

## AUDITED ABRIDGED FINANCIAL STATEMENTS

### For the Period Ending 31 December 2022

#### Trustee's Statement

The Asset Manager has managed the scheme in accordance with the Collective Investments Act (Chapter 24:19), the Collective Investment Schemes (Internal Schemes) Rules, 1998 and the Tigere Real Estate Investment Trust Deed. The financial statements for the period ended 31 December 2022 were authorized for issue on 24 March 2023.

On behalf of the Trustee

Robert Mutakwa



24 March 2023

#### Asset Manager's Report

Performance for the period was in line with expectations and both assets will reach 100% occupancy levels within Q1 of 2023. Well located real estate, with strong leases will continue to be a hedge against inflationary pressures within Zimbabwe. We expect further growth in USD revenue contribution for the next reporting period. The Shopping Centres have shown positive growth in customer visits and average turnovers, as new restaurants open and cement their position in the new respective nodes. The Asset Manager has also identified additional areas of income through various leasing and marketing opportunities.

#### Dividend Announcement

Based on this set of results, Tigere Real Estate Investment Trust declared a maiden dividend of USD152,577 as well as an additional ZWL 75,816,772 in respect of the period ended 31 December 2022. The Trustee has resolved that no further dividend will be declared in respect of the period ended 31 December 2022. This dividend is above the minimum distribution of 80% as legislated.

On behalf of the Asset Manager

Brett Abrahamse



24 March 2023

#### Statement of Financial Position as at 31 December 2022

Notes	31 Dec 22	01 Nov 22
	Audited US\$	Unaudited US\$
<b>Non-Current Assets</b>	<b>22 104 944</b>	<b>22 100 000</b>
Investment Property	22 100 000	22 100 000
Property, Plant and Equipment	4 944	-
<b>Current Assets</b>	<b>1 300 936</b>	<b>1 045 662</b>
Trade and Other Receivables	835 533	762 383
Cash and Cash Equivalents	465 403	283 279
<b>Total Assets</b>	<b>23 405 880</b>	<b>23 145 662</b>
<b>Equities and Liabilities</b>		
<b>Unit Holders' Equity</b>		
Unit Holders' Fund	22 100 000	22 100 000
Distributable Reserve	193 769	193 769
Retained Earnings	130 040	-
<b>Total Equity</b>	<b>22 423 809</b>	<b>22 293 769</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	169 688	89 510
<b>Long Term Liabilities</b>		
Value Added Tax Loan	762 383	762 383
<b>Total Equity and Liabilities</b>	<b>23 405 880</b>	<b>23 145 662</b>

#### Statement of Profit and Loss and other Comprehensive Income for the period ending 31 December 2022

Notes	Audited US\$
Rental Revenue	205 032
Utilities Income	37 408
Utilities Expense	(41 641)
<b>Net Property Income</b>	<b>200 799</b>
Other Income	566
<b>Total Income</b>	<b>201 365</b>
<b>Total Operating Expenses</b>	<b>(71 325)</b>
<b>Total Comprehensive Income</b>	<b>130 040</b>

Weighted average number of units	719 323 000
Basic and diluted earnings per unit - cents	0.018

#### Statement of Changes in Equity

	Audited US\$	Audited US\$	Audited US\$	Audited US\$
	Unit Holders' Fund	Distributable Reserve	Retained Earnings	Total
Opening Balance	22 100 000	193 769	-	22 293 769
Comprehensive Income	-	-	130 040	130 040
<b>Closing Balance</b>	<b>22 100 000</b>	<b>193 769</b>	<b>130 040</b>	<b>22 423 809</b>

#### Statement of Cashflow for the Period Ending 31 December 2022

	Audited US\$
<b>Cash flows from operating activities</b>	
Profit for the period	130 040
<i>Adjustment for non-cash items</i>	
Depreciation	24
<b>Profit after adjusting for non-cash items</b>	<b>130 064</b>
<b>Changes in working capital</b>	
Trade and other payables	130 178
Trade and other receivables	(73 150)
<b>Cash generated from operations</b>	<b>57 028</b>
<b>Cash flows from investing activities</b>	
Purchase of property plant and equipment	(4 968)
<b>Net cash from investing activities</b>	<b>(4 968)</b>
<b>Total cash movement for the period</b>	<b>182 124</b>
Opening cash balance	283 279
<b>Closing cash balance</b>	<b>465 403</b>

#### Notes to the Financial Statements

##### 1. Corporate Information

Tigere Real Estate Investment Trust was incorporated in Zimbabwe in 2022 and was listed on the Zimbabwe Stock Exchange on 30 November 2022. Tigere's registered office is number 3 Natal Road, Belgravia, Harare.

##### 2. Basis of Preparation

###### 2.1 Statement of compliance

The Trust's financial statements for the period ended 31 December 2022 have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS), the Zimbabwe Stock Exchange Listing Requirements and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) (COBE).

###### 2.2 Reporting currency

The financial statements of the Trust are presented in United States Dollars (USD), which was the Trust's functional currency as at the reporting date. The exchange rates used to translate foreign currency balances were obtained from the Reserve Bank of Zimbabwe Foreign Currency Auction. The financial statements have been prepared under the assumption that the Trust operates on a going concern basis. All information presented has been rounded off to the nearest dollar.

###### 2.3 Auditor's statement

The abridged financial results should be read in conjunction with the complete set of financial statements of Tigere Real Estate Investment Trust for the two months ended 31 December 2022, which have been audited by PKF Chartered Accountants (Zimbabwe), signed by Sydney Bvurere, PAAB Practising certificate 0209 and an unqualified opinion has been issued thereon. The auditor's report for the two months then ended carries key audit matter ("KAM") outlining area of the audit process that required significant attention of the auditor, being investment properties. The auditor's report on the financial statements and the full set of financial statements, is available for inspection at the Trust's registered office and same has been lodged with the ZSE.

	Audited US\$
<b>3. Rental Revenue</b>	
Retail rent	162 646
Turnover rent	42 386
	<b>205 032</b>

<b>4. Utilities Income</b>	
Operating cost recoveries	37 408
	<b>37 408</b>

<b>5. Operating Expenses</b>	
Secretarial fees	12 414
Audit fees	6 100
Asset manager fees	30 722
Property management fees	18 164
Depreciation	24
Other expenses	3 901
	<b>71 325</b>

	Retail	Total
<b>6. Investment Property</b>		
Fair value as at 01 November 2022	22 100 000	22 100 100
Additions	-	-
Disposals	-	-
Other movements	-	-
<b>Fair value as at 31 December 2022</b>	<b>22 100 000</b>	<b>22 100 000</b>

- During the period, there were no transfers to and from investment properties
- There is an unmortgaged security held amounting to USD 762 383 over investment property for a Value Added Tax loan. Refer to Note 11.

##### Measurement of fair value

The fair value of investment property adopted for financial reporting was determined by an independent external valuer, Knight Frank Zimbabwe.

	Other Equipment	Computer Equipment	Total
<b>7. Property, Plant and Equipment</b>			
Balance as at 01 November 2022	-	-	-
Additions	4 422	546	4 968
<b>Balance at period end</b>	<b>4 422</b>	<b>546</b>	<b>4 968</b>

##### Accumulated depreciation

Balance as at 01 November 2022	-	-	-
Depreciation for the period	-	(24)	(24)
<b>Balance at period end</b>	<b>-</b>	<b>(24)</b>	<b>(24)</b>
<b>Carrying amount at period end</b>	<b>4 422</b>	<b>522</b>	<b>4 944</b>

	Audited US\$
<b>8. Trade and Other Receivables</b>	
Trade receivables	75 810
Prepayments	11 070
Value Added Tax asset	748 653
	<b>835 533</b>

<b>9. Cash and Cash Equivalents</b>	
USD balances	339 238
ZWL balances	126 165
	<b>465 403</b>

<b>10. Current Liabilities</b>	
Creditors	152 704
Value Added Tax	16 984
	<b>169 688</b>

<b>11. Long Term Liabilities</b>	
Value Added Tax Loan	762 383
	<b>762 383</b>

The loan bears an interest rate of 0% for the first three years and thereafter 12.5%. The loan has a repayment date of 30 September 2027. It is secured by the underlying rights and ownership in investment property mentioned under Note 6. The loan relates to funds procured to settle the Value Added Tax asset on Highland Park and Chinamano Corner.

##### 12. Going Concern

The Trustee has assessed the ability of the Trust to continue operating as a going concern and believes that the preparation of these financial statements as a going concern is still appropriate.

##### 13. Subsequent Events

There are no subsequent events.

##### 14. Contingencies

There were no contingent assets or liabilities for the period ending 31 December 2022.

## **REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED FINANCIAL STATEMENTS**

### **To the Trustee of Tigere Real Estate Investment Trust**

#### **Opinion**

The abridged financial statements of Tigere Real Estate Investment Trust, which comprise the summary of the statement of financial position as at 31 December 2022, the summary income statement, summary statement of changes in equity and summary cash flow statement for the two months ended 31 December 2022 are derived from the audited financial statements of Tigere Real Estate Investment Trust for the two months ended 31 December 2022.

In our opinion, the accompanying abridged financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the requirements of the ZSE Listings Requirements and the requirements of the Companies and Other Entities Act (Chapter 24:31)

#### **Abridged Financial Statements**

The abridged financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies and other Business Entities Act (Chapter 24.31) as applicable to annual financial statements. Reading the abridged financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report of the Trust thereon.

#### **The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated 24 March 2023. That report also includes communication of a key audit matter as reported in the audit report of the audited financial statements.

#### **Management's Responsibility for the Abridged Financial Statements.**

Management is responsible for the preparation of the abridged financial statements in accordance with the requirements of the ZSE and the requirements of the Companies and other Business Entities Act (Chapter 24.31) as applicable to abridged financial statements.

The listings requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS)



chartered accountants  
& business advisers

## **Auditors Responsibility.**

Our responsibility is to express an opinion on whether the abridged financial statements are consistent, in all material respects, with the audited financial statements based on our procedures which were in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Abridged Financial Statements.

PKF

### **PKF Chartered Accountants (Zimbabwe)**

*Registered Public Auditors (Zimbabwe)*

*Harare*

**Per: Sydney Bvurere**

Engagement Partner

Registered Public Auditor (Zimbabwe)

PAAB Practicing number of Engagement Partner 0209

Date: 24 MARCH 2023

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