



## NEW AFRICAN PROPERTIES LTD AND ITS SUBSIDIARY

"the Group" or "New African Properties" or "NAP"

Incorporated in the Republic of Botswana, UIN: BW00001055962

BSE share code: NAP-EQU ISIN code: BW 000 000 1049

www.newafricanproperties.co.bw

# NEW AFRICAN PROPERTIES

## AUDITED ABRIDGED FINANCIAL RESULTS

For the year ended 31 July 2024

### ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2024 P000's	2023 P000's
<b>Revenue</b>	<b>239 596</b>	239 642
Contractual rental and recoveries	243 149	238 302
Rental straight line adjustment	(3 553)	1 340
Other income	4 066	4 253
Operating expenses	(53 054)	(55 262)
	<b>190 608</b>	188 633
Net finance income	4 013	3 304
Finance income	4 373	3 857
Finance expense	(360)	(553)
	<b>194 621</b>	191 937
Investment property fair value adjustment	9 904	37 808
At fair value	6 099	38 904
Rental straight line adjustment	3 553	(1 340)
Lease accounting adjustment	252	244
Financial asset fair value adjustment	(5 130)	(229)
Intangible asset amortisation	(881)	(881)
Share of associate's profit	1 338	6 812
<b>Profit before taxation</b>	<b>199 852</b>	235 447
Taxation	4 817	(9 427)
<b>Profit for the year</b>	<b>204 669</b>	226 020
Other comprehensive income		
Currency translation difference	16	(979)
<b>Total comprehensive income</b>	<b>204 685</b>	225 041
Linked units in issue	604 397 124	604 397 124
Earnings per linked unit (thebe)*	33.86	37.40
<b>Distribution per linked unit (thebe)</b>	<b>32.28</b>	31.01

\* Earnings per linked unit is equivalent to headline earnings per linked unit and diluted earnings per linked unit

### ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2024 P000's	2023 P000's
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment property	1 559 695	1 551 482
At valuation	1 586 981	1 582 569
Rental straight line adjustment	(28 469)	(32 018)
Lease accounting adjustment	1 183	931
Investment in associate	68 916	67 578
Financial asset receivable	19 367	24 497
Intangible asset	1 621	2 502
Rental straight line adjustment	26 148	24 088
Total non-current assets	<b>1 675 747</b>	1 670 147
<b>Current assets</b>		
Trade and other receivables	10 721	21 796
Rental straight line adjustment - current portion	2 321	7 930
Tax receivable	2 257	1 850
Deposits in money market funds	70 362	46 247
Cash and cash equivalents	8 219	18 185
Total current assets	<b>93 880</b>	96 008
<b>TOTAL ASSETS</b>	<b>1 769 627</b>	1 766 155
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>	<b>1 530 597</b>	1 521 012
<b>Non-current liabilities</b>		
Borrowings	-	343
Deferred taxation liabilities	107 493	115 595
Total non-current liabilities	<b>107 493</b>	115 938
<b>Current liabilities</b>		
Trade and other payables	30 384	27 923
Distributions payable to unitholders	100 511	96 749
Taxation payable	299	534
Borrowings - current portion	343	3 999
Total current liabilities	<b>131 537</b>	129 205
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 769 627</b>	1 766 155

### ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital P000's	Debentures P000's	Total linked units P000's	Foreign currency translation reserve P000's	Non distributable retained income P000's	Distributable retained income P000's	Total P000's
<b>Balance at 31 July 2022</b>	8 719	863 105	871 824	(12 696)	622 472	1 794	1 483 394
<b>Transactions with owners</b>	-	-	-	-	-	(187 423)	(187 423)
Distributions declared	-	-	-	-	-	(187 423)	(187 423)
<b>Total comprehensive income</b>	-	-	-	(979)	38 722	187 298	225 041
Profit for the year	-	-	-	-	-	226 020	226 020
Transfer of revaluation gains net of related taxes	-	-	-	-	38 722	(38 722)	-
Other comprehensive income	-	-	-	(979)	-	-	(979)
<b>Balance at 31 July 2023</b>	8 719	863 105	871 824	(13 675)	661 194	1 669	1 521 012
<b>Transactions with owners</b>	-	-	-	-	-	(195 100)	(195 100)
Distributions declared	-	-	-	-	-	(195 100)	(195 100)
<b>Total comprehensive income</b>	-	-	-	16	9 535	195 134	204 685
Profit for the year	-	-	-	-	-	204 669	204 669
Transfer of revaluation gains net of related taxes	-	-	-	-	9 535	(9 535)	-
Other comprehensive income	-	-	-	16	-	-	16
<b>Balance at 31 July 2024</b>	8 719	863 105	871 824	(13 659)	670 729	1 703	1 530 597

### ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

	2024 P000's	2023 P000's
<b>Net cash flows from operating activities</b>	<b>3 886</b>	8 153
Cash generated from operations	195 145	189 174
Net finance income	4 013	3 304
Distributions paid to linked unitholders	(191 338)	(180 587)
Taxation paid	(3 934)	(3 738)
<b>Net cash flows from investing activities</b>	<b>(9 853)</b>	1 602
Investment property movements	1 739	-
Withdrawal from / (deposit in) related party receivable	12 523	22 789
Withdrawal from / (deposit in) money market funds	(24 115)	(21 187)
<b>Net cash flows from financing activities</b>	<b>(3 999)</b>	(3 797)
<b>Net change in cash and cash equivalents</b>	<b>(9 966)</b>	5 958
Cash and cash at beginning of the year	18 185	12 227
<b>Cash and cash equivalents at end of year</b>	<b>8 219</b>	18 185

### NOTES

A. The abridged financial results have been extracted from the audited consolidated annual financial statements, which have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") under the historical cost convention, as modified by the measurement of investment properties and certain financial assets at fair value. The accounting policies followed in preparation of the consolidated annual financial statements are consistent with those applied in the prior year.

### NOTES (continued)

B. The Company's auditors, Grant Thornton, have issued an unqualified audit opinion on the annual financial statements on which these abridged consolidated annual financial results are based. A copy of their opinion and the full set of annual financial statements are available for inspection at the registered office of the Company. The Annual Report will be made available on the Company's website during the course of 2024. Any investment decisions by investors and/or unitholders should be based on consideration of this complete set of consolidated financial statements.

C. The Group's business activities are concentrated in the retail property rental segment and are primarily carried out within Botswana.

D. Distribution attributable to linked unitholders is reconciled to comprehensive income as follows:

	2024 P000's	2024 tpu	2023 P000's	2023 tpu
Total comprehensive income	204 685	33.87	225 041	37.23
Add back/(deduct):				
Foreign currency translation difference	(16)	(0.00)	979	0.16
Net profit	204 669	33.86	226 020	37.40
Adjust for non-distributable items:				
Fair value adjustments net of tax	(12 625)	(2.09)	(33 114)	(5.48)
Amortisation adjustments	881	0.14	881	0.14
Share of associate's profit net of tax	(1 204)	(0.20)	(6 131)	(1.01)
Rental straight line adjustment net of tax	2 798	0.46	(1 037)	(0.17)
Lease accounting adjustment net of tax	265	0.04	205	0.03
Other non-distributable tax charges	350	0.06	474	0.08
Distributable income	195 134	32.29	187 298	30.99
Distributions	(195 100)	32.28	(187 423)	(31.01)
	34	0.01	(125)	(0.02)

### COMMENTARY

#### RESULTS

New African Properties is a public variable rate loan stock company offering investors the opportunity to share in a diversified property portfolio.

Current year distributions totalled 32.28 thebe per linked unit (P195.1 million in aggregate) which is a 4.1% increase on the 31.01 thebe per linked unit (P187.4 million in aggregate) in 2023.

Property costs (excluding impairments) have increased marginally year on year. This was achieved through optimising costs on controllable expenses, allowing the increase in property costs to fall in line with revenue growth. Furthermore, there has been a significant favourable movement in the current year impairment charge as a result of better than expected recoveries on lockdown arrears. This was achieved through a long and concerted negotiation process.

Profit for the year of P204.7 million is 9.4% down on last year's P226.0 million as a result of lower gains arising from the annual fair valuation adjustments and related tax charges.

#### PROPERTY PORTFOLIO

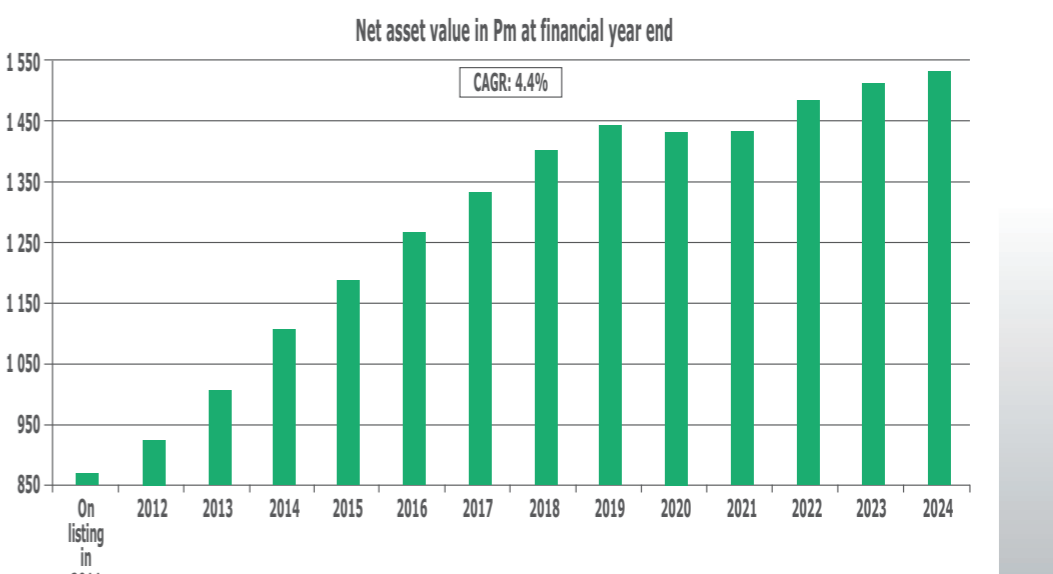
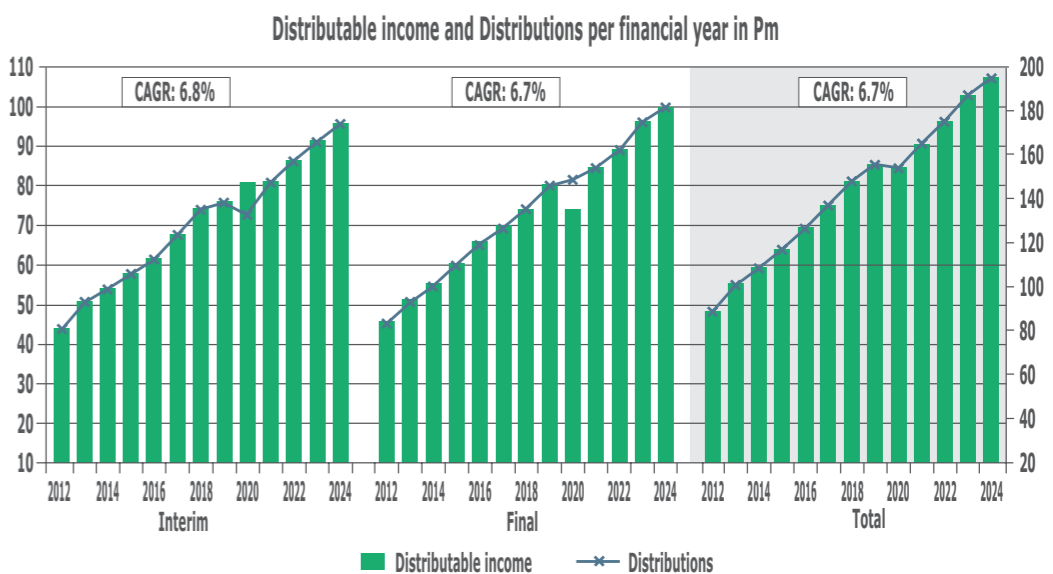
NAP's primary objective is to provide returns to investors through income and capital growth, this objective is underpinned by a property portfolio which attracts good rentals from quality tenants.

At year end 93% of the gross lettable area was let. The property portfolio is supported by a quality tenant base with 67% of rental income attributable to listed and multinational tenants (2023: 65%).

There have been no changes to the portfolio during the year and it remains weighted towards the Botswana retail sector, with some exposure to the Namibian retail sector (3%) and Botswana industrial sector (1%). The total portfolio comprises 60 properties in Botswana and 7 properties in Namibia. The three units damaged as a result of a fire at Kasane Mall at the beginning of the financial year have been reinstated and the tenants are trading.

#### PERFORMANCE TRENDS

The Group's consistent distributable income growth is underpinned by a sound, diversified property portfolio.



CAGR = compound annual growth rate

NAP, being effectively ungeared, is well placed to acquire quality assets in the future.

For New African Properties Limited

**T.L.J. Mynhardt**

Chairman

23 October 2024

**L.J. Mynhardt**

Managing Director

**Transfer Secretary**

Central Securities Depository Company of Botswana Limited

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**Company Secretary**

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**Directors:** T.L.J. Mynhardt (Chairman), L.J. Mynhardt (Managing Director),  
J.P. McLoughlin# (Lead Independent Director),  
S. Venkatakrisnan\*, C.F. van Wyk# (Financial Director)  
# South African, \* Indian