

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

Reviewed interim results for the six month period ended 31 December 2023

Statement of comprehensive income

	Reviewed 6 months Dec 2023 E'000	Reviewed 6 months Dec 2022 E'000	Audited 12 months Jun 2023 E'000
Revenue	16 643	12 104	26 649
Property related expenses	(7 385)	(5 384)	(12 645)
Administrative expenses	(1 680)	(1 922)	(2 811)
Operating profit	7 578	4 798	11 193
Fair value adjustment	-	-	(12 735)
Investment income	232	180	8 660
Finance cost	(3 409)	(157)	(1 863)
Profit before taxation	4 401	4 821	5 255
Taxation	14	(211)	(841)
Profit from continuing operations	4 415	4 610	4 414
Loss from discontinued operation	(174)	-	(594)
Profit for the period	4 241	4 610	3 820

Statement of changes in equity

Balance at beginning of period	257 435	261 623	261 623
Profit for the year	4 241	4 610	3 820
Distribution to unit holders	(4 004)	(4 004)	(8 008)
Balance at end of period	257 672	262 229	257 435

Statement of financial position

Non-current assets	292 445	251 733	292 341
Investment properties	290 435	249 860	290 435
Tenant installations	385	902	664
Plant and equipment	273	156	145
Lease accrual	1 024	775	1 025
Deferred tax asset	328	40	72
Current assets	30 715	19 059	34 982
Trade and other receivables	2 377	2 658	2 888
Lease accrual	295	446	295
Taxation prepaid	242	648	665
Disposal group	22 658	7 487	22 654
Cash and cash equivalents	5 143	7 820	8 480
Total assets	323 160	270 792	327 323
Equity			
Ordinary shareholders funds	257 672	262 229	257 435
Non-current liabilities	48 668	2 034	52 695
Deferred taxation	143	140	256
Current liabilities	16 677	6 389	16 937
Trade and other payables	5 590	5 125	6 028
Current portion of liabilities	8 924	1 253	8 924
Current tax liability	423	11	423
Disposal group liabilities	1 740	-	1 562
Total equity and liabilities	323 160	270 792	327 323

Statement of cash flows

Cash at beginning of period	8 480	8 105	8 105
Cash from operating activities	4 823	4 448	12 748
Cash from investing activities	(143)	-	(48 773)
Cash from financing activities	(8 017)	(4 733)	36 400
Cash at end of period	5 143	7 820	8 480

SWAPROP's ratios for the periods are shown as follows:

Earnings per linked unit (cents)	18.24	19.38	18.98
Distribution per linked unit (cents)	17.22	17.22	34.44

Commentary

1. Operations

During the six month period from 1 July 2023 to 31 December 2023, SWAPROP's operations were satisfactory despite the difficult trading conditions. The ruling market price at 31 December 2023 for the company's shares was E7.50 (Dec 2022 – E7.90). The market capitalisation of the company was E174.4 million (Dec 2022 - E183.7 million).

Revenue increased by 37.5% compared to the corresponding six month period. Operational expenses have increased by 3.2%. This is due to the acquisition of Matata Properties during the later part of the prior year and inflationary increases in costs, which were offset by savings on certain expenses. Administrative expenses have decreased by 12.6% as a result of decreases in secretarial fees; directors emoluments and Eswatini Competition Commission fees.

In March 2023 the Company completed the acquisition of the shares in Matata Properties (Proprietary) Limited, a company that owns the major retail properties in Matata City. The results for December 2023 include six months of trading (December 2022 : No trading) and those at June 2023 include three months of trading.

The directors have approved an offer for the shares of the company that owns the industrial properties in Matsapha. The agreement was signed after the December 2023 reporting date.

2. Statement of Compliance

The interim financial information has been drawn up under the same reporting framework as used in the most recent financial statements.

3. Review by the independent auditors

The interim financial information for the six months ended 31 December 2023 has been reviewed, but not audited, by SNG Grant Thornton Chartered Accountants (Eswatini) whose report is available for inspection at the registered office of the company.

4. Interim distribution

The interim distribution to unit holders of SWAPROP linked units for the half year ended 31 December 2022 was E4 004 000. The directors have approved a distribution of E2 002 000 for the six months period under review.

5. Corporate Governance

The directors of SWAPROP 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 and important dates

The directors approved the interim distribution (number 52) of 8.61 cents per linked unit (2022 – 17.22 cents) on 20 June 2024 payable to unit holders registered in the books of the company at the close of business on 19 July 2024. The register of members will be closed on 18 July 2024 for the purposes of identifying unitholders to whom the distribution will be made. The above mentioned interim distribution will be paid out of current earnings.

On behalf of the Board
PA Taylor

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