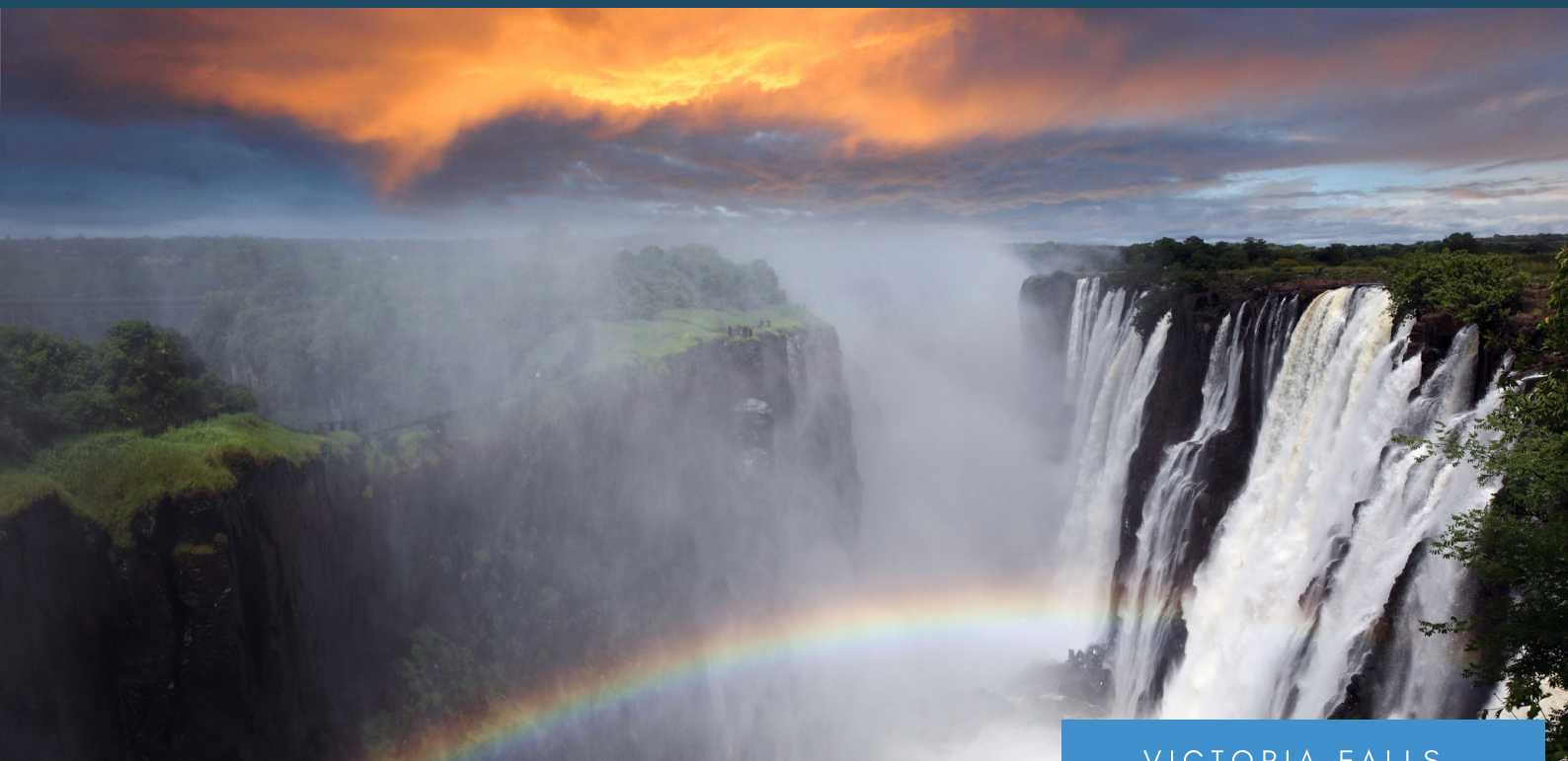




VICTORIA
FALLS
STOCK
EXCHANGE

VFEX NEWSLETTER

ISSUE 1 • MAY 2021



ABOUT VFEX



By Justin Bgoni

Welcome to the first edition of the 2021 Victoria Falls Stock Exchange ("VFEX") Newsletter. VFEX was launched in October 2020, and facilitates the listing and trading of securities in United States Dollars. The main reasons why we launched VFEX include;

- A response to the need for hard currency capital by real sectors of the economy;
- The need to reduce exchange control risks that were being faced by foreign investors; and
- To kick start the establishment of the Offshore Financial Services Centre

We believe VFEX will work due to the;

- strong Government support, as it is part of a wider strategy to establish an Offshore Financial Services Centre
- The stability of the USD will always make investors to prefer USD denominated assets.

We will continue to ensure that we increase the listings and products on VFEX, and we believe VFEX will work with the support of all our stakeholders.

Happy Reading!

Justin Bgoni
Chief Executive Officer

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INSIDE

Market Statistics • P. 2

How it works • P. 3

Incentives • P. 4

Contact Details • P. 5

VFEX MARKET STATISTICS TO DATE

- Current market capitalization is US\$43,403,040.00
- Cumulative volume of trades is 18,261
- The total value traded is US\$3,374.76
- Total number of trades is 5
- A total of 1,124,550 shares have been deposited into the VFEX Depository



SETTLEMENT PROCESS

The settlement cycle of the buy or sell trades on VFEX is T+3

Custodians have real time access to the trading activity of their clients which ensures that trades are settled on time

Successful settlement has been recorded on all executed trades on VFEX and all trades have settled on time, i.e., T+3

There has been various securities transfers performed on VFEX that include

- intra transfer of securities from one account to the other of the same investor
- inter transfer of securities from one investor to another investor



HOW IT WORKS

Funds Movement on VFEX is outlined below;

- Capital raised by a company listed on the Victoria Falls Stock Exchange can be held in an approved local or offshore account with an internationally recognized banking institution
- Funds held in the FCA (Investment) will not be subject to any surrender requirements and can be held for an indefinite period for use by the listed company.
- Investment inflows received by a resident company listed on the VFEX in its Investment FCA, can be held for an indefinite period for use by the listed company without seeking prior Exchange Control approval



- Income from dividends paid out by a VFEX listed company to resident investor, shall not be subject to the surrender requirements and may be held for an indefinite period for use to meet local and or external foreign currency payments in line with Exchange Control Provisions
- Funds held in the Investment FCA can be used to meet foreign requirements without seeking prior exchange control approval;

INCENTIVES

The Government has put in place an incremental export incentive scheme that seeks to encourage listing and participation of firms on the Victoria Falls Stock Exchange (VFEX)

FRAMEWORK FOR THE INCREMENTAL EXPORT INCENTIVE SCHEME



Retention Thresholds	
Export Retention Levels	Exporter Listed on the Victoria Falls Stock Exchange
Current Retention Levels	60%
Retention Levels on Incremental export proceeds	100%



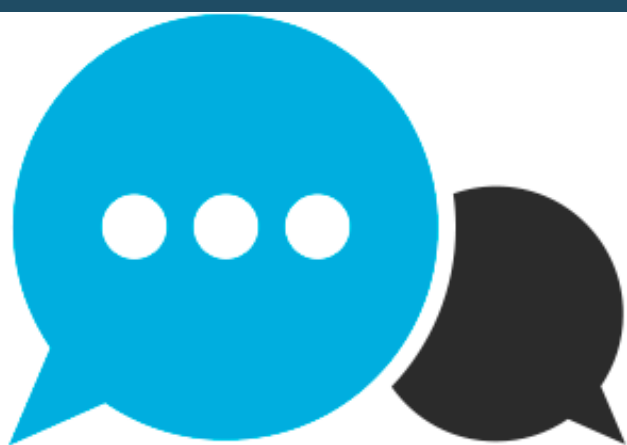
Other key incentives applicable to VFEX Investors include;

- Allowance to use offshore settlement for trades done
- Tax incentives for shareholders on VFEX – 5% dividend withholding tax(foreign investors only); and
- Exemption from capital gains withholding tax for VFEX Investors





For additional
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