

Swaziland Property Investments Limited

(Incorporated in the Kingdom of Eswatini)

Registration Number: 478 of 1996

Listed on the Eswatini Stock Exchange (ESE)

Share code : SWAPROP ISIN code SZ0005797946

Results for the year ended 30 June 2022

Consolidated statement of comprehensive income

	2022 E'000	2021 E'000
Revenue	23 601	22 611
Property expenses	(12 024)	(10 360)
Other administrative expenses	(3 059)	(1 066)
Operating profit	8 518	11 185
Fair value adjustment to properties	74 456	8 224
Investment income	221	373
Finance cost	(317)	(389)
Profit before taxation	82 878	19 393
Taxation	(84)	(147)
Profit for the year	82 794	19 246

Consolidated statement of changes in equity

	2022	2021
Balance at beginning of year	187 838	180 604
Profit for the year	82 794	19 246
Distribution to unit holders	(9 009)	(12 012)
Balance at end of year	261 623	187 838

Consolidated statement of financial position

	2022	2021
Non-current assets	252 170	186 053
Investment properties	249 860	182 753
Tenant installations	1 327	1 950
Plant and equipment	168	177
Lease accrual	775	1 173
Deferred tax asset	40	-
Current assets	19 452	13 417
Trade and other receivables	2 678	2 711
Lease accrual	446	553
Taxation prepaid	736	308
Non-current assets held for sale	7 487	-
Cash and cash equivalents	8 105	9 845
Total assets	271 622	199 470
Equity and non-current liabilities	264 487	192 101
Ordinary shareholders funds	261 623	187 838
Long term liabilities	2 659	3 907
Deferred tax	205	356
Current liabilities	7 135	7 369
Trade and other payables	5 871	6 134
Current portion on long term liability	1 253	1 212
Current tax liability	11	23
Total equity and liabilities	271 622	199 470

Consolidated statement of cash flows

	2022	2021
Cash at beginning of year	9 845	9 485
Cash from operating activities	8 657	13 333
Cash used in investing activities	(453)	(129)
Cash used in financing activities	(9 944)	(12 844)
Cash at end of year	8 105	9 845

SWAPROP's ratios over the past five years are shown as follows:

	2022	2021	2020	2019	2018
Earnings per unit (cents)	356.10	82.78	63.90	188.77	52.77
Distribution per unit (cents)	38.75	51.66	55.97	55.97	43.05

Commentary

1. SWAPROP operations

During the year the Group's occupancy levels were higher and rental income before the straight lining of leases adjustment increased from E22.3 million to E22.6 million. Total revenue has increased from E22.6 million to E23.6 million.

The Group expenditure in 2022 increased as a result of increases in insurance, repairs and maintenance and management expenses.

Against this backdrop the distribution of E9.0 million for the year is slightly lower than that declared last year of E12.0 million.

2. Property portfolio

The external valuer revalued the property portfolio during the current year using the income yield method, resulting in an E74.5 million upward fair value adjustment.

3. Outlook

In the 2023 financial year the group will, subject to regulatory approval, be acquiring Matata Properties (Proprietary) Limited for approximately E60 million. The Group will also be disposing of one of the properties from Tincwadzi Properties.

4. Financial statements

The financial statements for the year ended 30 June 2022 have been audited by SNG Grant Thornton Chartered Accountants (Eswatini).

5. Corporate Governance

The directors and management of Swaziland Property Investments Limited confirm their commitment to the principles of openness, integrity and accountability as advocated by sound principles of Corporate Governance contained in the King Reports.

6. Distribution declaration

A final distribution (number 49) of 17.22 cents per linked unit (2021; 21.52 cents) was declared on 4 November 2022 payable to unit-holders registered in the books of the company at the close of business on 3 December 2022. The register of members will be closed on 2 December 2022 for the purpose of identifying unitholders to whom the distribution will be made. The above mentioned final distribution will be paid out of current earnings.

7. Annual General Meeting

Notice is hereby given that the annual general meeting of members of the Company will be held at the Silver Spoon Asset Management offices in Ezulwini on 8 December 2022 at 10am.

By order of the Board

PA Taylor

Swaziland Property Investments Limited contact person: Ms N Dlamini

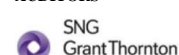
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Directors: PA Taylor (Chairman), DD Dlamini, MB Dlamini, K Dukes, M Ndlovu, M Vilakati, FJ Mabuza