well as the costs of acquiring direct property. As a result of the latter, the TC of FWHRE is not comparable to the TC of a normal unit trust. The costs incurred in acquiring direct properties comprise predominantly Stamp Duty, which is a legislated tax in the UK levied at an effective rate of close to 5% on the value of property purchased. This is an unavoidable cost of acquiring properties and is incurred by all REIT's in the UK. The residual acquisition costs are less significant, and comprise the fees of the broker and various professionals involved in the transaction. Since 2016, acquisition costs are initially capitalised and subsequently amortised over a 10 year period. Had they been expensed fully in the year of acquisition, the TC would be 0.25%.

Fund Codes

Share Class

Class A - Distributing
Class B - Accumulating
Class C – Accumulating (LISP only)

ISIN

IM00BZ1F5F87
IM00BFXBM318
IM00BFXBM425

SEDOL

BZ1F5F8
BFXBM31
BFXBM42

Bloomberg ID

FWHREPP:IO
FWHREBG:IO
FWHRECG:IO

Liquidity and Redemptions

FWHRE invests approximately 75% of its portfolio in direct real estate which can only be realised in the medium to long term. Whilst the Fund also invests in listed REIT's to provide a reasonable level of liquidity, in certain circumstances it may be appropriate to limit redemptions to ensure the interests of existing shareholders are protected at all times. Consequently, the Offering Document allows the manager to limit the weekly redemptions to a maximum of 5% of the Fund, and also allows for the suspension of all redemptions where, at the discretion of the manager, it is considered to be in the best interests of investors. For further information, please refer to the Offering Document.

Portfolio Review

Despite unresolved tariff disputes and ongoing geopolitical uncertainty, the UK property market remains resilient and the overall outlook for property, and the First World Hybrid Real Estate Plc (FWHRE or Fund), is positive. This is evidenced in the performance of the Fund's direct property portfolio and the listed REITs held by the Fund which have both contributed positively to the Fund's returns during Q2 2025.

Direct Property – strong rental growth and leasing outcomes underpinning performance and valuations

The Fund's direct properties continue to perform well: the portfolio remains fully tenanted, 100% of the rent due for Q2 2025 has been collected, leases are being extended by tenants, and there is encouraging rental growth. These are the fundamentals that drive property performance.

The following leasing outcomes were achieved during Q2 2025:

- The rent review with Spectrum Brands at the Wolverhampton distribution warehouse was concluded, effective Jan 2025, resulting in the rental being reset at a substantial 28% increase on the previous passing rent. This has impacted positively on the property's valuation (see table below).
- An Agreement for Lease has been concluded for six EV charging bays at North Durham Retail Park. The lease is for 25 years and will add circa 3% to the property's rental income once planning approval is received and the lease commences. No capital investment is required.
- Planning approval has now been received for the development of the Burger King drive thru at Marina Quay Retail Park, Rhyl. A 25-year lease has been agreed and a circa 8% investment return is expected from the £1.4m capital commitment.

These are positive, value-enhancing leasing outcomes. There are a further five lease reviews due in 2025, representing 20% of total portfolio rental. Approximately 12% rental upside is expected from these rental resets. Discussion is also being held with several tenants around extending their leases.

During the past 3 months 12 independent property valuations were received, which comprised 60% of the portfolio by value. The net increase was £1.9m, which is 1.6% average upside on those properties valued and contributes 1.4% upside to the Fund's net asset value. Of the twelve updates, four were retained at previous levels, two were lower and six were higher. This trend is positive and entrenches what has been seen in the prior quarter. It is also important to note that the increases in value are driven by rental growth and leasing outcomes, rather than yield compression. Indeed, the prospect of yield compression is encouraging and augurs well for future valuation upside and pricing tailwinds.

The chart below shows the valuations processed in Q2:

Property	Valuation Date	Valuation Change	Property	Valuation Date	Valuation Change
Vanquis Bank, Chatham	29 March 2025	- £70k	Sysco GB, Dundee	16 May 2025	flat
DHL, Doncaster	29 March 2025	+ £325k	Wickes, Grimsby	25 May 2025	flat
Marina Quat, Rhyl	7 April 2025	+£295k	North Durham Retail Park	29 May 2025	- £500k
Sonoco, Newcastle	30 April 2025	flat	Aldi / Home Bargains, Milngavie	17 June 2025	+ £5k
Bidfood, Cannock	11 May 2025	+ £50k	Matthew Clark, Runcorn	12 June 2025	+ £520k
Booker, Lincoln	14 May 2025	flat	Sonoco, Leicester	23 June 2025	+ £1275k

Source: Marriott

It is worth noting that the Sonoco Leicester valuation increase (bottom right in above table) followed unsolicited buyer interest in this warehouse property at levels which warranted calling for an interim valuation update and resulted in this 6% increase in property value. Furthermore, the rent review outcome at the Spectrums Brands Wolverhampton property (see above) has resulted in a £1.0m (8%) increase in value of this property, which has been processed post 30 June.

The Fund's direct property portfolio is well placed, let to financially robust tenants on long leases, where the tenants pay all operating costs such as insurance, maintenance and rates. The weighted average unexpired lease term is 8.7 years, which adds to the certainty of rental income.

Listed REITs – as expected, prices have continued to firm in Q2, yet current yields and discounts to net asset value remain attractive

We are pleased to report that REIT prices have firmed during the past quarter, with a £1.4m gain (6.9% on opening REIT portfolio value) and contributed 1.0% to the Fund's net asset value.

During the quarter London Metric acquired Urban Logistics, both being held in the Fund's REIT portfolio. It is significant that the price paid for Urban Logistics was well above the listed price at the time of the offer and approximated the net asset value of the company, which supports and underpins the inherent value in REITs. We remain of the view that the Fund's REITs continue to offer good value. British Land has been added to replace Urban Logistics.

Below, we highlight the attractive valuations as of the 30 June 2025 of the REITs within the portfolio:

REITs	Dividend Yield		Discount/NAV
	Current	Historic Average (10yr)	
Big Yellow Group	4.5%	3.5%	-22.0%
London Metric	5.9%	4.6%	1.9%
Segro	4.3%	2.9%	-25.1%
Tritax Big Box	5.3%	4.3%	-20.5%
British Land	6.1%	4.8%	-33.6%
Average	5.2%	4.0%	-19.8%

Source: Bloomberg & Company Financials

Track Record & Outlook

The Fund’s returns for each calendar year since inception are set out below, together with the return for the first half of 2025, and there are several observations that can be drawn. The first is that the Fund has performed comparatively well and with much less volatility, and drawdowns, than UK REITs. The second is that there have been negative calendar returns for 3 years, which total 5.1%, in an arguably very difficult period for property when interest rates increased from 0.25% to 5.25%. However, third, as interest rates have started to fall (now 4.25%), the property market has started to recover and the negative returns of 5.1% have been made good by the 5.3% positive return in the first 6 months of 2025 alone. It is important to note that this recovery is yet to be evidenced in downward movement of yields which have stabilised but is seen in occupational market fundamentals where tenant demand remains robust and rentals are firming.

Calendar years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD (27/6/25)
First World Hybrid Real Estate	7.2%	6.7%	9.1%	3.3%	11.1%	6.0%	17.0%	-2.9%	-1.8%	-0.4%	5.3%
UK REITs	10.4%	-7.4%	12.7%	-13.3%	31.8%	-16.6%	28.8%	-31.6%	11.1%	-11.9%	12.2%

Source: Bloomberg & Marriott

The fourth observation is that in 5 of the last 10 years, calendar returns have been ahead of the 4.0% to 6.5% longer term guidance provided as a reasonable expectation for the Fund, with 2 of these being double digit years.

Looking ahead, we believe that we are at the start of the next phase of the property cycle and expected further reductions in interest rates in the years ahead will not only continue to give impetus to the occupation market, but importantly lower interests will put downward pressure on transactional yields and drive-up pricing, both REITs and direct property. As a result, the investment case for property has become significantly more attractive, and the prospect of double digit returns, from yield compression tailwinds, is encouraging.

Conclusion

The long-term outlook for the UK property market is promising. The Fund’s property portfolio is fundamentally sound and performing as anticipated, with strong rental growth and leasing initiatives driving valuations upwards. The potential for yield compression further strengthens the outlook for property returns. As such, we remain confident and expect attractive returns for investors in the years ahead.

*The expected returns highlighted above are not guaranteed but are an indication given the current holdings within the fund, their current rental yields and expected rental growth. The Fund is expected to deliver a 4% level Income and capital growth in line with rental growth of between 1-2%p.a. over the longer term.

Collective investment schemes are generally for the medium to long-term. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at Net Asset Values (NAV) and the First World Hybrid Real Estate Fund (FWHREF) can engage in borrowing. If required, FWHRE may borrow up to 50% of the net asset value of the Fund for the purpose of achieving its investment objectives. Forward pricing is used. The NAV is calculated weekly. Purchase requests must be received by the manager (FIM Capital) by 17h00 Isle of Man time on a valuation day. Redemption requests must be received by the manager prior to 5.00 p.m. five clear Business Days before a Redemption Day as per the Offering Document. FWHRE provides a reasonable but not absolute level of liquidity due to the inclusion of cash and listed REITS in addition to the direct real estate portfolio. Large redemption requests may therefore be scaled over a period to ensure they are not in excess of the maximum permitted redemption percentage. Prices for Class A and B are published on a weekly basis on the Marriott website, www.marriott.co.za. Prices for Class C are published weekly on www.tisegroup.com. Unit trusts are calculated on a net asset value basis. Net asset value is the value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. FWHRE does not provide any guarantees with respect to the capital or the return of the portfolio. A schedule of fees and charges and maximum commissions is available on request from Marriott. Where initial fees are applicable, these fees are deducted from the investment consideration and the balance invested in units at the net asset value. Commissions and incentives may be paid and if so, would be included in the overall costs. Different classes of shares may apply to the fund and will be subject to different fees and charges. The inclusion of foreign securities in a portfolio are subject to risks including but not limited to potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks and the potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. In addition, investments in the Fund involves a degree of risk and there is no guarantee against loss of a substantial portion of the investment. Declaration of A income Class dividends are quarterly. Performance figures are based on lump sum investment. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The manager may close the Fund to new investors when it is reasonable to do so, further details of those considerations can be found in the offering document The TER shows the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees relating to the management of the portfolio. A higher TER ratio does not necessarily imply poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. Marriott Asset Management (Pty) Ltd, the Representative, is a member of the Old Mutual Investment Group.

Manager: FIM Capital Ltd, 55 Athol Street, Douglas, Isle of Man, IM1 1LA

Name of Scheme: First World Hybrid Real Estate Fund PLC

Fiduciary Custodian: EFG Fund Services, 44 Esplanade, St Helier, Jersey JE1 3FG

Name of Representative: Marriott Asset Management (Pty) Ltd

Marriott House
2 Delamore Road Hillcrest 3610
PO Box 2099 Hillcrest 3650 South Africa
Client Relationship Team 0800 336 555
Tel +27 (0)31 765 0700 Fax +27 (0)31 765 0790
Email info@marriott.co.za www.marriott.co.za

