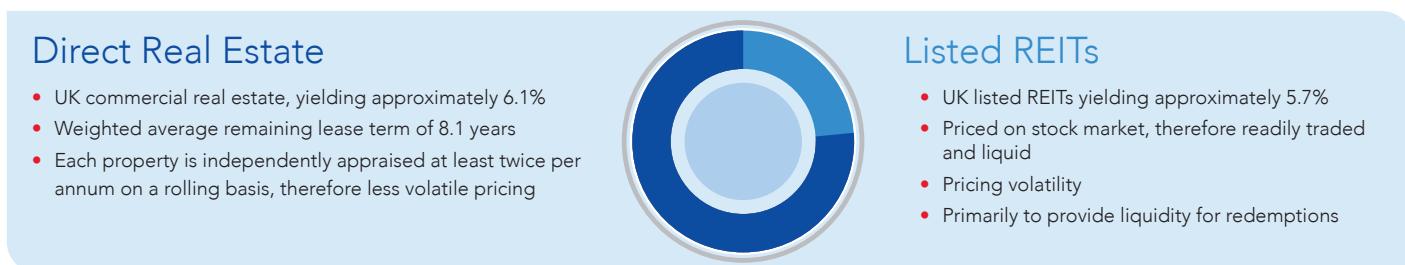


This Mandatory Disclosure Document (MDD) provides investors with key information that is intended to assist the investor in understanding the nature and risks of investing in this fund.

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. 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).



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

£25,000

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

£130,713,588

Value of direct real estate:

£183,419,698

Value of external debt:

£83,257,456

Current loan to value of direct real estate:

45.4%

Distribution

£0.0115 per share Class A

Price (NAV) as at the last pricing date of the quarter

Class A

£1.1248

Class B

£1.5452

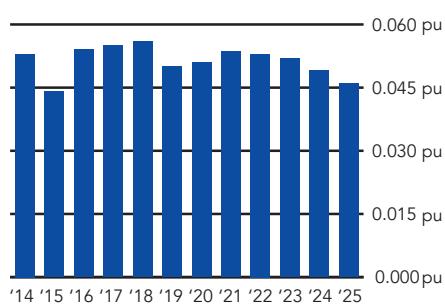
Class C – LISP only

£1.4891

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

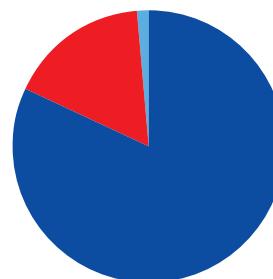
(Assuming £100,000 invested at inception)



Source: Marriott

Current Net Asset Allocation

- Direct Real Estate 82.1%
- REITS 16.6%
- Int Money Market 1.3%



Source: Marriott

Fund Limits and Constraints

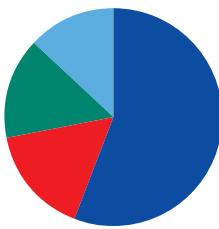
The fund endeavours to be fully invested in a combination of direct real estate and listed real estate investment trusts ("REITS") and reports in GBP.

Portfolio Analysis:

Property Sector Type by Value

LT Target: 75% Warehousing, 25% Regional Offices

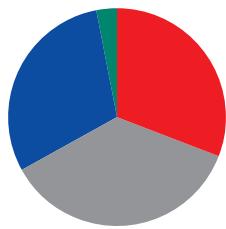
- Distribution Warehouse – 56%
- Retail Warehouse - Food – 16%
- Retail Warehouse - Value, DIY, Other – 15%
- Regional Offices – 13%



Lease Expiry Profile by Value

WAULT Target >10 yrs, Actual = 8.1 yrs

- <5 years – 31%
- >5 years and <10 years – 36%
- >10 years and <15 years – 30%
- >15 years – 3%



Performance (f): 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	4.4%	4.3%	4.7%	4.8%
Price Return	4.3%	-0.5%	0.8%	1.0%
Total Return	8.7%	3.8%	5.5%	5.8%

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	1.43% (Class A)** 1.43% (Class B)** 1.93% (Class C LISP only)
Transaction Costs	0.91% 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 in the TER.

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%

* 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 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 0.12%.

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

First World Hybrid Real Estate Plc delivered a total return of 8.7% for the 2025 calendar year. Encouragingly the Fund performed consistently throughout the year with a positive return in each quarter and with both the direct portfolio as well as the REITs held by the Fund contributing positively to this outcome.

The recovery has been underpinned by the downward trend in UK interest rates which have now fallen from 5.25% to 3.75% with further cuts expected in 2026. Rental growth and strong leasing activity across the direct property portfolio has seen rental income increase and impact positively on property valuations. And while property yields have remained relatively stable, the prospect of yield compression and return tail winds is encouraging, especially if interest rates continue to fall towards the low 3%.

We believe the investment case for property has become significantly more attractive, and that we are now at the beginning of a firming property cycle market which will gather momentum as 2026 unfolds.

The chart below shows the Fund returns over the last 5 years. Interest rates have an important influence on property returns.

Calendar Year	2021	2022	2023	2024	2025
First World Hybrid Real Estate Plc	17.0%	-2.9%	-1.8%	-0.4%	8.7%
UK interest rate (Dec)	0.25%	3.5%	5.25%	4.75%	3.75%

. Source: Marriott, Bank of England

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

The Fund's direct properties continue to perform well: the portfolio was fully tenanted throughout 2025 and 100% of the rent due was collected. Leases are being extended by tenants and there is encouraging rental growth being seen and evidenced in OMRRs (open market rent reviews). These are the fundamentals that drive property performance.

During 2025, the rent was reset in 5 leases (approximately 23% of the portfolio rent) following rent reviews being concluded. These were a combination of OMRRs, inflation linked increases and fixed rent increases. The average increase in rent across these leases was 17%. These included a 17% inflation linked review at the regional office building in Doncaster in Q1 25, a 28% OMRR increase at the Fund's distribution warehouse property in Wombourne in Q2, and a 13% fixed increase at the Darlington distribution warehouse and a 10% increase at the Doncaster distribution warehouse, both in Q4 2025. During the year there were also several lease negotiations concluded including the removal of two tenant break options, thereby extending the certain term of these leases. The tenant break option with Wickes at the Grimsby retail warehouse was removed in Q4 25 extending the certain term to May 2035 and the tenant break option with Keepmoat at the Doncaster regional office was also removed in Q1 25 extending the lease to December 2030. Furthermore, a new 25-year lease for a Burger King drive-through at the Marina Quay retail park property was concluded for which planning approval has now been received and construction has commenced.

The positive rent uplifts have resulted in an increase in rent from the property portfolio while the lease extensions have enhanced the certainty of income. Both have had a positive impact on property valuations (see below).

There are several meaningful rent review and lease extension negotiations that are currently in progress. Agreement has been reached for the removal of the tenant break option at the regional office property tenanted by Vanquis Bank thereby extending the certain term of the lease to September 2031. Agreement for a 20-year lease has also been finalised for EV parking bays at the North Durham retail park property. Both are now in legal. As regards rent reviews, there are 7 leases (24% of portfolio rent) where the rent is to be reset in 2026. These comprises a mix of OMMRs, inflation linked and fixed increases. An average upliftment in rent of 10% across these reviews is expected.

Each property is routinely and independently valued twice a year, and all valuations are reviewed and adjusted for where necessary at the Fund's financial year end, being 31 August. The net increase during 2025 was £6.3m, an increase of 3.5% on the portfolio value at the beginning of the year and adding 4.5% upside to the Fund's net asset value.

# of Direct Property Valuations	Up	Flat/ Immaterial*	Down	Net GBP
Q1 2024	0	9	1	-0.3m
Q2 2024	0	10	3	-1.5m
Q3 2024 #	1	19	3	1.5m
Q4 2024	1	10	0	1.2m
Q1 2025	2	8	0	1.3m
Q2 2025	2	9	1	1.9m
Q3 2025 #	3	17	2	2.2m
Q4 2025	2	9	0	0.9m

* within 3% materiality range

Source: Marriott

This quarterly trend is positive. In Q4 25, there were 11 valuation adjustments with a net increase of £0.9m. 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 as interest rates continue to fall is encouraging and bodes well for future valuation upside and pricing tailwinds.

The chart below shows the valuations processed in Q4:

Property	Valuation Date	Valuation Change
FPE Seals, Darlington	23 Sept 2025	+ £35 k
Marina Quay, Rhyl	7 Oct 2025	+ £205 k
Sonoco, Newcastle	30 Oct 2025	Flat
Booker, Lincoln	5 Nov 2025	+ £200 k
Bidfoods, Cannock	11 Nov 2025	+ £50 k
Sysco, Dundee	16 Nov 2025	Flat

Property	Valuation Date	Valuation Change
Wickes, Grimsby	25 Nov 2025	+ £75 k
Spectrum Brands Wombourne	14 Nov 2025	- £25 k
North Durham Retail, Durham	29 Nov 2025	Flat
Aldi/Home Bargains, Milngavie	17 Dec 2025	Flat
Matthew Clark, Runcorn	21 Dec 2025	+ £355 k

Source: Marriott

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 8.1 years, which gives certainty of rental income.

Listed REITs – pricing has firmed but current yields and discounts to net asset value remain attractive

REIT prices have firmed since the beginning of 2025, as interest rates have reduced. Realised and unrealised gains for the year total £2.9m, 12.9% of the opening REIT portfolio value and contributing 2.0% to Fund's net asset value.

We remain of the view that the Fund's REITs continue to offer good value, based on the yields that they currently trade at, when compared to historic averages. Their prices are also at significant discounts to their underlying net asset values. There continues to be a good amount of corporate activity in the REIT sector, which demonstrates the value opportunity.

Below, we highlight the attractive valuations as of the 31 December 2025 of the REITs within the portfolio:

REITs	Dividend Yield		Discount/NAV
	Current	Historic Average (10yr)	
Big Yellow Group	4.4%	3.5%	-25.1%
British Land	5.7%	4.9%	-38.6%
Lond Security Group	8.1%	5.6%	-28.3%
London Metric Property Plc	6.5%	4.6%	-10.1%
Segro Plc	4.2%	3.0%	-26.4%
Tritax Big Box REIT Plc	5.2%	4.4%	-22.6%
Average	5.7%	4.3%	-25.2%

Source: Bloomberg & Company Financials

Conclusion

We believe the property market has now entered an upward phase in the cycle. Lower interest rates should continue to support occupier demand, strengthen rental growth, and reduce transactional yields, which will help to lift property values across both REITs and direct property. Overall, the outlook for the sector is positive, with improving fundamentals and falling interest rates creating conditions for strong returns in 2026 and beyond.

*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 accrued 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.