FIRST MUTUAL

PROPERTIES

Go Beyond

Audited Abridged Financial Results

For the year ended 31 December 2020

CHAIRMAN'S STATEMENT

Economic overview

The economic and operating environment continued to evolve during the period under review, with various policy pronouncements designed to stabilise the economy. The introduction of the foreign currency auction system on 23 June 2020 led to relative currency stability. This has had a significant pass-through effect on annual inflation which declined from 838% in June 2020 to 348% in December 2020. The slowdown in inflation was also driven by restricted money supply growth, limited government spending and wage compression. In addition, the introduction of Statutory Instrument 185 of 2020, allowing businesses to price goods and services in hard currency also provided short term stability and improved business confidence. However, rising inflationary and exchange rate pressures negatively affected real rental yields cost of doing business, property development and maintenance costs, and overall macroeconomic stability, particularly in the first half of the year.

The outbreak of the COVID-19 pandemic that disrupted the level of economic activity across the globe and global supply chains led to the imposition of national lockdowns, travel restrictions and temporary company closures. In response, this accelerated the use of digital platforms for people to work, communicate and collaborate during the lockdown period. It is also noteworthy that the COVID-19 pandemic negatively affected tourism and downstream industries, the informal as well as the SME economy.

The above developments had important implications for overall economic activity and the property market. At the macroeconomic level, real Gross Domestic Product ("GDP") is estimated to have contracted by between 4.1% and 10.4%.

The Group continued to adapt its strategies to the evolving external business environment to deliver sustainable performance for the benefit of all its stakeholders.

Property market overview

The property market remained largely depressed with limited sales transactional activity, developments and demand for space. Opportunities to develop new products and lease existing products, especially the CBD office sector, remained constrained. Nevertheless, the retail and industrial segments remained resilient. The Office Park sector was stable with steady demand for space driven by product quality, location and supporting infrastructure.

The market experienced episodes of price discovery given the changes in the macroeconomic environment as well as demand and supply imbalances. Consequently, the search for a sustainable and economic rental pricing framework remained a key activity during the year.

Developments and property sales were strong in the residential sector. However, commercial transaction activity and leasing opportunities were low due to the decline in the service industry, particularly the corporates. The market has responded to the rising demand for space from the informal and SME sector by repurposing, adapting and developing spaces to cater for the special needs of this market segment.

The construction sector was also affected by the pandemic due to the need to comply with non-pharmaceutical health and safety protocols as guided by the World Health Organisation and national lockdown conditions to remain operational, while supply chain disturbances affected project timelines. The industry, nevertheless, remains wary of the high property development risk due to the oversupply of commercial real estate, limited project financing options and supply chain uncertainties. The few commercial developments on the market during the year have largely been equity-financed. Despite the shift towards remote working by corporates, experience to date has shown that this may not be sustained given power outages in residential areas and data connectivity challenges facing Zimbabwe. The preference for physical offices remains high, although the existing product needs to be adapted to become relevant to the emerging occupier needs.

Business performance overview

The Group's inflation adjusted profit before tax grew by 50% to ZWL 3.288 billion (FY 2019: ZWL 2.189 billion) driven by growth in inflation adjusted revenue of 2% to ZWL 265.74 million (FY 2019: ZWL 260.67 million) and fair value adjustments on investment properties. The growth in revenue was driven by rental income generated from foreign currency denominated leases, increase in turnover rentals and rise in occupancy levels during the year. The overall occupancy level averaged 88.67% in FY2020 compared to 85.70% in the previous year, mainly due to new lettings in the CBD office sector.

COVID-19 response

The welfare of our employees, their families, and our community remains a top priority for the Group. The Group has introduced various measures to protect its employees from the negative effects of high cost of living, anxiety and stress caused by the COVID-19 pandemic. The Group undertook continuous review of the conditions of service for our staff, provision of protective personal equipment (PPE), psychological support and accelerated the use of digital platforms to enhance remote working and collaboration to sustain productivity.

In addition, the Group prioritised the safety of the tenants, with ZWL 32.99 million spent, targeting the maintenance and upgrading of space for new and existing tenants. This investment ensured that our properties remain safe for occupation.

The Group remains alive to the economic conditions facing its business partners including tenants. Against this, the Group suspended rental reviews in the second quarter of the year to allow its partners to absorb and manage the pressures caused by economic volatility and COVID-19 induced shocks in the first half of the year. Rentals were, however, reviewed in the second half of the year to protect the business and enable the Group to continue offering a quality product to its tenants.

Property valuations

An independent property valuation conducted by Knight Frank Zimbabwe as at 31 December 2020 valued the property portfolio at ZWL 9.40 billion, being a 50% gain on the prior year on inflation adjusted terms and 575% in historical terms on a market value basis. The gain was driven by fair value gains realised across the sectors with the highest gains realised in the land bank, retail and industrial sectors. The gains realised on the land bank are driven by re-zoning of a land bank from residential to commercial, while value appreciation in the industrial and retail sectors are due to improved rental potential and demand.

Developments

The Group is at pre-construction stage of the Arundel Office Park extension. The design development of the architectural plans has since been completed. The tender will be floated in the first half of 2021.

Sustainability

The effects of the COVID-19 pandemic created an extremely challenging environment for businesses and communities around the world. In such trying times, the Group has been able to rely on its long-term oriented approaches which we have nurtured through adopting sustainability. This year saw health and safety become a significant priority for the business as we sought to eliminate exposure to the COVID-19 virus and preserve life, paying attention to both physical and mental health. The business remains determined to generate positive impacts on the issues that matter most for our business and stakeholders. We have an unwavering commitment to managing the property portfolio with minimal negative social, environmental and economic impacts.

The Group remains dedicated to operating sustainably by adopting eco-friendly practices and managing the property portfolio with minimal negative social, environmental and economic impacts. This initiative was started during the year beginning with the introduction of waste separation infrastructure at selected buildings. This measure will be rolled out to all buildings in the short to medium term. Furthermore, efforts to reduce carbon emissions using renewable energy solutions are currently underway, starting with a 150KwH renewable energy system at First Mutual Park. Going forward, renewable energy solutions will be initiated across the property portfolio.

Dividend

At a Meeting held on 5 May 2021, the Board resolved that a final dividend of ZWL 14,229,408 being ZWL 1.1505 cents per share be declared from the profits for the quarter ended 31 December 2020. The dividend will be payable on or about 25 June 2021 to all shareholders of the Group registered at close of business on 18 June 2021. The shares of the Group will be traded cum-dividend on the Zimbabwe Stock Exchange up to 15 June 2021 and ex-dividend as from 16 June 2021.

This final dividend represents a dividend per share of ZWL 2.0332 cents per share bringing the total dividend for the year ended 31 December 2020 to ZWL 25,146,742.

Outlook

The Group maintains a positive view of the economic, sectoral and business outlook.

Positive Real GDP growth is expected in 2021 due to the anticipated good agricultural production, firming commodity prices as well as inflation and currency stability. Curtailing the further spread of the COVID-19 pandemic and re-opening of the global and national economies is vital to stimulating economic recovery in the short term. This is particularly so, given the strategic importance of natural resources and the SME sector to the economy.

The commercial real estate segment is expected to remain an occupier's market due to excess supply of space. Rental yields are expected to remain weak due to the slow nature of rental price discovery, coupled with limited upside on rentals due to excess supply of space. The recent revaluations of properties will further apply pressure to any growth in yields and rentals should grow gradually. However, rental yields for prime assets are expected to remain competitive due to limited supply of quality prime commercial real estate.

Capital preservation with growth into selected sectors will remain top priority to ensure long term sustainable earnings and distribution to shareholders. The introduction of Real Estate Investment Trust ("REITs") legislation presents an opportunity to access wider funding options to undertake new developments and enhancing transparency in the property market, while also creating further diversification opportunities. These are emerging opportunities that the Group seeks to explore.

The Group remains focused on further strengthening its competitive advantage by differentiating its existing products and enhancing tenant experience. The Group will continue to place emphasis on repositioning its property assets through planned maintenance and refurbishments, while the addition of new product through developments remains the key driver to optimising the property portfolio mix and ensuring regular and predictable distribution of earnings.

E K Moyo
Chairman
5 May 2021

Directors: E K Moyo (Chairman), A M Chidakwa, D Hoto, S Jogi, C K Manyowa*, W M Marere, E Mkondo, T Ruvingo, S Wekwete (* **Executive Director)**

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Audited Abridged Financial Results
For the year ended 31 December 2020

Consolidated Statement of Financial Position
As at 31 December 2020

	Note	INFLATION ADJUSTED Audited 31 Dec 2020 ZWL 000	Audited 31 Dec 2019 ZWL 000	HISTORICAL COST Unaudited 31 Dec 2020 ZWL 000	Unaudited 31 Dec 2019 ZWL 000
ASSETS					
Investment properties	5.1	9,395,892	6,244,903	9,395,892	1,392,132
Vehicles and equipment	6	4,527	5,889	176	197
Financial assets at fair value thorough profit or loss	7	4,737	2,118	4,737	472
Financial assets at ammortised cost	8	390	1,752	390	390
		9,405,546	6,254,662	9,401,195	1,393,191
Current assets					
Inventory		632	880	182	100
Tax receivable		-	892	-	199
Trade and other receivables	9	52,112	35,203	49,773	7,848
Investment property held for sale	5.2	48,818	-	48,818	-
Cash and cash equivalents	10	124,032	81,379	124,032	18,141
		225,594	118,354	222,805	26,288
Total Assets		9,631,140	6,373,016	9,624,000	1,419,479
EQUITY AND LIABILITIES					
Ordinary share capital		46,958	46,958	1,198	1,198
Retained earnings		8,686,515	5,116,723	8,723,959	1,159,574
Total Shareholders' Equity		8,733,473	5,163,681	8,725,157	1,160,772
Non-current liabilities					
Deferred tax liabilities	11	840,624	1,169,398	841,971	250,379
		840,624	1,169,398	841,971	250,379
Current liabilities					
Current income tax liability		4,061	738	4,061	164
Trade and other payables	12	52,982	39,199	52,811	8,164
		57,043	39,937	56,872	8,328
Total Liabilities		897,667	1,209,335	898,843	258,707
Total Equity and Liabilities		9,631,140	6,373,016	9,624,000	1,419,479

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2020

	Note	INFLATION ADJUSTED Audited 31 Dec 2020 ZWL 000	Audited 31 Dec 2019 ZWL 000	HISTORICAL COST Unaudited 31 Dec 2020 ZWL 000	Unaudited 31 Dec 2019 ZWL 000
Revenue	13	265,740	260,666	177,823	23,996
Property expenses	14	(64,279)	(62,822)	(40,565)	(6,747)
Allowance for credit losses		(6,427)	(3,388)	(6,427)	(755)
Specific write-offs		(163)	-	(163)	-
Net property income (NPI)		194,871	194,456	130,668	16,494
Employee related expenses		(71,874)	(45,677)	(53,817)	(4,476)
Other expenses		(52,242)	(48,302)	(35,285)	(4,379)
NPI after admin expenses		70,755	100,477	41,566	7,639
Fair value adjustment - investment properties		3,199,807	2,174,409	8,052,578	1,246,756
Net monetary (loss)/gain		(141,273)	(181,863)	-	-
Finance income	16	1,993	3,525	1,286	254
Other income	17	156,246	92,298	94,208	12,446
Finance costs		-	(19)	-	(1)
Profit before income tax	15	3,287,528	2,188,827	8,189,638	1,267,094
Income tax credit/(expense)	18	306,036	(671,260)	(614,336)	(236,552)
Profit for the period		3,593,564	1,517,567	7,575,302	1,030,542
Other comprehensive income for the period		-	-	-	-
Total comprehensive profit for the period		3,593,564	1,517,567	7,575,302	1,030,542
Attributable to:					
- Owners of the parent		3,593,564	1,517,567	7,575,302	1,030,542
Total profit for the period		3,593,564	1,517,567	7,575,302	1,030,542
Basic and diluted earnings per share (ZWL)		2.91	1.23	6.12	0.83
Headline earnings per share (ZWL)		2.91	1.23	6.12	0.83
Weighted average number of shares in issue		1,236,791	1,236,791	1,236,791	1,236,791

Consolidated Statement of Changes in Equity
For the year ended 31 December 2020

Inflation adjusted
Attributable to owners of the parent

All figures in ZWL	Ordinary Share Capital	Treasury shares	Retained Earnings	Total Shareholders Equity
At 01 January 2019	47,828	(773)	3,615,557	3,662,612
Acquisition of treasury shares	-	(97)	-	(97)
Profit of the period	-	-	1,517,567	1,517,567
Dividend paid	-	-	(16,401)	(16,401)
At 31 December 2019	47,828	(870)	5,116,723	5,163,681
Profit of the period	-	-	3,593,564	3,593,564
Dividend paid	-	-	(23,772)	(23,772)
At 31 December 2020	47,828	(870)	8,686,515	8,733,473

Historical Cost
Attributable to owners of the parent

All figures in ZWL	Ordinary Share Capital	Treasury shares	Retained Earnings	Total Shareholders Equity
Shareholders Equity				
At 1 January 2019	1,238	(20)	129,762	130,980
Profit for the year	-	-	1,030,542	1,030,542
Acquisition of treasury shares	-	(20)	-	(20)
Dividend paid	-	-	(730)	(730)
At 31 December 2019	1,238	(40)	1,159,574	1,160,772
Profit of the period	-	-	7,575,302	7,575,302
Dividend paid	-	-	(10,917)	(10,917)
At 31 December 2020	1,238	(40)	8,723,959	8,725,157

Consolidated Statement of Cash Flows
For the year ended 31 December 2020

	INFLATION ADJUSTED Audited 31 Dec 2020 ZWL 000	Audited 31 Dec 2019 ZWL 000	HISTORICAL COST Unaudited 31 Dec 2020 ZWL 000	Unaudited 31 Dec 2019 ZWL 000
Profit before tax	3,287,528	2,188,827	8,189,638	1,267,094
Adjustment for non-cash items	(3,194,019)	(2,080,120)	(8,135,257)	(1,251,315)
Cash flows from operating activities before working capital adjustments	93,509	108,707	54,381	15,779
Working capital adjustments	(9,305)	(13,242)	(3,787)	(1,011)
Cash generated from operations	84,204	95,465	50,594	14,768
Tax paid	(23,223)	(19,519)	(18,641)	(2,082)
Interest paid	-	(19)	-	(1)
Net cash flow from operating activities	60,981	75,927	31,953	12,685
Net cash flows used in investing activities	1,091	2,703	957	1,042
Net cash flows from financing activities	(12,307)	(16,977)	(10,917)	(842)
Net increase in cash and cash equivalents	49,765	61,653	21,993	12,885
Inflation effect on overall cashflows	(146,512)	(78,417)	-	-
Opening cash and cash equivalents	81,379	15,636	18,141	561
Effects of changes in foreign currency	139,400	82,507	83,898	4,695
Cash and cash equivalents at 31 December	124,032	81,379	124,032	18,141

Notes to the Consolidated Financial Statements
For the year ended 31 December 2020

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 year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors at a meeting held on 5 May 2021.

2 Statement of compliance
The Group's financial statements have been prepared in accordance with International Financial Reporting Standard ("IFRS") as issued by the International Accounting Standards Board ("the IASB"), International Financial Reporting Interpretations Committee ("IFRIC") as issued by the IFRS Interpretations Committee ("IFRS IC") and in a manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) 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.

Auditor's statement
"The consolidated and separate inflation adjusted financial statements from which this abridged version has been extracted, have been audited by Ernst & Young Chartered Accountants (Zimbabwe). An adverse opinion has been issued thereon due to non-compliance with the requirements of International Accounting Standard (IAS) 21, "The Effects of Foreign Exchange Rates", International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors", valuation of investment properties in USD and converting to ZWL at the year-end auction rate and the consequential impact of applying International Accounting standard 29 "Financial Reporting in Hyperinflationary Economies" on incorrect base numbers. The auditor's report is available for inspection at the Group's registered office." The Audit Partner for this engagement was Mrs Constance Chakona (PAAB Practising number 0431).

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 income statement are restated by applying the relevant monthly conversion factors. The conversion factors used are as follows:

Date	CPI	Conversion factor
31-Dec-20	2,474.51	1.00
31-Dec-19	551.63	4.49
30-Sep-18	64.06	38.63

3 Accounting policies
The accounting policies adopted in the preparation of the full year results are consistent with those followed in the preparation of the Group's annual report for the year ended 31 December 2020.

4 Reporting period and currency
The reporting period is 1 January 2020 to 31 December 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 smillar properties.

Significant judgements were applied as at 31 December 2020 as a result of the uncertainities resulting from the hyperinflationary economic environment, currency shifts, excessive market volatility and lack of recent transactions conducted in ZWL.

		INFLATION ADJUSTED Audited 31 Dec 2020 ZWL 000	Audited 31 Dec 2019 ZWL 000	HISTORICAL COST Unaudited 31 Dec 2020 ZWL 000	Unaudited 31 Dec 2019 ZWL 000
5.1	**Investment properties**				
	At 1 January	6,244,903	4,071,979	1,392,132	146,150
	Disposals	-	(5,285)	-	(1,086)
	Reclassification to held for sale	(48,818)	-	(48,818)	-
	Improvements to existing properties	-	3,800	-	312
	Fair value adjustments	3,199,807	2,174,409	8,052,578	1,246,756
	Closing balance	9,395,892	6,244,903	9,395,892	1,392,132

5.2 Investment property held for sale
During the year, the directors of First Mutual Properties Limited decided to dispose of a residential parcel of land, known as 103 Kingsmead Road, Borrowdale, Harare as part of the Groups ongoing capital recycling strategy. There is an interested party whose offer has been accepted and the sale is expected to be completed before the end of 30 June 2021. Conditions for the classification as held for sale (as stipulated in IFRS 5- Noncurrent assets held for sale and discontinued operations) were met as at 31 December 2020. The asset was reclassified to current assets from investment property as disclosed below. The reclassification has no effect on prior year figures.

		INFLATION ADJUSTED Audited 31 Dec 2020 ZWL 000	Audited 31 Dec 2019 ZWL 000	HISTORICAL COST Unaudited 31 Dec 2020 ZWL 000	Unaudited 31 Dec 2019 ZWL 000
	Investment property held for sale	48,818	-	48,818	-
6	**Vehicles and equipment**				
	At I January	5,889	6,391	197	179
	Additions	176	1,201	47	66
	Disposals	-	(54)	-	(1)
	Depreciation	(1,538)	(1,649)	(68)	(47)
	Closing balance	4,527	5,889	176	197
7	**Financial assets at fair value through profit or loss**				
	At I January	2,118	4,596	472	165
	Fair value adjustments	2,619	(2,478)	4,265	307
	Closing balance	4,737	2,118	4,737	472

Audited Abridged Financial Results
For the year ended 31 December 2020

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2020

		INFLATION ADJUSTED		HISTORICAL COST	
		Audited	Audited	Unaudited	Unaudited
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
8	**Financial assets at amortised cost**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
	Held to maturity investments	200	898	200	200
	Housing bonds	190	854	190	190
	Amortised interest	138	341	67	41
	Repayments received	(138)	(341)	(67)	(41)
		390	**1,752**	**390**	**390**
9	**Trade and other receivables**				
	Tenant receivables	30,963	21,163	30,963	4,718
	Tenant operating cost recoveries	14,005	8,132	14,005	1,813
	Trade receivables	**44,968**	**29,295**	**44,968**	**6,531**
	Less: allowance for credit losses	(8,781)	(10,558)	(8,781)	(2,353)
	Net trade receivables	**36,187**	**18,737**	**36,187**	**4,178**
	Prepayments	13,803	9,826	11,464	2,190
	Other receivables	2,122	6,640	2,122	1,480
		52,112	**35,203**	**49,773**	**7,848**
10	**Cash and cash equivalents**				
	Cash and cash equivalents: USD	113,899	79,953	113,899	17,823
	ZWL	10,133	1,426	10,133	318
		124,032	**81,379**	**124,032**	**18,141**
11	**Deferred tax liability**				
	At 1 January	1,169,398	511,075	250,379	16,711
	-Arising on vehicles and equipment	(337)	376	(6)	8
	-Arising on investment properties	(322,542)	660,588	595,041	234,249
	-Arising on unquoted shares	131	106	2,634	24
	-Arising on provisions for credit losses	(1,643)	(2,610)	(1,589)	(582)
	-Arising on leave pay provisions	(4,383)	(137)	(4,488)	(31)
		840,624	**1,169,398**	**841,971**	**250,379**
12	**Trade and other payables**				
	Tenant payables	5,505	5,785	5,334	715
	Related party payables	17,182	18,333	17,182	4,087
	Sundry payables	15,107	3,896	15,107	869
	Trade payables	15,188	11,185	15,188	2,493
		52,982	**39,199**	**52,811**	**8,164**
13	**Revenue**				
	Rental income	262,567	257,594	175,626	23,565
	Property Services income	3,173	3,072	2,197	431
		265,740	**260,666**	**177,823**	**23,996**
14	**Property expenses**				
	Maintenance costs	33,139	38,651	19,339	4,074
	Property security and utilities	1,209	514	855	38
	Valuation fees	1,591	505	1,035	39
	Operating cost under recoveries	28,340	23,152	19,336	2,596
		64,279	**62,822**	**40,565**	**6,747**
15	**Profit before income tax takes into account the following**				
	Directors fees -for services as directors	5,828	2,208	4,672	284
	Audit fees	5,065	1,679	4,307	174
	Information communication and technology expenses	4,944	7,050	3,245	602
	Fees and other charges	7,385	5,839	4,268	444
	Depreciation	1,538	1,693	68	47
	Office costs	7,699	9,657	5,613	876
	Group shared services	18,167	17,289	11,257	1,579
16	**Finance income**				
	Interest on overdue tenants accounts	1,889	2,865	1,219	203
	Interest on money market investments	104	660	67	51
		1,993	**3,525**	**1,286**	**254**
17	**Other income**				
	Exchange gains	139,401	82,507	83,930	11,574
	Other income	16,845	9,791	10,278	872
		156,246	**92,298**	**94,208**	**12,446**
18	**Income tax credit/(expense)**				
	Current income tax	22,737	12,937	22,737	2,884
	Deferred tax	(328,773)	658,323	591,599	233,668
		(306,036)	**671,260**	**614,336**	**236,552**

INFLATION ADJUSTED 2020

19 **Segment reporting for the year ended 31 December 2020**

	Office	Retail	Industrial	Other	Consolidation	Total
	ZWL 000	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Revenue	156,910	77,108	20,885	11,964	(1,127)	265,740
Property expenses and allowance for credit losses	(34,059)	(12,212)	(3,583)	(21,015)	-	(70,869)
Segment results	**122,851**	**64,896**	**17,302**	**(9,051)**	**(1,127)**	**194,871**
Fair value adjustment - Investment properties	1,391,779	694,712	308,565	804,751	-	3,199,807
Segment profit	**1,514,630**	**759,608**	**325,867**	**795,700**	**(1,127)**	**3,394,678**
Employee related expenses	-	-	-	(71,874)	-	(71,874)
Other Expenses	(7,053)	(7,170)	(2,515)	(51,953)	16,449	(52,242)
Finance costs	-	-	-	-	-	-
Finance income	768	632	120	473	-	1,993
Other income	137,858	-	-	18,388	-	156,246
Net monetary loss	-	-	-	-	(141,273)	(141,273)
Profit before income tax expense	**1,646,203**	**753,070**	**323,472**	**690,734**	**(125,951)**	**3,287,528**

Reconciliation of segment results for 31 December 2020

	Office	Retail	Industrial	Other	Consolidation	Total
Assets	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Investment properties	4,126,130	1,950,940	862,030	2,456,792	-	9,395,892
Trade receivables	22,043	7,580	1,488	5,468	(392)	36,187
Segment assets	**4,148,173**	**1,958,520**	**863,518**	**2,462,260**	**(392)**	**9,432,079**
Other non-current assets	-	-	-	9,656	-	9,656
Other current assets	-	-	-	189,405	-	189,405
Total assets	**4,148,173**	**1,958,520**	**863,518**	**2,661,321**	**(392)**	**9,631,140**
Current liabilities	**16,392**	**2,320**	**756**	**36,729**	**846**	**57,043**

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2020

INFLATION ADJUSTED 2019

Segment reporting for the period ended 31 December 2019

	Office	Retail	Industrial	Other	Consolidation	Total
	ZWL 000	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Revenue	143,849	70,671	38,810	7,968	(632)	260,666
Property expenses and allowance for credit losses	(39,751)	(10,173)	(8,910)	(7,376)	-	(66,210)
Segment results	**104,098**	**60,498**	**29,900**	**592**	**(632)**	**194,456**
Fair value adjustment - Investment properties	859,086	238,559	103,823	972,941	-	2,174,409
Segment profit	**963,184**	**299,057**	**133,723**	**973,533**	**(632)**	**2,368,865**
Employee related expenses	-	-	-	(45,677)	-	(45,677)
Other expenses	(21,022)	(6,786)	(3,865)	(34,599)	17,970	(48,302)
Finance costs	-	-	-	(19)	-	(19)
Finance income	950	1,304	370	901	-	3,525
Other income	85,723	265	-	6,310	-	92,298
Net monetary gain	-	-	-	-	(181,863)	(181,863)
Profit before income tax expense	**1,028,835**	**293,840**	**130,228**	**900,449**	**(164,525)**	**2,188,827**

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 properties	2,852,436	939,796	383,074	2,069,597	6,244,903
Trade receivables	10,507	(3,499)	1,075	10,654	18,737
Segment assets	**2,862,943**	**936,297**	**384,149**	**2,080,251**	**6,263,640**
Other non-current assets	-	-	-	9,759	9,759
Other current assets	-	-	-	99,617	99,617
Total assets	**2,862,943**	**936,297**	**384,149**	**2,189,627**	**6,373,016**
Current liabilities	**32,974**	**1,174**	**261**	**5,528**	**39,937**
Capital expenditure	**3,690**	**110**	**-**	**-**	**3,800**

HISTORICAL COST 2020

19 **Segment reporting for the year ended 31 December 2020**

	Office	Retail	Industrial	Other	Consolidation	Total
	ZWL 000	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Revenue	104,999	51,598	13,975	8,006	(755)	177,823
Property expenses and allowance for credit losses	(22,571)	(8,741)	(2,321)	(13,522)	-	(47,155)
Segment results	**82,428**	**42,857**	**11,654**	**(5,516)**	**(755)**	**130,668**
Fair value adjustment - Investment properties	3,502,527	1,748,301	776,530	2,025,220	-	8,052,578
Segment profit	**3,584,955**	**1,791,158**	**788,184**	**2,019,704**	**(755)**	**8,183,246**
Employee related expenses	-	-	-	(53,817)	-	(53,817)
Other expenses	(4,763)	(4,843)	(1,699)	(35,090)	11,110	(35,285)
Finance costs	-	-	-	-	-	-
Finance income	495	408	77	306	-	1,286
Other income	83,121	-	-	11,087	-	94,208
Profit before income tax expense	**3,663,808**	**1,786,723**	**786,562**	**1,942,190**	**10,355**	**8,189,638**

Reconciliation of segment results for 31 December 2020

	Office	Retail	Industrial	Other	Consolidation	Total
	ZWL 000	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Assets						
Investment properties	4,126,130	1,950,940	862,030	2,456,792	-	9,395,892
Trade receivables	22,043	7,580	1,488	5,468	(392)	36,187
Segment assets	**4,148,173**	**1,958,520**	**863,518**	**2,462,260**	**(392)**	**9,432,079**
Other non-current assets	-	-	-	5,305	-	5,305
Current assets	-	-	-	186,616	-	186,616
Total assets	**4,148,173**	**1,958,520**	**863,518**	**2,654,181**	**(392)**	**9,624,000**
Current liabilities	**16,342**	**2,314**	**754**	**36,618**	**844**	**56,872**

HISTORICAL COST 2019

Segment reporting for the period ended 31 December 2019

	Office	Retail	Industrial	Other	Consolidation	Total
	ZWL 000	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**	**ZWL 000**
Revenue	13,242	6,506	3,573	733	(58)	23,996
Property expenses and allowance for credit losses	(4,453)	(1,006)	(1,223)	(820)	-	(7,502)
Segment results	**8,789**	**5,500**	**2,350**	**(87)**	**(58)**	**16,494**
Fair value adjustment - Investment properties	492,580	136,784	59,530	557,862	-	1,246,756
Segment profit	**501,369**	**142,284**	**61,880**	**557,775**	**(58)**	**1,263,250**
Employee related expenses	-	-	-	(4,476)	-	(4,476)
Other expenses	(1,906)	(616)	(350)	(3,136)	1,629	(4,379)
Finance costs	-	-	-	(1)	-	(1)
Finance income	68	94	27	65	-	254
Other income	11,560	35	-	851	-	12,446
Profit before income tax expense	**511,091**	**141,797**	**61,557**	**551,078**	**1,571**	**1,267,094**

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 properties	635,873	209,502	85,396	461,361	1,392,132
Trade receivables	2,342	(780)	240	2,376	4,178
Segment assets	**638,215**	**208,722**	**85,636**	**463,737**	**1,396,310**
Other non-current assets	-	-	-	1,059	1,059
Current assets	-	-	-	22,110	22,110
Total assets	**638,215**	**208,722**	**85,636**	**486,906**	**1,419,479**
Current liabilities	**6,876**	**245**	**54**	**1,153**	**8,328**
Capital expenditure	**303**	**9**	**-**	**-**	**312**

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