FIRST MUTUAL PROPERTIES Go Beyond

Reviewed Abridged Financial Results

For the half year ended 30 June 2022

With you, for you

HY 2022 CHAIRMAN'S STATEMENT

Overview of Operating Environment

Zimbabwe has been experiencing rising inflationary pressures and exchange rate volatility since the beginning of the year. This has also been worsened by geopolitical conflicts, particularly the Russia-Ukraine conflict and the Covid-19 induced supply chain disruptions. These developments during the period under review had significant knock-on effects with global inflation reaching its highest since 2008 while economic growth remained mixed. Global issues coupled with climate change (unpredictable rainfall and weather patterns) had important implications for Zimbabwe's operating environment, cost of doing business and hence strategy implementation as well as business viability.

Annual inflation rose to 191.6% in June 2022 from 60.7% in December 2021. Both the official and unofficial exchange rates were under pressure during the period under review. The official rate depreciated by 70.7% from ZWL108.67 on 31 December 2021 to ZWL370.96 on 30 June 2022. Management, however, continued to implement effective strategies to minimise the potentially huge negative effects of the changing operating environment on business.

Property Market Overview

Space absorption remained low during the period under review due to relatively weak demand that resulted in excess supply of space in the Central Business District (CBD) offices and Suburban Shopping centres. In contrast, the retail, warehousing and prime office space segments enjoyed relatively strong demand resulting in high occupancy levels.

Achieving sustainable rentals has remained a major challenge for the industry given the inflationary and exchange rate depreciation pressures experienced during the review period. Further, pressure to preserve value of the local currency denominated rentals remained a top priority for property companies including the First Mutual Properties. Against this, quarterly reviews of local currency denominated rentals were being made in tandem with the prevailing business conditions.

The country has seen some developments in the industrial and retail warehousing sectors. Further, there has been an increase in the development of owner-occupied office park style buildings, cluster houses and residential house conversions and new commercial developments especially in suburbs just outside the CBD and on major roads. First Mutual Properties has positioned itself to take advantage of the emerging growth opportunities for the benefit of the shareholders.

Business performance overview

The Group's inflation adjusted Net Property Income after administration expenses decreased by 46% to ZWL67.4 million (HY 2021: ZWL125.8 million) despite growth in inflation adjusted revenue of 25% to ZWL746.3 million (HY 2021: ZWL595.5 million). Rental income remains the main source of revenue. In historical terms, revenue grew by 154% from ZWL191 million in June 2021 to ZWL486 million mainly due to timeous rental reviews and stable occupancy level averaged 89.23% for the 6 months ending 30 June 2022 (FY 2021: 89.53%).

Management continued to engage the tenants for timeous rental payments. This initiative resulted in the drop on the number of tenants who in the past deliberately delayed to meet their lease obligations leading to improved collection rate at 87% (FY 2021: 82%). The Company is committed to providing a quality and safe product (property) to its tenants. In light of this, ZWL 85.4 million and ZWL 3.4 million were committed towards maintenance and improvements respectively during the period under review.

Property valuations

An independent property valuation conducted by Knight Frank Zimbabwe as at 30 June 2022 valued the property portfolio at ZWL 78.018 billion (FY 2021: ZWL 22.039 billion). The growth in property values of 254% is driven by the growth in rentals in line with the inflationary environment.

Developments

The Group has positioned itself to create value for its shareholders by embarking on various projects that are at different stages of execution. We are happy to report on the Arundel Office Park extension and Mbare retail warehouse for Gains Cash and Carry.

With regards to the Arundel Office Park extension, all the construction designs, tenders and approvals were obtained. Construction is scheduled to commence in September 2022.

The Mbare retail warehouse was completed and handed over to the tenant (Gain Cash and Carry) in June 2022. Tenant operations began in July 2022.

Sustainability

The Group will continue to run its operations sustainably in line with the environmental, social and governance (ESG) requirements. The adoption of "green" operations including investing in a solar power plant, energy efficient operations and waste management initiatives remain key to the Group's strategy. We will continue to enhance the Group's ESG framework in line with the global trends.

Dividend

On 30 August 2022 the Board resolved that an interim dividend of ZWL 87 million and USD 100,000 be declared from the profits of the Company for the quarter ended 30 June 2022. Further details on the payment of the dividend will be communicated in a separate dividend announcement.

Business Outlook

E K Moyo Chairman

30 August 2022



Unlock premium value

With the right partner, you can build a strong foundation by creating value through property.

Property Management, Investment and Development designed With You and For You

Interim Condensed Consolidated Statement of Financial Position As at 30 June 2022

-		Inflation	Adjusted	Historical Cost			
		Reviewed Aud		Unaudited	Unaudited		
	Note	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021		
ASSETS		ZWL 000	ZWL 000	ZWL 000	ZWL 000		
Non-current Assets							
Investment properties	6.1	77 989 500	48 246 709	77 989 500	22 039 000		
Investment in Associate	7	27 455	27 455	8 702	8 702		
Vehicles and equipment	8	20 405	17 881	6 175	2 833		
Financial assets at fair value through profit or loss - Unquoted shares	9	27 185	18 473	27 185	8 438		
Financial assets at fair value through profit or loss - Quoted shares	9.1	3 522	3 061	3 522	1 398		
Financial assets at amortised cost	10	200	855	200	390		
		78 068 267	48 314 434	78 035 284	22 060 761		
Current Assets							
Inventory		155	1 052	24	121		
Trade and other receivables	11	348 234	464 507	311 887	192 677		
Investment Property held for sale	6.2	28 000	-	28 000	-		
Cash and cash equivalents	12	779 014	505 250	779 014	230 797		
		1 155 403	970 809	1 118 925	423 595		
Total Assets		79 223 670	49 285 243	79 154 209	22 484 356		
EQUITY AND LIABILITIES Equity attributable to equity holders of the parent							
Ordinary share capital		165 235	165 235	1 198	1 198		
Retained earnings		68 113 130	43 141 966	68 245 733	19 760 449		
Total Shareholders' Equity		68 278 365	43 307 201	68 246 931	19 761 647		
Non-current liabilities							
Deferred tax liabilities	13	10 502 270	5 702 520	10 483 981	2 598 083		
		10 502 270	5 702 520	10 483 981	2 598 083		
Current liabilities							
Current income tax liability		14 120	14 498	14 120	6 623		
Trade and other payables	14	428 915	261 024	409 177	118 003		
		443 035	275 522	423 297	124 626		
Total Liabilities		10 945 305	5 978 042	10 907 278	2 722 709		
Total Equity and Liabilities		79 223 670	49 285 243	79 154 209	22 484 356		

Interim Condensed Consolidated Statement of Comprehensive Income for the period ended 30 June 2022

Inflation Adjusted **Historical Cost** Restated Restated Reviewed Unaudited Reviewed Unaudited 30 Jun 2022 30 Jun 2022 Note 30 Jun 2021 30 Jun 2021 ZWL 000 ZWL 000 ZWL 000 ZWL 000 Revenue 15 746 274 595 460 485 763 191 416 (472 550) (263 450) (336 251) (95 986) Property expenses 16 Provision for credit losses (26 528) (17 273) (26 528) (5924)Net property income (NPI) 247 196 314 737 122 984 89 506 Employee related expenses (83 715) (27 184) $(55\ 002)$ (38 593) Other expenses (124 810) $(105\ 233)$ (84 653) (22 059) 125 789 (262) NPI after admin expenses 67 384 40 263 Fair value adjustment - investment 18 29 743 530 (4 651 593) 55 970 982 358 404 properties Net monetary loss $(534\ 445)$ (73 569) 7 948 Finance income 19 50 716 32 328 2 562 Other income 20 582 528 5 302 475 240 1 1 5 6 402 385 Profit/(loss) before income tax 17 29 909 713 (4 586 123) 56 478 288 Income tax (expense) credit 21 (4 844 980) 2 527 824 (7 931 228) (62 224) (2 058 299) 48 547 060 Profit/(loss) for the period 25 064 733 340 161

The business outlook remains highly uncertain. Despite this, the Company will continue to explore pragmatic strategies to grow the shareholder value including investing in high-yielding properties which will hedge the Company against inflation and exchange rate risks. Maintaining high occupancy levels on the back of effective client relationship management, provision of quality and safe product through on-going property refurbishment, maintenance and upgrades will remain a key focus area in the outlook.

Other comprehensive income for the period	-	-	-	-
Total comprehensive profit/(loss) for the period	25 064 733	(2 058 299)	48 547 060	340 161
Attributable to: -Owners of the parent	25 064 733	(2 058 299)	48 547 060	340 161
Total profit/(loss) for the period	25 064 733	(2 058 299)	48 547 060	340 161
Total profit/(loss) for the period	25 064 733	(2 058 299)	48 547 060	340 161
Total profit/(loss) for the period Basic and diluted earnings/(loss) per share (ZWL cents) Headline earnings per share (ZWL cents)	25 064 733 2 027 2 027	(2 058 299) (166) (166)	48 547 060 3 925 3 925	340 161 28 28
Basic and diluted earnings/(loss) per share (ZWL cents)	2 027	(166)	3 925	28

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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Reviewed Abridged Financial Results For the half year ended 30 June 2022

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Interim Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2022

ior the period ended 30 June 2022	Inflation Adjusted Attributable to owners of the parent						
	Ordinary Share Capital	Treasury shares	Retained Earnings	Total Shareholders Equity			
	ZWL 000	ZWL 000	ZWL 000	ZWL 000			
At 1 January 2021	168 296	(3 061)	30 557 543	30 722 778			
Loss for the period	-	-	(2 058 299)	(2 058 299)			
Dividend paid	-	-	(69 878)	(69 878)			
At 30 June 2021	168 296	(3 061)	28 429 366	28 594 601			
At 1 January 2022	168 296	(3 061)	43 141 966	43 307 201			
Acquisition of treasury shares	-	-	(518)	(518)			
Profit for the period	-	-	25 064 733	25 064 733			
Dividend paid	-	-	(93 051)	(93 051)			
At 30 June 2022	168 296	(3 061)	68 113 130	68 278 365			

Interim Condensed Consolidated Statement of Changes in Equity for the period ended 30 June 2022

	Historical Cost							
All figures in ZWL	Attributable to owners of the parent							
	I							
	Ordinary Share		Retained	Shareholders				
	Capital	Treasury shares	Earnings	Equity				
	ZWL 000	ZWL 000	ZWL 000	ZWL 000				
At 1 January 2021	1 238	(40)	8 723 959	8 725 157				
Profit for the period	-	-	340 160 (21 511)	340 160				
Dividend paid	-	-		(21 511)				
At 30 June 2021	1 238	(40)	9 042 608	9 043 806				
At 1 January 2022	1 238	(40)	19 760 449	19 761 647				
Acquisition of treasury shares	-	-	(518)	(518)				
Profit for the period	-	-	48 547 060	48 547 060				
Dividend paid	-	-	(61 258)	(61 258)				
At 30 June 2022	1 238	(40)	68 245 733	68 246 931				
AC 50 June 2022	1250	(••)	00 245 755	00 240 751				

Interim Condensed Consolidated Statement of Cash Flows

for the period ended 30 June 2022

ioi ule perioù endeu 30 julie 2022						
	Inflation /	Adjusted	Historical			
	Reviewed	Reviewed	Unaudited	Unaudited		
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021		
	ZWL 000	ZWL 000	ZWL 000	ZWL 000		
Profit before tax	29 909 713	(4 586 123)	56 478 288	402 385		
Adjustment for non-cash items***	(29 931 672)	¥ 760 046	(56 425 044)	(346 955)		
Cash flows from operating activities						
before working capital adjustments	(21 959)	173 923	53 244	55 430		
Working capital adjustments	258 533	(86 260)	145 533	(28 192)		
Cash generated from operations	236 574	87 663	198 777	27 238		
Tax paid	(51 567)	(75 648)	(37 758)	(24 678)		
Net cash flow from operating activities	185 007	12 015	161 019	2 560		
Net cash flows used in investing activities	(34 562)	(50 208)	(4 205)	(17 238)		
Net cash flows from financing activities*	(68 052)	(65 016)	(61 777)	<u>(21 511)</u>		
Net increase/(decrease) in cash and						
cash equivalents	82 393	(103 209)	95 037	(36 189)		
Inflation effect on overall cash flows	(543 945)	(79 299)	-	-		
Opening cash and cash equivalents	505 250	436 445	230 797	124 032		
Effects of changes in foreign currency	735 316	26 858	453 180	8 464		
Cash and cash equivalents at 30 June 2022	779 014	280 795	779 014	96 307		
				:		

*Net cash flow from financing activities is entirely comprised of dividends paid out **Adjustment for non cash items take into account the following

	Inflation	adjusted	Historical			
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021		
	ZWL 000	ZWL 000	ZWL 000	ZWL 000		
Profit/(loss) before tax	29 909 713	(4 586 123)	56 478 288	402 385		
Fair value adjustments	(29 743 530)	4 651 593	(55 970 982)	(358 404)		
Impairment of trade receivables	26 528	17 273	26 528	5 924		
Net monetary loss	534 445	73 569	-	-		
Exchange (gain)/ loss	(706 110)	11 814	(435 179)	4 383		
Other non cash items*	(43 005)	5 797	(45 411)	1 142		
Cash flows from operating activities						
before working capital adjustments	(21 960)	173 923	53 244	55 430		

*0ther non cash items includes depreciation, profit on disposal, finance income and exchange gains

Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

Corporate information 1

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 condensed consolidated financial statements of the Group for the period ended 30 lune 2022 were authorised for issue in accordance with a resolution of the directors at a meeting held on 30 August 2022.

Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

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-22	8 707,35	1,00
31-Dec-21	3 977,50	2,19
30-Jun-21	2 986,40	2,92
31-Dec-20	2 608,79	3,52

Accounting policies

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6.1

The principal accounting policies adopted in the presentation of these financial statements are consistent with those of the previous financial year. However the Group changed the classification of staff related expenses and other offices expenses which are directly associated with the management of properties from administration expenses to property expenses in line with regional listed property companies. The reclassification resulted in increase in property expenses and decrease in administration expenses with no effect on profit for the period.

Reporting period and currency

The reporting period is 1 January 2022 to 30 June 2022. 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. There was no change in the functional currency and reporting currency of the Group from the previous financial period. The Group used the RBZ auction rate to translate all transactions done in foreign currency to Zimbabwean dollars (ZWL).

Going concern assumption

The Directors have assessed the ability of the Group to continue operating as going concerns and believe that the preparation of these interim condensed financial statements on a going concern basis is appropriate based on the Unaudited Historical financial performance for the half year of 2022. The business also continues to implement futuristic plans in response to the market trends to ensure sustainable earnings, with investments planned for Arundel Office Park expansion and participation in FMHL Group projects, retail land acquisitions and tenant driven expansion initiatives. In addition, borrowing capabilities continue to be pursued due to the positive cash flow generation. These all provide evidence of business continuity and the thrust to implement strategic plans and targets. It is to this effect that First Mutual Properties Limited interim condensed financial statements will continue to be prepared under the going concern basis.

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 2022 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

	Investment Properties	Inflation	adjusted	Historical			
I	investment roperaes	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000		
	At 1 January	48 246 709	33 062 434	22 039 000	9 395 892		
	Additions	81 836	-	44 794	-		
	Disposals	(58 055)	-	(40 756)	-		
	Transfer to held for sale	(28 000)	-	(28 000)	-		
	Improvements to existing properties	3 480	45 940	3 480	15 756		
	Fair value adjustments	29 743 530	15 138 335	55 970 982	12 627 352		
	Closing Balance	77 989 500	48 246 709	77 989 500	22 039 000		

Investment property held for sale 6.2

During the half year ended 30 June 2022, the directors of First Mutual Properties Limited decided to dispose of a parcel of land, known as Good hope, Borrowdale, Harare as part of the Group's ongoing capital recycling strategy. Conditions for the classification as held for sale (as stipulated in IFRS 5- Non-current assets held for sale and discontinued operations) were met as at 30 June 2022. The asset was reclassified to current assets from investment property as disclosed below.

6.2 Investment property held for sale

At 1 January	
Reclassification to held for sale	
Fair value adjustment	
Disposal	
Closing Balance	

Inflation	adjusted	Historical			
30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000		
ZWL 000 -	171 780	ZWL 000	48 818		
28 000	-	28 000	-		
-	7 005	-	2 402		
-	(178 785)	-	(51 220)		
28 000	-	28,000	-		

Statement of compliance

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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). 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 inflation adjusted financial statements from which this abridged version has been extracted have been reviewed by the group's external auditors, Ernst and Young Chartered Accountants (Zimbabwe). A qualified review conclusion has been issued thereon as a result of non-compliance with the requirements of International Accounting Standard 8 (Accounting policies, changes in accounting estimates and errors) and the consequential impact of applying International Accounting Standard 29 (Financial reporting in Hyperinflationary Economies) on incorrect base numbers for the corresponding (prior year) figures only. The auditor's review conclusion is available for inspection at the Group's registered office. The partner of this engagement was Fungai Kuipa (PAAB Practising certificate number 335).

Valuation techniques and inputs 6.3

Valuation techniques used to derive level 3 fair values

The table below presents the following for each class of the investment property:

- the fair value measurements at the end of the reporting period;
- the level of the fair value hierarchy (in this case level 3) within which the fair value measurements are categorized in their entirety:
- a description of the valuation techniques applied;
- the inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building; and
- level 3 fair value measurements, quantitative information about the significant observable inputs used in the fair value measurement.

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) First Mutual Properties, First Mutual Park, First Floor, 100 Borrowdale Road, Borrowdale, Harare, Zimbabwe | P 0 Box MP 373, Mt Pleasant, Harare | Tel: +263 (242) 886 121 - 4 | Email: info@firstmutualproperties.co.zw | Website: www.firstmutual.co.zw | 🕲 +263 778 917 309 🕲 🔿

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FIRST MUTUAL Reviewed Abridged Financial Results For the half year ended 30 June 2022

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Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

All figures in ZWL (Class of Property	Fair value	Valuation Technique	Key Unobservable Inputs	5		
			Optimal Rental Per Square Metre	ZWL1 400-2	ZWL2 500	Rang
CBD Offices	13 850 000	Income Capitalisation	Return on Optimal	5.5.0	0%-8.5%	Rang
		Capitalisation	Vacancy Rate	714/1 2 000		ighted averag
			Optimal Rental Per Square Metre		ZWL4 000	Rang
Office Parks	21 150 000	Income Capitalisation	Return on Optimal Rental	5.00	%-6.00%	Rang
		•	Vacancy rate Optimal Rental Per	ZWL2 000 -		ighted averag Rang
CBD Retail*	10 309 800		Square Metre Return on Optimal		%-5.00%	Rang
		Capitalisation	Vacancy rate		0%	
			Optimal Rental Per Square Metre	ZWL2 500 -	ZWL5 000	Rang
Suburban Retail*	4 665 000	Income Capitalisation	Return on Optimal Rental	4.00	%-5.00%	Rang
			Vacancy rate Optimal Rental Per	ZWL700 - 2	0% ZWL1 700	Rang
Industrial	7 145 000	Income	Square Metre Return on Optimal	7.00%	%-10.00%	Rang
		Capitalisation			0%	5
Residential	2 833 500	Market	Comparable			
		Comparable	transacted Propert Prices	У		
Land - Residential	-	Market	Rate per square	ZWL1	2 000.00-	Rang
		Comparable	metre Comparable	ZWLZ	21 000.00	
			Transacted land Prices			
Land - Commercial	18 036 200	Market	Rate per square			
		Comparable	metre Comparable	ZWL	50 000.00	
			Transacted land Prices			
Total	77 989 500					
Investment in ass	ociato		Inflation	adjusted	Historical	
investment in ass	ocidie		30 Jun 2022		30 Jun 2022	
As at 1 January			ZWL 000 27 455	ZWL 000	ZWL 000 8 702	ZWL 00
Additions Closing Balance			27 455	27 455 27 455	8 702	8 70 8 70
Vehicles and Equip	oment		Inflation			orical
			30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000	31 Dec 202 ZWL 00
At I January Additions			17 881 7 715	14 923 9 745	2 833 3 877	17 3 29
Disposals			(111)	(376)	(3)	(138
Depreciation Closing Balance			(5 080) 20 405	(6 411) 17 881	(532) 6 175	(490 2 83
			Inflation	adjusted	Histo	orical
Financial Assets a loss - Unquoted sh		ough profit o			- inste	
	0153			31 Dec 2021	30 Jun 2022	
At 1 January			ZWL 000 18 473	ZWL 000 16 667	ZWL 000 8 438	ZWL 00 4 73
Fair value adjustme Closing Balance	nt		8 712 27 185	1 806 18 473	18 747 27 185	

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The Group has an investment of 8.91% of the ordinary shares of First Mutual Property Fund One (Private) Limited ("FMPFO") which is incorporated and domiciled in Zimbabwe and is unquoted. The fair value of the Group's investment in FMPFO is based on the net asset value of FMPFO. FMPFO is a property holding company which owns one building that is leased out to one tenant. The building constitutes 98% of the total assets of FMPFO. The fair value of the building was therefore a significant element in determining the net asset value of FMPFO. The building was valued by an independent valuer using the income approach. The investment in FMPFO is categorised as level 3 in the IFRS 13 'Fair value measurement' hierarchy. This implies that the fair value is determined with reference to unobservable inputs. Key unobservable inputs used in the valuation included rental per square metre and the capital rate/prime yield. The total lettable space is 2 508 square metres.

Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

			Inflation adjusted			Historical				
Financial Assets at fair value throu loss - Quoted shares			30 Jun 2022 ZWL 000			Dec 2021 30 ZWL 000		0 Jun 2022 ZWL 000		Dec 2021 ZWL 000
As at January				3 061		-		1 398		-
Additions				-		2 337		-		897
Fair value adjustment		_		461		724		2 124		501
		-		3 522		3 061		3 522		1 398
Financial Assets at Amortised Cost			20 1	. 2022	71 0	2021	201		74 1	2021
				VL 000		ec 2021 ZWL 000		un 2022 ZWL 000	311	ZWL 000
Treasury bills			20	200	1	438	4	200		200
Housing bonds				200		417		200		190
The string bornes		-		200		855		200		390
Trade and Other Receivables										
			30 Jun	1 2022	31 D	ec 2021	30 J	un 2022	31 (Dec 2021
				VL 000		ZWL 000		ZWL 000		ZWL 000
Tenant receivables				13 260		158 115		113 260		72 226
Tenant operating cost recoveries		-		36 450		69 806		36 450		31 888
Trade receivables				19 710		227 921		149 710		104 114
Less: Allowance for Credit Losses Net Trade Receivables		-	· ·	9 706)		(72 633)		(59 706)		(33 179)
Prepayments				0 004 34 784		155 288 257 632		90 004 198 437		70 935 98 177
Other receivables				18 814		27 539		18 814		12 580
Related party receivables				4 632		24 048		4 632		10 985
Related party recertables		-	34	348 234		464 507		311 887		192 677
Reconciliation of allowance for cre	dit losses									
			30 Jun	1 2022	31 D	ec 2021	30 J	un 2022	31 [Dec 2021
				VL 000	7	ZWL 000		ZWL 000		ZWL 000
At 1 January				72 633		29 308		33 179		8 781
Add: Charge for the year				26 528		53 410		26 527		24 398
Effect of inflation		-		9 455)		(10 085)		-		-
		-	5	<u>9 706</u>		72 633		59 706		33 179
Analysis of Allowance for Expecter June 2022 ZWL 000			Inflatio <mark>lays +</mark>	Ē	·	00 day	. 1	120 daya		Total
Expected loss rate	Current 7,39%		4,97%	60 da 73	iys + 77%	90 day 44,61		• 1 20 days 100%		Total
Gross carrying amount of trade	1,3770	1.	4,27 70	<i>L</i> J,	11 /0	44,0	1 70	1007	0	
receivables provided for	44 935	7	2 625	13	961	91	65	45 11	2	135 798
Credit loss allowance*	3 322		3 386		318	40		45 11		59 227
Expected loss rate Gross carrying amount-trade	3,43%	-	3,43%	3,	43%	3,43	3%	3,43%	6	
receivables provided for	10 218		467		175	2 0		1 08	-	13 984
Credit loss allowance**	350		16		6		70	3	7	479
Total credit loss allowance	3 673		3 402	3	324	41	59	45 14	9	59 706

December 2021 ZWL 000 Expected loss rate Gross carrying amount of trade	Current 6,65%	30 days + 13,37%	60 days + 32,56%	90 days + 41,56%	120 days + 100%	Total
receivables provided for	78 310	33 512	27 405	12 703	47 428	199 358
Expected Credit loss allowance*	5 212	4 482	8 922	5 280	47 428	71 324
Expected loss rate Gross carrying amount of trade	4,52%	4,52%	4,52%	4,52%	4,52%	
receivables provided for	5 594	1 006	2 127	6 850	13 407	28 984
Expected Credit loss allowance**	253	45	96	309	606	1 309
Total credit loss allowance	5 464	4 527	9 018	5 589	48 034	72 633

11.2 Analysis of Allowance for Expected Credit Losses (Historical data)

lune 2022						
ZWL 000	Current	30 days +	60 days +	90 days +	120 days +	Total
Expected loss rate	7,39%	14,97%	23,77%	44,61%	100%	
Gross carrying amount of trade						
receivables provided for	44 935	22 625	13 961	9 165	45 112	135 798
Credit loss allowance*	3 322	3 386	3 318	4 089	45 112	59 227
Expected loss rate	3,43%	3,43%	3,43%	3,43%	3,43%	
Gross carrying amount-trade						
receivables provided for	10 218	467	175	2 044	1 080	13 984
Credit loss allowance**	350	16	6	70	37	479
-						
Total credit loss allowance	3 672	3 402	3 324	4 159	45 149	59 706
December 2021						
ZWL 000	Current	30 days +	60 days +	90 days +	120 days +	Total

Expected loss rate 13.37% 100% 6.65% 32 56% 41 56%

The key inputs that were used to value the building that is owned by FMPFO are:

Class of property	Fair Value as at 30-Jun-22	Valuation technique	Key unobservable inputs	Range of inputs	Sensitivity of the input to fair value 10% (2021: 10%) increase (decrease)
					in the growth rate
					would result in an
			Optimal Rental		increase (decrease)
			Per Square	ZWL2 500	in fair value by ZWL
Fair value of the Full		Income	Metre Capital	-ZWL5 000	40,000,000 (2021: ZWL
Fund (CBD retail)	400 000 000,00	Capitalisation	rate	4.00%-5.00%	12,375,000)

Total credit loss allowance	2 496	2 068	4 120	2 553	21 942	33 179
Expected Credit loss allowance**	115	21	44	141	277	598
Gross carrying amount of trade receivables provided for	2 555	459	972	3 129	6 124	13 239
Expected loss rate	4,52%	4,52%	4,52%	4,52%	4,52%	
Expected Credit loss allowance*	2 381	2 047	4 076	2 412	21 665	32 581
Gross carrying amount of trade receivables provided for	35 806	15 308	12 518	5 803	21 665	91 100
Expected 1055 force	0,00,00	10,01,0	52,50 10	11,0070	10070	

*Credit loss allowance at different loss rates **Credit loss allowance at 4.52%

Change of provisioning matrix

As at 30 June 2022, the Group revised its Expected Credit Loss (ECL) provisioning matrix in line with changes in market and economic conditions affecting the tenants ability to settle their arrears. The revision took into account historical data for the past three years. Forward looking information was incorporated by adjusting historical loss rates using estimated GDP movements in the Zimbabwean economy.

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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FIRST MUTUAL Reviewed Abridged Financial Results For the half year ended 30 June 2022

Go Beyond

Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

	for the period ended 50 julie 2022				
		Inflation	adjusted	Histo	orical
12	Cash and Cash Equivalents				
		30 Jun 2022	31 Dec 2021		31 Dec 2021
		ZWL 000		ZWL 000	ZWL 000
	Short-term Investments	177 130	25 500	177 130	11 648
	Cash at Bank: USD	573 148		573 148	207 797
	ZWL	28 736 779 014		28 736 779 014	<u>11 352</u> 230 797
		119 014	505 250	//9014	230 191
		Inflation	adjusted	Histo	orical
13	Deferred Tax Liability	inidion	adjusted	TISK.	
	,	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
		ZWL 000	ZWL 000	ZWL 000	ZWL 000
	1 January	5 702 520	2 965 728	2 598 083	841 971
	Recognised in the statement of profit or loss	(1 (7))	(257)		
	-Arising on inventory	(162)	(257)	-	-
	-Arising from prepayments -Arising on vehicles and equipment	2 640 1 024		- 317	61
	-Arising on investment properties	4 792 523	· · /	7 893 146	1 761 443
	-Arising on financial assets at fair value through	1772 525	2751170	1 075 1 10	
	profit or loss	462	90	884	(2 231)
	-Arising on provisions for credit losses	3 196	(10 317)	(6 558)	(6 031)
	-Arising on leave pay provisions	67	12 300	(1 891)	2 870
		10 502 270	5 702 520	10 483 981	2 598 083
		Inflation	adjusted	Hict	orical
14	Trade and Other Payables	Innauon	aujusteu	nisu	Jillai
••		30 lun 2022	31 Dec 2021	30 lun 2022	31 Dec 2021
		ZWL 000		ZWL 000	ZWL 000
	Income received in advance	200 374	18 236	180 636	7 100
	Related party payables	50 851	14 355	50 851	6 558
	Sundry payables	89 174		89 174	49 707
	Trade payables	66 594		66 594	39 480
	Leave pay provision Group company payables	14 321 7 601	14 596 18 587	14 321 7 601	6 667 8 491
	Citrup company payables	428 915		409 177	118 003
	_	Inflation	adjusted	Histo	orical
15	Revenue				
15	Revenue	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
15		30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000
15	Rental income	30 Jun 2022 ZWL 000 725 122	31 Dec 2021 ZWL 000 581 372	30 Jun 2022 ZWL 000 468 332	31 Dec 2021 ZWL 000 186 851
15		30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 581 372 14 088	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000
15	Rental income	30 Jun 2022 ZWL 000 725 122 21 152 746 274	31 Dec 2021 ZWL 000 581 372 14 088 595 460	30 Jun 2022 ZWL 000 468 332 17 431	31 Dec 2021 ZWL 000 186 851 4 565 191 416
	Rental income Property Services income	30 Jun 2022 ZWL 000 725 122 21 152 746 274	31 Dec 2021 ZWL 000 581 372 14 088	30 Jun 2022 ZWL 000 468 332 17 431	31 Dec 2021 ZWL 000 186 851 4 565
15	Rental income	30 Jun 2022 ZWL 000 725 122 21 152 746 274	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted	30 Jun 2022 ZWL 000 468 332 17 431 485 763	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical
	Rental income Property Services income	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021
	Rental income Property Services income Property Expenses	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted	30 Jun 2022 ZWL 000 468 332 17 431 485 763	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical
	Rental income Property Services income	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000
	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782
	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713
	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs*	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825
	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268
	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs*	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825
	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs*	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268
16	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs*	30 Jun 2022 ZWL 000 725 122 21 152 746 274 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268 95 986
16	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related effect associated with the management of properties from	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expe expenses to pro	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 e directly
16	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related effect of the security of	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expe expenses to pro	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 e directly
16 16.1	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related effect associated with the management of properties from	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration expenses and of administration reclassification i	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expenses to pross disclosed belo	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses w.	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 e directly in line with
16	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related effect associated with the management of properties from	30 Jun 2022 ZWL 000 725 122 21 152 746 274 Infla 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration expenses and of administration i reclassification i	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expenses to pro s disclosed belo 31 Dec 2021	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses w.	31 Dec 2021 2WL 000 186 851 4 565 191 416 Historical 31 Dec 2021 2WL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 e directly in line with 31 Dec 2021
16 16.1	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related effect associated with the management of properties from regional listed property companies. The effect of the	30 Jun 2022 ZWL 000 725 122 21 152 746 274 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration expenses and of administration i 30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expe expenses to pro s disclosed belo 31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses w. 30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 e directly in line with 31 Dec 2021 ZWL 000
16 16.1	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related e associated with the management of properties from regional listed property companies. The effect of the Increase in property expenses	30 Jun 2022 ZWL 000 725 122 21 152 746 274 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration expenses and of administration administration administration administration 30 Jun 2022 ZWL 000 278 046	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expe expenses to pro s disclosed belo 31 Dec 2021 ZWL 000 111 105	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses w. 30 Jun 2022 ZWL 000 188 549	31 Dec 2021 2WL 000 186 851 4 565 191 416 Historical 31 Dec 2021 2WL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 95 986 e directly in line with 31 Dec 2021 2WL 000 47 093
16 16.1	Rental income Property Services income Property Expenses Maintenance costs Property security and utilities Valuation fees Operating cost under recoveries Staff costs* Other costs* Other costs* *Reclassification effect on property expenses and The Group changed the classification of staff related effect associated with the management of properties from regional listed property companies. The effect of the	30 Jun 2022 ZWL 000 725 122 21 152 746 274 30 Jun 2022 ZWL 000 110 983 7 086 1 581 74 854 200 603 77 443 472 550 administration expenses and of administration i 30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 581 372 14 088 595 460 ation adjusted 31 Dec 2021 ZWL 000 45 737 5 659 1 864 99 085 68 006 43 099 263 450 n ther offices expe expenses to pro s disclosed belo 31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000 468 332 17 431 485 763 30 Jun 2022 ZWL 000 85 444 5 567 761 55 930 134 926 53 623 336 251 enses which are perty expenses w. 30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000 186 851 4 565 191 416 Historical 31 Dec 2021 ZWL 000 14 782 1 807 591 31 713 28 825 18 268 95 986 e directly in line with 31 Dec 2021 ZWL 000

		Inflation	adjusted	Historical		
17	Profit before income tax takes into account the following					
		30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021	
		ZWL 000	ZWL 000	ZWL 000	ZWL 000	
	Directors fees -for services as directors	7 628	8 746	4 853	1 882	
	Audit fees	7 773	5 207	4 547	1 132	
	Information communication and technology					
	expenses	3 280	10 172	2 404	813	
	Fees and other charges	26 813	6 465	18 278	3 013	
	Depreciation	5 080	2 280	106	44	
	Office costs	13 192	23 896	12 272	1 039	
	Group shared services	57 496	42 182	39 317	13 593	
	1					

Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

Other Income	Inflation	adjusted	Historical		
	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	
Exchange gains	543 217	(11 813)	435 179	(4 382)	
Shared service recoveries	29 137	16 629	18 510	5 378	
Sundry income*	9 176	430	20 877	142	
Disposal of Property Plant and Equipment	119	-	87	-	
Other income**	879	56	587	18	
	582 528	5 302	475 240	1 156	

*Sundry income consists of lease fees, Operating Cost fee income and bad debts recovered **Other income consists of exhibition fee income (2021) and proceeds from insurance claim (2022)

		Inflation	adjusted	Historical		
I	Income Tax Expense/ (Credit)	30 lun 2022	31 Dec 2021	30 lun 2022	31 Dec 2021	
		ZWL 000		ZWL 000	ZWL 000	
	Current income tax	45 255	24 906	45 255	8 542	
	Deferred tax	4 799 725	(2 552 730)	7 885 973	53 682	
		4 844 980	(2 527 824)	7 931 228	62 224	

2022

Consolidation

INFLATION ADJUSTED - AUDITED

20

21

Segment Reporting for the half year ended 30 June 2022 22

					Consolidation	
	Office	Retail	Industrial	Other	Jrnls	Total
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Revenue	371 901	228 066	89 348	180 942	(123 984)	746 273
Property expenses and					. ,	
allowance for credit losses	(130 481)	(40 910)	(10 419)	(317 268)	-	(499 078)
Segment results	241 420	187 156	78 929	(136 326)	(123 984)	247 195
Fair value adjustment -					. ,	
Investment property	13 971 572	4 988 453	2 694 779	8 088 726	-	29 743 530
Segment profit	14 212 992	5 175 609	2 773 708	7 952 400	(123 984)	29 990 725
Employee related expenses	-	-	-	(55 002)	-	(55 002)
Other Expenses	(249)	(38)	(1)	(248 505)	123 984	(124 809)
Finance income	26 586	8 660	5 921	9 549	-	50 716
Other income	394 987	-	-	187 541	-	582 528
Net monetary loss	-	-	-	-	(534 445)	(534 445)
Profit before income tax						
expense	14 634 316	5 184 231	2 779 628	7 845 983	(534 445)	29 909 713
•						

Reconciliation of Segment Results for 30 June 2022

All figures in ZWL	Office	Retail	Industrial	Other	Consolidation Jrnls	Total
Assets	ZWL 000	ZWL 000				
Investment Property	35 000 000	14 974 800	7 145 000	20 869 700	-	77 989 500
Trade receivables	47 069	19 471	17 792	39 308	(33 636)	90 004
Segment Assets	35 047 069	14 994 271	7 162 792	20 909 008	(33 636)	78 079 504
Other non-current assets	-	-	-	78 768	-	78 768
Other current assets	-	-	-	1 066 242	(844)	1 065 398
Total Assets	35 047 069	14 994 271	7 162 792	22 054 018	(34 480)	79 223 670
Current Liabilities	225 800	20 424	4 792	226 499	(34 480)	443 035
Capital expenditure	3 480	-	-	-	-	3 480

2021

Segment Reporting for the half year ended 30 June 2021

					Consolidation		
All figures in ZWL	Office	Retail	Industrial	Other	Jrnls	Total	
	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	
Revenue	357 306	150 370	45 301	99 295	(56 812)	595 460	
Property expenses and							
allowance for credit losses	(94 537)	(16 290)	(7 426)	(162 470)	-	(280 723)	
Segment results	262 769	134 080	37 875	(63 175)	(56 812)	314 737	
Fair value adjustment -					. ,		
Investment property	(2 333 023)	(405 388)	(489 814)	(1 423 368)	-	(4 651 593)	
Segment profit	(2 070 254)	(271 308)	(451 939)	(1 486 543)	(56 812)	(4 336 856)	
Employee related expenses	-	-	-	(83 715)	-	(83 715)	
Other Expenses	(37 391)	(24 838)	(8 040)	(122 084)	87 120	(105 233)	
Finance income	4 103	1 569	504	1 772	-	7 948	
Other income	(22 516)	-	-	27 818	-	5 302	
Net monetary gain	-	-	-	-	(73 569)	(73 569)	
Loss before income tax							
expense	(2 126 058)	(294 577)	(459 475)	(1 662 752)	(43 261)	(4 586 123)	

Reconciliation of Segment Results for 31 December 2021

					Consolidation	
All figures in ZWL	Office	Retail	Industrial	Other	Jrnls	Total
Assets	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Investment Property	20 720 319	9 835 420	4 540 300	13 150 670	-	48 246 709
Trade receivables	82 055	37 109	20 855	17 117	(1 848)	155 288
Segment Assets	20 802 374	9 872 529	4 561 155	13 167 787	(1 848)	48 401 997
Other non-current assets	-	-	-	67 725	-	67 725
Other current assets	-	-	-	815 521	-	815 521
Total Assets	20 802 374	9 872 529	4 561 155	14 051 033	(1 848)	49 285 243
Current Liabilities	62 637	15 168	5 095	190 756	1 866	275 522
Capital expenditure	2 547	43 516	-	-	-	46 063

18 Fair value adjustments

Fair value adjustment on investment properties Fair value adjustment on investment property held for sale

19 Finance Income

Interest on overdue tenants accounts Interest on money market investments

Inflation	adjusted	Historical				
30 Jun 2022 ZWL 000 29 743 530	31 Dec 2021 ZWL 000 (4 628 417)	30 Jun 2022 ZWL 000 55 970 982	31 Dec 2021 ZWL 000 356 254			
-	(23 176)	-	2 150			
29 743 530	(4 651 593)	55 970 982	358 404			
Inflation	adjusted	Historical				
30 lun 2022	31 Dec 2021	30 lun 2022	31 Dec 2021			
30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000	30 Jun 2022 ZWL 000	31 Dec 2021 ZWL 000			
ZWL 000	ZWL 000	ZWL 000	ZWL 000			

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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Go Beyond

FIRST MUTUAL Reviewed Abridged Financial Results For the half year ended 30 June 2022

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Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

2022

HISTORICAL - UNAUDITED

22 Segment Reporting for the half year ended 30 June 2022

	-	-			Consolidation		
All figures in ZWL	Office	Retail	Industrial	Other	Jrnls	Total	
-	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	
Revenue	242 077	148 452	58 158	117 779	(80 703)	485 763	
Property expenses and							
allowance for credit losses	(94 379)	(32 114)	(9 242)	(227 045)	-	(362 780)	
Segment results	147 698	116 338	48 916	(109 266)	(80 703)	122 983	
Fair value adjustment -							
Investment property	26 291 520	9 387 206	5 071 000	15 221 258	-	55 970 984	
Segment profit	26 439 218	9 503 544	5 119 916	15 111 992	(80 703)	56 093 967	
Employee related expenses	-	-	-	(38 593)	-	(38 593)	
Other Expenses	(169)	(26)	(1)	(165 160)	80 703	(84 653)	
Finance income	16 946	5 520	3 774	6 087	-	32 327	
Other income	322 240	-	-	153 000	-	475 240	
Profit before income tax							
expense	26 778 235	9 509 038	5 123 689	15 067 326	-	56 478 288	

Reconciliation of Segment Results for 30 June 2022

					Consolidation	
All figures in ZWL	Office	Retail	Industrial	Other	Jrnls	Total
Assets	ZWL 000	ZWL 000				
Investment Property	35 000 000	14 974 800	7 145 000	20 869 700	-	77 989 500
Trade receivables	47 069	19 471	17 792	39 308	(33 635)	90 005
Segment Assets	35 047 069	14 994 271	7 162 792	20 909 008	(33 635)	78 079 505
Other non-current assets	-	-	-	45 784	-	45 784
Current assets	-	-	-	1 029 764	(844)	1 028 920
Total Assets	35 047 069	14 994 271	7 162 792	21 984 556	(34 479 643)	79 154 209
Current Liabilities	215 741	19 515	4 579	217 942	(34 480)	423 297
Capital expenditure	3 480	-	-	-	-	3 480

2021

Segment Reporting for the half year ended 30 June 2021

					Consolidation		÷
All figures in ZWL	Office	Retail	Industrial	Other	Jrnls	Total	÷
-	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	÷
Revenue	114 860	48 338	14 562	31 919	(18 263)	191 416	÷
Property expenses and							÷
allowance for credit losses	(34 288)	(5 860)	(2 690)	(59 072)	-	(101 910)	÷
Segment results	80 572	42 478	11 872	(27 153)	(18 263)	89 506	ł
Fair value adjustment -							ł
Investment property	179 759	31 235	37 740	109 670	-	358 404	ł
Segment profit	260 331	73 713	49 612	82 517	(18 263)	447 910	ł
Employee related expenses	-	-	-	(27 184)	-	(27 184)	ł
Other Expenses	(7 838)	(5 207)	(1 685)	(25 593)	18 263	(22 060)	ł
Finance income	1 323	506	163	570	-	2 562	÷
Other income	(4 908)	-	-	6 064	-	1 156	÷
Profit before income tax							÷
expense	748 908	69 012	48 090	36 374	-	402 384	÷

Reconciliation of Segment Results for 31 December 2021

PROPERTIES Go Beyond

_					Consolidation	
All figures in ZWL	Office	Retail	Industrial	Other	Jrnls	Total
Assets	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000	ZWL 000
Investment Property	9 465 000	4 492 800	2 074 000	6 007 200	-	22 039 000
Trade receivables	37 483	16 951	9 526	7 819	(844)	70 935
Segment Assets	9 502 483	4 509 751	2 083 526	6 015 019	(844)	22 109 935
Other non-current assets	-	-	-	21 761	-	21 761
Current assets	-	-	-	352 660	-	352 660
Total Assets	9 502 483	4 509 751	2 083 526	6 389 440	(844)	22 484 356
Current Liabilities	28 333	6 861	2 304	86 284	844	124 626
Capital expenditure	871	14 885	-	3 291	-	19 047

Notes to the Interim Condensed Consolidated Financial Results for the period ended 30 June 2022

Related Party disclosures 23

The financial statements include transactions between First Mutual Properties Limited and other subsidiaries of First Mutual Holdings Limited. The following table provides the total amount of transactions, which have been entered into with related parties for the relevant financial year.

Transactions and balances with related Companies

The following table provide the total amount of transactions that have been entered into with related partirs during the year ended 30 June 2022:

All figures in ZWL 000	Inf	lation adjust	ed	Historical			
-	Group Company	Group Company	Rentals charged to Group	Group Company	Group Company	Rentals charged to Group	
Company	Payables	receivables	Companies	Payables	receivables	Companies	
- First Mutual Holdings Limited	-	1 560	15 883	-	1 560	9 789	
- First Mutual Life Assurance	2 361	-	36 660	2 361	-	22 594	
Company (Private) Limited							
- First Mutual Reinsurance	-	2 956	3 540	-	2 956	2 182	
Company Limited							
- First Mutual Health Company	523	-	18 086	523	-	11 146	
(Private) Limited							
- First Mutual Microfinance	-	-	510	-	-	314	
(Private) Limited			510			511	
- First Mutual Funeral Services	188	-	832	188	-	513	
(Private) Limited	100		052	100		515	
- First Mutual Wealth	_	117	1 729	_	117	1 065	
Management (Private) Limited		117	1727		117	1 005	
- Nicoz Diamond Insurance	4 529	_	1 063	4 529	_	655	
	4 329	-	1 005	4 329	-	055	
Limited	7 (01	4 ())	70 202	7 (01	4 ())	40.250	
	7 601	4 633	78 303	7 601	4 633	48 258	
Other directors interests*		1 788			1 788		

*During the 2022 half year the Group rented out premises to Eazstar Investments (Private) Limited, of which the spouse of one of the directors of the Company, is director and controlling shareholder. The Group also rented out premises to Arup Zimbabwe (Private) Limited of which one of the directors of the Company has 25.5% shareholding. The rentals were at market rates.

The following table provide the total amount of transactions that have been entered into with related partirs during the year ended 31 Dec 2021:

All figures in ZWL 000	Inflation adjusted			Historical			
		_	Rentals	_		Rentals	
	Group	Group	charged	Group	Group	charged	
_	Company		to Group	Company	Company	to Group	
Company	Payables	receivables	Companies	Payables	receivables	Companies	
- First Mutual Holdings Limited	-	18 090	18 076	-	8 263	8 257	
- First Mutual Life Assurance	8 378	-	41 047	3 827	-	18 750	
Company (Private) Limited							
- First Mutual Reinsurance	-	5 841	4 084	-	2 668	1 866	
Company Limited							
- First Mutual Health Company	2 760	-	22 489	1 261	-	10 273	
(Private) Limited							
- First Mutual Microfinance	-	-	1 104	-	-	504	
(Private) Limited							
- First Mutual Funeral Services	349	-	1 891	160	-	864	
(Private) Limited							
- First Mutual Wealth	-	117	1 982	-	53	905	
Management (Private) Limited							
- Nicoz Diamond Insurance	7 099	-	1 217	3 243	-	556	
Limited							
	18 586	24 048	91 890	8 491	10 984	41 975	

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FIRST MUTUAL PROPERTIES

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Property Management designed With You and For You



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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