



CHAIRMAN'S STATEMENT

ECONOMIC AND BUSINESS OVERVIEW

Zimbabwe's socio-economic conditions continued to evolve during the period under review. The business environment has been characterised by high levels of uncertainty due to the COVID-19 pandemic induced lockdown, rising inflationary and Zimbabwe dollar depreciating against major currencies. The lockdown led to supply chain disruptions and company closures that affected national economies and business. The introduction of the auction foreign currency system on 23 June 2020 led to relative currency stability and narrowing of parallel market premium rates, with its full effects expected to be obvious later in the year. The lockdown and the curfew due the COVID-19 pandemic, negatively affected the operations of the SME and informal economy, as the Government sought to contain the spread of COVID-19, all resulting in high negative impact on the fiscus caused by subdued business activity. These developments constrained management's ability to charge economic rentals in line with inflation and execution of development projects. Despite these challenges, the Company has been able to achieve fairly decent performance.

THE PROPERTY MARKET

The absorption of space was insignificant resulting in continued excess supply. There was also pressure to realign the rental levels to inflation and exchange rates in order to maintain viability. However, most property owners and agents were cautious in lease negotiations due to excess supply of space and the COVID-19 induced market risks, where the adoption of remote working and low economic activity heighten uncertainty for tenants. Despite the pandemic, occupancy levels remained steady, as most tenants maintained existing lease arrangements, while safeguarding staff welfare through the provision and enforcement of health protocols in spaces occupied. As a result, the property market largely remained stable during the reviewed period.

Development activity was limited due to inflationary pressures, foreign currency volatility and supply chain disruptions caused by the outbreak of the COVID-19 pandemic. The need to comply with non-pharmaceutical measures such as physical distancing, workplace safety protocols and limiting people on construction sites, slowed the delivery of construction projects. However, despite these constraints, existing projects in the industrial and retail warehousing sectors progressed steadily, while residential developments continued steadily. Further, investments in owner-occupied office park style buildings have been rising as investors restructure investment portfolios with a bias towards property as a hedging strategy.

Development risk remains high because of over-supply of commercial product as well as uncertainty about supply chain and development costs. However, it is anticipated that the demand for real estate will increase and that should, in turn, drive development activity.

In the sales market, the majority of the transactions were in the residential market with limited commercial activity due to illiquidity hindered further by depressed debt market instruments.

FINANCIAL PERFORMANCE

The effects of the operating environment and COVID-19 did not spare the Group, with inflation adjusted revenue declining 15% to ZWL68.3 million (HY 2019: ZWL 80.7 million). The decline in inflation adjusted revenue was due to quarterly rental reviews not matching inflation. In historical terms, revenue growth at 505% lagged behind year on year inflation which stood at 737%. Competitive market driven rental reviews in the second quarter of the year were constrained by the COVID-19 pandemic and the country's challenging socio-economic conditions. As a result, the business focused on maintaining tenancies and easing rent increases following requests from tenants to provide temporary relief due to the negative effects of the pandemic on the overall business and economic activity.

Net property income declined by 26% to ZWL 47.7 million (HY 2019: ZWL 64.2 million) due to a combination of a 15% fall in revenue and 23% increase in property expenses. Property expenses were driven by high maintenance expenses and operating cost under-recoveries. The Group continued to invest in critical maintenance works during the period to improve space quality to meet tenant requirements, limit deferred maintenance, while attracting new clients and retaining existing tenants. In addition, investment in maintenance activities provides tenants a conducive and safe operating environment. These initiatives resulted in occupancy levels rising by 11.88 percentage points to 88.52% from 76.64% in the corresponding period last year.

An independent property valuation was conducted by Knight Frank Zimbabwe as at 30 June 2020 valued the property portfolio at ZWL 7.195 billion. This represents a 97% gain on the 2019 closing value on an inflation adjusted basis and a 417% gain on a historical basis. The valuation methodology took a long-term view on the value of the assets.

The COVID-19 pandemic has had adverse effects on business performance with net property income after operating expenses declining 46% from the corresponding period last year. However, during the period under review, the Group focused on maintaining occupancy of existing tenants by forgoing quarterly rent reviews and implementing critical space maintenance for tenants. In liaison with occupants, the Company ensured that all buildings were safe for occupation, prioritising the health and safety of our tenants and other key stakeholders. This also applied to staff, where the Group enforced the health, safety and financial security of employees through various initiatives.

DIVIDEND

The Group continues to seek a balance between regular dividend distributions and investing in maintenance and expansion of the property portfolio for the long-term benefit of shareholders. Despite the cash flow uncertainty due to the COVID-19 pandemic, at a meeting held on 23 September 2020, the Board resolved that an interim dividend of ZWL6.597 million be paid from the profits of the Group. This results in a dividend of ZWL0.5334 cents (zero point five three three four Zimbabwe cents) per share being declared from the profits for the half year ended 30 June 2020. The dividend will be payable on or about 20 November 2020 to all shareholders of the Group registered at close of business on 6 November 2020. The shares of the company will be traded cum-dividend on the Zimbabwe Stock Exchange up to 3 November 2020 and ex-dividend as from 4 November 2020.

DEVELOPMENTS

The expansion of Arundel Office Park is at pre – construction stage, with the urban design for the 24 hectare land bank completed along with the sketch plans for the initial office block also completed. In addition, the preliminary cost plan is under review to pave way for further design development before entering preliminary tendering anticipated in the later part of this year. In addition, all bricks required for the development of an office block and other tenant enhancements to the office park in line with the urban design have been procured and delivered to site.

SUSTAINABILITY

The Group remains committed to value creation through sustainability in our operations. An energy saving solar project has been approved and is ready for implementation commencing Q4 of 2020, initially targeting First Mutual Park. Similar solar solutions for other properties within our property portfolio are also being explored. Further, the Group introduced waste management systems in some buildings during the period as part of various initiatives that will be explored to promote environmentally sustainable operations.

OUTLOOK

The global economy continues to grapple with the challenges posed by COVID-19. The impact of COVID-19 on Zimbabwe is potentially high given the impact of commodity prices on the economy. Interventions by Government through expansionary fiscal and monetary policies to promote local production of the essential goods and pharmaceuticals, may nevertheless, reduce the impact. The speed at which Zimbabwe's major trading partners can reverse the spread of COVID-19 will have a huge impact on Zimbabwe and hence the local industry. The Group will, therefore, continue to adopt strategies to protect shareholder value. Collaborating closely with tenants during these uncertain times will remain key to our stakeholder management strategy.

Operating profit margins are expected to remain under pressure because of inflation and exchange rate pressures, as the revision of revenue contracts by their nature in real estate tend to lag behind cost increases. This is despite relative price stability in the country following the introduction of a foreign exchange auction trading system. Value preservation and cash flow management will be key to sustaining business operations in the outlook.

We expect resilient demand of corporate tenants, as this client group may require larger space in order to embrace non-pharmaceutical COVID-19 protocols.

Tenants are adapting, while trying to maintain a presence at prime locations as part of their real estate strategy. The emerging long-term trends indicate remote working from home will become supplementary, rather than a substitute for

the office, as the offices will provide space for collaboration and corporate culture which is essential for business growth, risk management and talent development. This, coupled with inadequate digital, road and energy infrastructure, the negative effects of COVID-19 on the Zimbabwe real estate sector may not be as adverse compared to developed markets. The market dynamics are, thus, unlikely to change for the traditional commercial real estate segment.

The Group's focus is to ensure our product offering and people are agile and adaptable to the changing market conditions, with primary focus on capital preservation, cash flow stability and operating profitability. Critical to this initiative will be further strengthening the competitive differentiation of our product offering and creating sustainable efficiencies through digital platforms.

APPRECIATION

On behalf of the Board, I wish to thank all our stakeholders for their continued invaluable support as we navigate these dynamic and uncertain times.

E. K. Moyo
Chairman

STATEMENT OF FINANCIAL POSITION

		Inflation Adjusted		Historical	
AT 30 JUNE 2020	Note	REVIEWED	AUDITED	UNAUDITED	AUDITED
		30 June 2020 ZWL 000	31 Dec 2019 ZWL 000	30 June 2020 ZWL 000	31 Dec 2019 ZWL 000
NON-CURRENT ASSETS					
Investment properties	5	7 195 722	3 647 165	7 195 722	1 392 132
Vehicles and equipment	6	3 052	3 465	207	197
Financial assets at fair value through profit or loss		472	1 237	472	472
Financial assets at amortised cost	7	386	1 023	386	390
Total Non Current Assets		7 199 632	3 652 890	7 196 787	1 393 191
CURRENT ASSETS					
Inventory		342	514	131	100
Tax receivable		-	521	-	199
Trade and other receivables	8	37 082	20 559	37 082	7 848
Cash and cash equivalents	9	55 638	47 527	55 638	18 141
Total Current Assets		93 062	69 121	92 851	26 288
Total Assets		7 292 694	3 722 011	7 289 638	1 419 479
EQUITY AND LIABILITIES					
Ordinary share capital		27 424	27 424	1 198	1 198
Retained earnings		5 752 327	2 993 353	5 777 633	1 159 573
Total Shareholders' Equity		5 779 751	3 020 777	5 778 831	1 160 771
NON-CURRENT LIABILITIES					
Deferred tax liabilities	10	1 496 249	677 911	1 494 554	250 379
Total Non Current Liabilities		1 496 249	677 911	1 494 554	250 379
CURRENT LIABILITIES					
Current income tax liability		614	431	614	165
Trade and other payables	11	16 080	22 892	15 639	8 164
Total Current Liabilities		16 694	23 323	16 253	8 329
Total Liabilities		1 512 943	701 234	1 510 807	258 708
Total Equity and Liabilities		7 292 694	3 722 011	7 289 638	1 419 479

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 30 JUN 2020	NOTE	Inflation Adjusted		Historical	
		REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
		ZWL 000	ZWL 000	ZWL 000	ZWL 000
Revenue	12	68 316	80 728	40 811	6 748
Property expenses	13	(19 525)	(15 874)	(13 085)	(1 305)
Provision for credit losses		(1 060)	(653)	(1 060)	(78)
Net property income (NPI)		47 731	64 201	26 666	5 365
Employee related expenses	14	(16 220)	(13 953)	(12 150)	(1 134)
Other expenses	14	(12 730)	(15 662)	(7 620)	(1 336)
NPI after admin expenses		18 781	34 586	6 896	2 895
Fair value adjustment - investment properties		3 548 557	1 269 904	5 803 590	273 062
Finance income	15	592	1 384	376	108
Other income	16	66 721	12 140	55 867	1 338
Finance costs		-	(6)	-	(1)
Net monetary gain/(loss)		(52 813)	(117 191)	-	-
Profit before income tax		3 581 838	1 200 817	5 866 729	277 402
Income tax expense	17	(822 864)	(288 533)	(1 248 670)	(34 462)
Profit for the period		2 758 974	912 284	4 618 059	242 940
Other comprehensive income for the period		-	-	-	-
Total comprehensive profit for the period		2 758 974	912 284	4 618 059	242 940
Attributable to:					
Owners of the parent		2 758 974	912 284	4 618 059	242 940

Basic and diluted earnings per share (ZWL cents)	2.23	0.74	3.73	0.20
Weighted average number of shares in issue	1 236 791	1 236 927	1 236 791	1 236 927

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - FOR THE 6 MONTHS ENDED 30 JUNE 2020

INFLATION ADJUSTED	ATTRIBUTE TO OWNERS OF THE PARENT		
	Ordinary share capital	Retained earnings	Total equity
	ZWL 000	ZWL 000	ZWL 000
At 1 January 2019	27 481	2 104 500	2 131 981
Acquisition of treasury shares	(57)	-	(57)
Profit for the period	-	898 431	898 431
Dividend paid	-	(9 578)	(9 578)
At 31 December 2019	27 424	2 993 353	3 020 777
Profit for the period	-	2 758 974	2 758 974
At 30 June 2020	27 424	5 752 327	5 779 751

HISTORICAL	ATTRIBUTE TO OWNERS OF THE PARENT		
	Ordinary share capital	Retained earnings	Total equity
	ZWL 000	ZWL 000	ZWL 000
At 1 January 2019	1 218	129 762	130 979
Acquisition of treasury Shares	(20)	-	(20)
Dividend paid	-	(730)	(730)
Profit for the year	-	1 030 542	1 030 542
At 31 December 2019	1 198	1 159 574	1 160 771
Profit for the period	-	4 618 059	4 618 059
At 30 June 2020	1 198	5 777 633	5 778 830

CONSOLIDATED STATEMENT OF CASH FLOWS

AT 30 JUNE 2020	Inflation Adjusted		Historical	
	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Profit before tax	3 581 838	1 200 817	5 866 729	277 402
Adjustment for non-cash items	(3 553 311)	(1 154 673)	(5 854 670)	(273 252)
Cash flows from operating activities before working capital adjustments	28 527	46 144	12 059	4 150
Working capital adjustments	(24 222)	(12 624)	(9 318)	(1 508)
Cash generated from operations	4 305	33 520	2 741	2 642
Tax paid	(4 366)	(2 563)	(3 839)	(208)
Interest paid	-	(6)	-	(1)
Net cash flow (used in)/generated from operating activities	(61)	30 951	(1 098)	2 433
Net cash flows used in investing activities	(103)	(1 131)	(47)	(128)
Net cash flows used in financing activities	-	(9 858)	-	(822)
Net (decrease)/increase in cash and cash equivalents	(164)	19 962	(1 145)	1 483
Inflation effect on overall cash flows	(35 616)	(7 541)	-	-
Opening cash and cash equivalents	47 527	4 699	18 141	561
Effects of changes in foreign currency	43 891	-	38 642	-
Cash and cash equivalents at 30 June	55 638	17 120	55 638	2 044

1. Corporate information

First Mutual Properties Limited is a public company incorporated and domiciled in Zimbabwe and its shares are publicly traded on the Zimbabwe Stock Exchange. The principal activities of the Group are property investment development and management. The consolidated financial statements of the Group for the six months ended 30 June 2020 were authorised for issue in accordance with a resolution of the directors at a meeting held on 23 September 2020.

2. Statement of Compliance

The Group’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“the IASB”), International Financial Reporting Committee Interpretations (“IFRIC”) as issued by the International Financial Reporting Interpretations Committee (“IFRS IC”) and in a manner required by the Zimbabwe Companies Act (Chapter 24:31) of 2020 except for non compliance with IAS 21, Effects of changes in foreign exchange rates and IAS 8, Accounting policies, changes in accounting estimates and errors. The financial statements are based on statutory records that are maintained under the historical cost convention except for investment properties and equity securities at fair value through profit or loss that have been measured on a fair value basis.

2.1 Audit review conclusion

These inflation adjusted abridged interim financial statements for the six months ended 30 June 2020 have been reviewed by the Group’s external auditors, Ernst & Young Chartered Accountants (Zimbabwe), who have issued an adverse review conclusion as a result of non-compliance with IAS 21 (Effects of Changes in Foreign Exchange Rates), IAS 8 (Accounting Polices, Changes in Accounting Estimates and Errors), and the consequential impact on the inflation-adjusted amounts determined in terms of IAS 29.

In addition, the adverse review conclusion is also a result of investment properties that were valued using historical USD denominated inputs and converted to ZWL at the foreign exchange auction rate as at 30 June 2020 and at the interbank rate in prior year. The external auditors believe that applying a conversion rate to USD valuation inputs to calculate ZWL property values may not be an accurate reflection of market dynamics given the hyperinflationary environment in Zimbabwe. The auditor’s review conclusion on the Group’s interim financial statements is available for inspection at the Company’s registered office.

3. Accounting policies

The principal accounting policies adopted in the presentation of these financial statements are consistent with those of the previous financial year.

Inflation Adjustments

For the purpose of fair presentation in accordance with International Accounting Standard 29 “Financial Reporting in Hyper Inflationary Economies” the financial statements have been restated for changes in the general purchasing power of the ZWL and appropriate adjustments have been made. The restatement has been calculated by means of conversion factors derived from the month on month Consumer Price Index (CPI) prepared by the Zimbabwe Statistical Agency. All items in the statement of comprehensive income are restated by applying the relevant monthly conversion factors.

The conversion factors used are as follows:

Date	CPI	Conversion factor
30-Jun-20	1445.17	1.00
31-Dec-19	551.63	2.62
30 Jun 2019	172.61	8.37

Monetary items are not restated, because they are already expressed in terms of the measuring unit current at the reporting date (IAS 29.12). All non-monetary items in the statement of financial position, apart from retained earnings (which is treated as a residual value), are restated to the measuring unit current at the reporting date by applying a general price index from the dates on which the items arose (IAS 29.11).

4. Reporting period and currency (“ZWL”)

The reporting period is 1 January 2020 to 30 June 2020. The financial statements are presented in Zimbabwean dollars (ZWL) being the functional and reporting currency of the primary economic environment in which the Group operates.

5. Fair value measurement

The Group’s fair values of its investment properties are based on valuations performed by Knight Frank Zimbabwe an accredited independent valuer.

Knight Frank is a specialist in valuing these types of investment properties and has recent experience in the location and category of the investment properties being valued. The valuations are based upon assumptions on future rental income, anticipated maintenance costs, future development costs and the appropriate discount rate. Where the market information is available, the valuers make use of market information from transactions of similar properties.

Significant judgements were applied as at 30 June 2020 as a result of the uncertainties resulting from the hyperinflationary economic environment, currency shifts, excessive market volatility and lack of recent transactions conducted in ZWL\$.

5.1 Investment Properties

	INFLATION ADJUSTED		HISTORICAL	
	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
At 1 January	3 647 165	2 378 128	1 392 132	146 150
Disposals	-	(3 086)	-	(1 086)
Improvements to existing properties	-	2 219	-	312
Fair value adjustments	3 548 557	1 269 904	5 803 590	1 246 756
7 195 722	3 647 165	7 195 722	1 392 132	

Reviewed Abridged Financial Results For the period ended 30 June 2020



TOGETHER

We can STOP the Corona Virus

Together We Will Go Beyond Covid-19 #ItsPossible

6. Vehicles & Equipment

	INFLATION ADJUSTED		HISTORICAL	
	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
At 1 January	3 465	3 050	197	179
Additions	103	701	47	65
Disposals (Cost)	-	(31)	-	(1)
Disposals (Depreciation)	-	24	-	1
Depreciation	(516)	(279)	(37)	(47)
	3 052	3 465	207	197

7. Financial Assets at Amortised Costs

	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Held to maturity investments	196	524	196	200
Housing bonds	190	499	190	190
Amortised interest	5	39	5	15
Repayments received	(5)	(39)	(5)	(15)
	386	1 023	386	390

8. Trade & Other Receivables

	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Tenant receivables	32 714	12 360	32 714	4 718
Tenant operating cost recoveries	2 205	4 749	2 205	1 813
Trade receivables	34 919	17 109	34 919	6 531
Less: Allowance for Credit Losses	(3 413)	(6 166)	(3 413)	(2 353)
Net trade receivables	31 506	10 943	31 506	4 178
Prepayments	3 488	5 739	3 488	2 190
Other receivables	2 088	3 877	2 088	1 480
	37 082	20 559	37 082	7 848

9. Cash & Cash Equivalents

	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Short-term Investments	-	-	-	-
Cash at Bank: USD	52 495	46 694	52 495	17 823
Cash at Bank: ZWL	3 143	833	3 143	318
	55 638	47 527	55 638	18 141

10. Deferred Tax Liability

	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
At 1 January	677 911	272 201	250 379	16 711
-Arising on vehicles and equipment	(38)	220	9	8
-Arising on investment properties	819 015	405 817	1 245 470	234 249
-Arising on unquoted shares	(107)	62	-	24
-Arising on provisions of credit losses	(535)	(309)	(1 042)	(582)
-Arising on leave pay provisions	3	(80)	(262)	(31)
	1 496 249	677 911	1 494 554	250 379

11. Trade & Other Payables

	REVIEWED	AUDITED	UNAUDITED	AUDITED
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Tenant payables	3 469	3 378	3 028	715
Related party payables	3 075	10 707	3 075	4 087
Sundry payables	3 712	2 275	3 712	869
Trade payables	5 824	6 532	5 824	2 493
	16 080	22 892	15 639	8 164

12. Revenue

	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Rental income	67 525	80 282	40 276	6 710
Property Services income	791	446	535	38
	68 316	80 728	40 811	6 748

13. Property Expenses

	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Maintenance costs	11 751	9 227	7 990	776
Property security and utilities	376	206	345	17
Valuation fees	480	119	269	9
Operating cost under recoveries	6 918	6 322	4 481	503
	19 525	15 874	13 085	1 305

14. Profit before income tax is arrived at after taking into account:

	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Directors fees -for services as directors	790	534	615	49
Audit fees	581	630	312	46
ICT Expenses	1 327	1 710	885	139
Fees and other charges	1 026	894	555	81
Depreciation	516	279	37	21
Office costs	1 498	3 835	915	372

15. Finance Income

	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Interest on overdue tenants accounts	584	1 198	367	93
Interest on money market investments	8	186	9	15
	592	1 384	376	108

16. Other Income

	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Exchange gains	63 673	1 514	53 561	181
Other income	3 048	10 626	2 306	1 157
	66 721	12 140	55 867	1 338

17. Income Tax Expense

	REVIEWED	UNAUDITED	UNAUDITED	UNAUDITED
	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019
	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Current income tax	4 488	8 854	4 488	1 058
Deferred tax	818 376	279 679	1 244 182	33 404
	822 864	288 533	1 248 670	34 462

INFLATION ADJUSTED 2020

SEGMENT REPORTING FOR THE HALF YEAR ENDED 30 JUNE 2020

	Office	Retail	Industrial	Other	Adjustment	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Revenue	36 508	20 033	9 094	2 988	(307)	68 316
Property expenses and allowance for credit losses	(10 198)	(4 635)	(3 343)	(2 409)	-	(20 585)
Segment results	26 310	15 398	5 751	579	(307)	47 731
Fair value adjustment - Investment property	1 585 218	784 388	358 519	820 432	-	3 548 557
Segment profit	1 611 528	799 786	364 270	821 011	(307)	3 596 288
Employee related expenses	-	-	-	(16 220)	-	(16 220)
Other Expenses	(133)	-	-	(12 597)	-	(12 730)
Finance costs	-	-	-	-	-	-
Finance income	273	200	111	8	-	592
Other income	64 018	-	-	2 703	-	66 721
Net monetary loss	-	-	-	(52 813)	-	(52 813)
Profit before income tax expense	1 675 686	799 986	364 381	794 905	(53 120)	3 581 838

RECONCILIATION OF SEGMENT RESULTS FOR 30 JUNE 2020

	Office	Retail	Industrial	Other	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Assets					
Investment Property	3 216 193	1 485 489	671 850	1 822 190	7 195 722
Trade receivables	26 403	1 812	763	2 529	31 507
Segment Assets	3 242 596	1 487 301	672 613	1 824 719	7 227 229
Other non-current assets	-	-	-	3 911	3 911
Other Current assets	-	-	-	61 554	61 554
Total Assets	3 242 596	1 487 301	672 613	1 890 184	7 292 694
Current Liabilities	5 538	4 374	289	6 493	16 694

INFLATION ADJUSTED 2019

SEGMENT REPORTING FOR THE YEAR ENDED 30 JUNE 2019

	Office	Retail	Industrial	Other	Adjustment	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Revenue	30 143	12 475	8 995	28 661	454	80 728
Property expenses and allowance for credit losses	(12 675)	(1 581)	(378)	(1 893)	-	(16 527)
Segment results	17 468	10 894	8 617	26 768	454	64 201
Fair value adjustment - Investment property	314 381	102 806	66 690	786 027	-	1 269 904
Segment profit	331 849	113 700	75 307	812 795	454	1 334 105
Employee related expenses	-	-	-	(13 953)	-	(13 953)
Other Expenses	-	-	-	(15 662)	-	(15 662)
Finance costs	-	-	-	(6)	-	(6)
Finance income	-	-	-	1 384	-	1 384
Other income	-	-	-	12 140	-	12 140
Net monetary gain	-	-	-	(117 191)	(117 191)	(117 191)
Profit before income tax expense	331 849	113 700	75 307	796 698	116 737	1 200 817

RECONCILIATION OF SEGMENT RESULTS FOR 31 DECEMBER 2019

	Office	Retail	Industrial	Other	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Assets					
Investment Property	1 665 887	548 862	223 724	1 208 692	3 647 165
Trade receivables	6 136	(2 044)	628	6 223	10 943
Segment Assets	1 672 023	546 818	224 352	1 214 915	3 658 108
Other non-current assets	-	-	-	5 725	5 725
Other Current assets	-	-	-	58 178	58 178
Total Assets	1 672 023	546 818	224 352	1 278 818	3 722 011
Current Liabilities	19 520	641	142	3 020	23 323
Capital expenditure	2 869	53	-	-	2 922

HISTORICAL 2020

SEGMENT REPORTING FOR THE HALF YEAR ENDED 30 JUNE 2020

	Office	Retail	Industrial	Other	Adjustment	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Revenue	21 809	11 967	5 433	1 785	(183)	40 811
Property expenses and allowance for credit losses	(6 849)	(3 289)	(2 149)	(1 858)	-	(14 145)
Segment results	14 960	8 678	3 284	(73)	(183)	26 666
Fair value adjustment - Investment property	2 592 590	1 282 850	586 350	1 341 800	-	5 803 590
Segment profit	2 607 551	1 291 528	589 634	1 341 727	(183)	5 830 256
Employee related expenses	-	-	-	(12 150)	-	(12 150)
Other Expenses	(80)	-	-	(7 540)	-	(7 620)
Finance costs	-	-	-	-	-	-
Finance income	174	127	70	5	-	376
Other income	53 603	-	-	2 264	-	55 867
Profit before income tax expense	2 661 247	1 291 655	589 704	1 324 306	(183)	5 866 729



RECONCILIATION OF SEGMENT RESULTS FOR 30 JUNE 2020

	Office	Retail	Industrial	Other	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Assets					
Investment Property	3 216 193	1 485 489	671 850	1 822 190	7 195 722
Trade receivables	26 403	1 812	763	2 529	31 507
Segment Assets	3 242 596	1 487 301	672 613	1 824 719	7 227 229
Other non-current assets	-	-	-	1 064	1 064
Other Current assets	-	-	-	61 345	61 345
Total Assets	3 242 596	1 487 301	672 613	1 887 128	7 289 638
Current Liabilities	5 098	4 374	289	6 492	16 253
Capital expenditure	-	-	-	-	-

HISTORICAL 2019						
SEGMENT REPORTING FOR THE PERIOD ENDED 30 JUNE 2019						
	Office	Retail	Industrial	Other	Adjustment	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Revenue	2 520	1 043	752	2 395	38	6 748
Property expenses and allowance for credit losses	(1 061)	(132)	(32)	(158)	-	(1 383)
Segment results	1 459	911	720	2 237	38	5 365
Fair value adjustment - Investment property	67 600	22 106	14 340	169 016	-	273 062
Segment profit	69 059	23 017	15 060	171 253	38	278 427
Employee related expenses	-	-	-	(1 134)	-	(1 134)
Other Expenses	-	-	-	(1 336)	-	(1 336)
Finance costs	-	-	-	(1)	-	(1)
Finance income	-	-	-	108	-	108
Other income	-	-	-	1 338	-	1 338
Profit before income tax expense	69 059	23 017	15 060	170 228	38	277 402

RECONCILIATION OF SEGMENT RESULTS FOR 31 DECEMBER 2019

	Office	Retail	Industrial	Other	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Assets					
Investment Property	635 873	209 502	85 396	461 361	1 392 132
Trade receivables	2 342	(780)	240	2 375	4 177
Segment Assets	638 215	208 722	85 636	463 736	1 396 309
Other non-current assets	-	-	-	1 060	1 060
Other current assets	-	-	-	22 110	22 110
Total Assets	638 215	208 722	85 636	463 736	1 419 479
Current Liabilities	6 876	245	54	1 154	8 329
Capital expenditure	303	9	-	-	312

