



TRADING UPDATE

FOR THE PERIOD ENDED 31 MARCH 2024

The Company issues a trading update for the period ended 31 March

The financial information is presented in the United States Dollars (US\$) following a change in reporting currency effective 1 January 2024.

TRADING ENVIRONMENT

The trading environment during the first quarter of the year witnessed mixed economic outcomes. The then local currency: Zimbabwe Dollar faced significant depreciation during the period under review. The introduction of the new currency Zimbabwe Gold (ZiG) is anticipated to bring in the much-needed stability and correct the exchange rate mismatches which were being obtained in the market.

PERFORMANCE REVIEW

The occupancies for the hotels closed at 48% a growth of 20% above 40% posted in the same period in 2023. The revenues for the Group grew by 55% to US\$8.4 million from US\$5.5 million recorded during the same period in 2023. The conferencing business achieved a 40% growth in volumes during the quarter under review. This was led by increasing conference activities mainly in city hotels.

The tour operations subsidiary, Heritage Expeditions African (HEXA) continued a growth trajectory with increased business activities. The subsidiary's revenues and activities grew three times and four times respectively. It is anticipated that HEXA will maintain the momentum throughout the remainder of the year. The technology division Gateway Stream, on the other hand has been an enabler to the overall business volumes. Activity on this platform has been mainly through highly successful musical concerts during the quarter under review.

OUTLOOK

The Group is positioned to reap significant benefits from the growth of leisure tourism in the Victoria Falls market and in conferencing activities in city hotels. The outlook for the Group remains positive, bolstered by the signed strategic joint venture partnership with Grant Metropolitan Hotels (GMH). It is projected that this strategic joint venture will significantly boost the Group's business in Zimbabwe as well as across the Continent.

The Group is undertaking the final phase of refurbishment for the Rainbow Towers Hotel and Conference Centre. This project includes upgrading the remaining 72 rooms out of the 305 total hotel rooms, installing the remaining guest elevators, and enhancing the public areas.

The Conference Centre will also undergo significant improvements, including the installation of new carpets and chairs in the 4,500-seat auditorium. All refurbishment works are scheduled to be completed by 31 July 2024, ensuring the venue is ready to host the Southern African Development Community (SADC) Heads of States conferences in August 2024.

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Tapiwa Mari
Company Secretary

