



FINANCIAL HIGHLIGHTS

REVENUE	NET PROFIT	NET PROFIT %	CURRENT RATIO	DIVIDEND DECLARED	PROJECTS PIPELINE APPROVED	FUTURE PROJECTION
11.7m	2.7m	23%	4.7 times	46%	147m	Gross Profit of USD 20 million per year in the next 3 years

CHAIRMAN'S REPORT

On behalf of the directors of WestProp Holdings Limited I have the pleasure of submitting the abridged Financial Report, together with the reviewed Financial results for the half year ended 30 June 2023.

OPERATING ENVIRONMENT

The early part of the year was characterised by a tough operating environment as the economic activity slowed down following a sudden surge in inflation and volatility in the exchange rate. Towards the end of the review period monetary measures introduced by the government brought about a stability within the environment. This gave the Group confidence of an improved operating environment for the remainder of 2023. We hope the current stability of the USD environment and low inflation will continue to be maintained thus enabling all business and the economy to register significant growth.

DIRECTORS' RESPONSIBILITY

The directors are required by the Companies and Other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and are responsible for the content and integrity of the Group's abridged financial statements and related financial information found on our website. It is their responsibility to ensure that the Group's abridged financial statements fairly present the state of affairs of the Group as at the end of the period and the results of its operations and cash flows for the period then ended, in conformity with International Accounting Standard (IAS) 34 – Interim Financial Reporting.

FINANCIAL PERFORMANCE

The revenue for the Group increased marginally to USD 11,770,480 during the period under review when compared to USD 11,656,632 for the same period last year. Despite a marginal growth, the Board has approved current projects to a value of USD 147,000,000 of sales and an anticipated Gross Profit of USD 68,000,000, this is a confirmation that we are on track to deliver a gross profit in excess of USD 20,000,000 per year for the next 3 years.

The Group recorded a net profit after tax of USD 2,721,188 for the half year ended 30 June 2023. A market-based valuation of the Group's land banks inclusive of its 70% interest in Sunshine Developments (Private) Limited done during the period gave an aggregated fair value of USD 201,750,000.

Operating expenses for the half year 2023 amounted to USD 2,374,208 compared to USD 1,249,458 for the same period last year, representing a USD 1,124,750 increase. The cost increase is due to Victoria Falls Stock Exchange (VFEX), Initial Public Offer (IPO) and listing requirements which resulted in the Group incurring ad hoc public relations, IPO, audit and professional fees, these were expensed in the half year ended 30 June 2023.

Liquidity of the Group improved by 248% with the Group having cash and its equivalents of USD 1,495,991 as at 30 June 2023 compared to USD 430,091 as at 30 June 2022. The Group's current ratio as at 30 June 2023 was 4.7 times.

DIVIDENDS

The directors have declared a dividend of 46% of USD 2,721,188 translating to 0.04 cents per share payable to ordinary shareholders from the distributable profits for the half year under review. A separate dividend notice will be published to this effect in accordance with the Group's Articles of Association and Victoria Falls Stock Exchange listings requirements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Group was involved in CSR activities as part of its core values of giving to the community to the tune of USD 57,099 in mentorship, sporting, educational and medical assistance.

OUTLOOK

The Group has already committed to its rollout of two multi-billion-dollar developments which includes Pomona City a "City within a city" development as well as one of Africa's most premier Golf Estate "The Hills" to which case both developments are already actively engaged and being developed to launch in 2024.

We are also pleased to confirm that we are in the final stages of negotiations for Zimbabwe's long awaited first ever regional mall "The Mall of Zimbabwe" which we expect to go to ground by mid-2024.

The Group continues to work towards its target of putting a billion bricks in the ground by 2050 and is still within this target. We continue to move from strength to stronger strength after the successful listing of the Group's shares on the Victoria Falls Stock Exchange.

APPRECIATION

I extend my appreciation to the board, management, employees and all stakeholders, for their commitment to deliver results despite numerous hurdles the Group has faced during the period under review.

DR. MICHAEL LOUIS
BOARD CHAIRMAN



Directors: Dr. M. Louis (Chairman); K. R. Sharpe*; O. Sheremet; T. Aleshina*; S. Kadye*; C.G. Matsa; J. W. Oliver Jnr. *Executive