

Swaziland Property Investments Limited

(Incorporated in the Kingdom of Swaziland)

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 2018

Statement of comprehensive income

	Reviewed 6 months Dec 2018 E'000	Reviewed 6 months Dec 2017 E'000	Audited 12 months Jun 2018 E'000
Revenue	10 600	9 189	19 014
Administrative expenses	(4 315)	(3 684)	(7 275)
Gross profit	6 285	5 505	11 739
Other income	80	26	51
Finance income	415	360	810
Finance cost	(499)	-	(74)
Profit before taxation	6 281	5 891	12 526
Taxation	-	-	(257)
Profit for the period	6 281	5 891	12 269

Statement of changes in equity

Balance at beginning of period	147 883	145 624	145 624
Profit for the year	6 281	5 891	12 269
Distribution to unit holders	(7 007)	-	(10 010)
Balance at end of period	147 157	151 515	147 883

Statement of financial position

Non-current assets	143 879	136 405	141 812
Investment properties	139 823	135 020	138 409
Equipment and improvements	2 460	294	2 053
Deferred tax asset	-	17	-
Lease accrual	1 596	1 074	1 350
Current assets	15 504	19 268	21 954
Trade and other receivables	532	627	1 918
Lease accrual	8	8	253
Taxation prepaid	673	529	674
Cash and cash equivalents	14 291	18 104	19 109
Total assets	159 383	155 672	163 766
Equity and liabilities			
Ordinary shareholders funds	147 157	151 515	147 883
Non-current liabilities	7 171	-	5 273
Deferred taxation	419	179	419
Current liabilities	4 636	3 978	10 192
Trade and other payables	4 360	3 943	4 911
Current portion of liabilities	240	-	240
Linked unit distribution	-	-	5 005
Current tax liability	36	35	36
Total equity and liabilities	159 383	155 672	149 724

Statement of cash flows

Cash at beginning of period	19 109	12 665	12 665
Cash from operating activities	6 902	5 439	11 314
Cash from investing activities	(1 607)	-	(5 378)
Cash from financing activities	(10 113)	-	508
Cash at end of period	14 291	18 104	19 109

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

Earnings per share (cents)	27.02	25.07	52.77
Distribution per share (cents)	30.14	0.00	43.05

Commentary

1. Operations

During the six month period from 1 July 2018 to 31 December 2018, SWAPROP's operations were satisfactory despite the difficult trading conditions.

During the period under review the Group was refining the processes in place with the new property managers.

The ruling market price for the company's shares was E6.05 (Dec 2017 - E6.00).

The market capitalisation of the company stands at E140.7 million (Dec 2017 - E139.5 million)

Revenue increased by 15.3% (E1 411 036) compared to the corresponding six month period, as a result of improved occupancy levels.

Operational expenses have been increased by 15.2% (E567 890). This is due to increased water and electricity costs and depreciation charge.

2. Statement of Compliance

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

3. Review by the independent auditors

The interim financial information for the six months ended 31 December 2018 has been reviewed, but not audited, by KPMG Chartered Accountants (Swaziland) whose report is available for inspection at the registered office of the company.

4. Interim distribution

The interim distribution to the unit holders of SWAPROP linked units for the half year ended 31 December 2017 was E5 005 000. The directors have proposed a distribution of E6 006 000 for the six month 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

Notice is hereby given of the declaration of distribution number 42 in respect of the income distribution period 1 July 2018 to 31 December 2018 amounting to 25.83 cents per linked unit. The distribution was declared by a directors' resolution on 11 March 2019. The distribution is payable to unit holders registered in the books of the company at the close of business on 5 April 2019.

The transfer books and register of members will close on 4 April 2019 for the purpose of identifying those unit holders to whom the distribution will be made.

Payment of the distribution is expected to be posted on 5 April 2019. Non-resident shareholders tax will be deducted where applicable.

On behalf of the Board

D Litchfield

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