

Tigere Real Estate Investment Trust

(Incorporated as a Trust in Zimbabwe and registered with Trust Deed number MA1675/2022)

GENERAL PURPOSE AUDITED ABRIDGED FINANCIAL STATEMENTS For the Year Ended 31 December 2024

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 year ended 31 December 2024 were authorized for issue on 21st of March 2025. On behalf of the Trustee



Asset Manager's Report

Operating Environment

2024 was characterized by constrained monetary and fiscal policies aimed at addressing (i) inflationary pressures; (ii) accelerated growth of the informal sector; (iii) lack of confidence in the local currency unit; and (iv) a diminished formal retail sector.

The introduction of the ZWG on the 5th of April 2024 was designed to tackle the first and third issues by anchoring the value of the local currency on the Reserve Bank of Zimbabwe's gold reserves. However, growing skepticism around money supply dynamics during the second phase of the Emergency Road Rehabilitation Programme (ERRP 2) led to a re-emerging divergence between the official and parallel exchange rates. The untenable gap between the two rates – along with a struggling formal retail sector - resulted in an unprecedented response by the RBZ, which entailed a 42.6% devaluation of the ZWG from an official rate of 14 to 24.39 on the 27th of September 2024. The shock devaluation was not in vain, as the premium between the parallel and interbank rates stabilized during the fourth quarter, thereby cooling inflationary pressures in the economy over the period.

Construction momentum across various sub property categories has maintained its course with multiple new developments occurring across the country. We opine that the success of new retail developments will depend upon the defined tenant mix, which should shield rental income from macroeconomic risks. National tenants with long lease tenures and a bias towards hard-currency generation will protect the 'real' yield posted by property developers. Land values have maintained their upward trajectory, thus affecting the net rental yield delivered across the market and we maintain that well managed negotiations at the 'land purchase' stage are paramount to a given property's profitability.

Portfolio Report Prospects

Highland Park Phase 1 and Chinamano Corner maintained 100% occupancy in the second half of the year, while the newly acquired Highland Park Phase 2 followed suit with a fully operational tenant base. We note that income at Highland Park has been supported by frequent foot-traffic; property enhancements and the introduction of new tenants. The acquisition of Highland Park Phase 2 was driven by an inherent need to diversify the existing portfolio away from its significant exposure towards the retail sector, which previously contributed over 50% of the fund's total GLA - this component now sits at 25.7% of GLA.

Tigere retains a pre-emptive right to acquire Greenfields Retail Centre, which is located along Samora Machel and adjacent to the Zimbabwe Agricultural Showgrounds. The fund intends to consummate this transaction in Q3 of 2025, when the asset has reached full occupancy and completion, thus facilitating de-risked inclusion in the REIT.

| | 31 Dec 24 | 31 Dec 23 |
|----------------------------|------------|------------|
| | US\$ | US\$ |
| Rental Revenue | 1 664 664 | 1 481 038 |
| Total Comprehensive Income | 1 347 832 | 1 104 736 |
| Net Asset Value | 34 033 603 | 22 546 948 |
| | 31 Dec 24 | 31 Dec 23 |
| Occupancy level | 100% | 100% |

Dividend Announcement

The REIT declared a final dividend of USD 463 200 (being 0.04327 United States cents per unit) in respect of the quarter ended 31 December 2024.

On behalf of the Asset Manager



Statement of Financial Position as at 31 December 2024

| | Notes | Audited 31 Dec 24 | Audited 31 Dec 23 | |
|------------------------------|-------|----------------------|----------------------|--|
| Reviewed | | us\$ | US\$ | |
| Non-Current Assets | | 33 277 798 | 22 379 960 | |
| Investment Properties | 5 | 33 260 000 | 22 360 000 | |
| Property, Plant & Equipment | 6 | 17 798 | 19 960 | |
| Current Assets | | 2 771 393 | 575 715 | |
| Trade and Other Receivables | 7 | 145 575 | 192 755 | |
| Value Added Tax Asset | 7 | 1 570 802 | - | |
| Cash and Cash Equivalents | 8 | 1 055 016 | 382 960 | |
| Total Assets | | 36 049 191 | 22 955 675 | |
| Equities and Liabilities | | | | |
| Unitholders' Equity | | 34 033 603 | 22 546 948 | |
| Stated Capital | | 33 394 810 | 22 100 000 | |
| Retained Earnings | | 638 793 | 446 948 | |
| Liabilities | | | | |
| Current Liabilities | | 391 838 | 408 727 | |
| Trade and Other Payables | 9 | 391 838 | 408 727 | |
| Long-Term Liabilities | | 1 623 750 | - | |
| Value Added Tax Loan | 10 | 1 623 750 | - | |
| Total Liabilities | | 2 015 588 | 408 727 | |
| Total Equity and Liabilities | | 36 049 191 | 22 955 675 | |

Statement of Profit & Loss and other Comprehensive Income for the year ended 31 December 2024

| Statement of Profit & Loss and other Comprehensive income for the year ended 31 December 2024 | | | |
|-----------------------------------------------------------------------------------------------|-----------------------|-----------------------|--|
| | Audited Year Ended | Audited Year Ended | |
| | 31 Dec 24 | 31 Dec 23 | |
| | US\$ | US\$ | |
| Rental Revenue | 3 1 664 644 | 1 481 038 | |
| Utilities Income | 429 558 | 323 888 | |
| Utilities Expense | (403 674) | (313 647) | |
| Net Property Income | 1 690 528 | 1 491 279 | |
| Other Income | 27 600 | 19 600 | |
| Total Income | 1 718 128 | 1 510 879 | |
| Total Operating Expenses | 4 (399 134) | (387 155) | |
| Distributable income before exchange movements and fair value adjustments | 1 318 994 | 1 123 724 | |
| Fair Value adjustments | 5 37 637 | 97 466 | |
| Exchange loss | (8 799) | (116 454) | |
| Profit after exchange movements and fair value adjustments | 1 347 832 | 1 104 736 | |
| Weighted average number of units | 826 819 131 | 719 323 000 | |
| Basic and diluted earnings per unit - USD cents | 0.1630 | 0.1536 | |

| Statement of Changes in Equity as at 31 December 2024 | | | | |
|-------------------------------------------------------|----------------|-----------------------|-------------------|-------------|
| Audited | Stated Capital | Distributable Reserve | Retained Earnings | Total |
| 2023 | | | | |
| Opening Balance | 22 100 000 | 193 769 | 130 040 | 22 423 809 |
| Profit for the Year | - | - | 1 104 736 | 1 104 736 |
| Dividends Paid | - | (193 769) | (787 828) | (981 597) |
| Closing Balance | 22 100 000 | - | 446 948 | 22 546 948 |
| 2024 | | | | |
| Opening Balance | 22 100 000 | - | 446 948 | 22 546 948 |
| Profit for the Year | - | - | 1 347 832 | 1 347 832 |
| Dividends Paid | - | - | (1 155 987) | (1 155 987) |
| Issue of Shares | 11 294 810 | - | - | 11 294 810 |
| Closing Balance | 33 394 810 | - | 638 793 | 34 033 603 |

| Statement of Cashflow for the Year Ended 31 December 2024 | Audited Year Ended | Audited Year Ended |
|-----------------------------------------------------------|-----------------------|-----------------------|
| | 31 Dec 24 | 31 Dec 23 |
| Cash flows from operating activities | US\$ | US\$ |
| Profit for the year | 1 347 832 | 1 104 736 |
| Adjustment for non-cash items | | |
| Depreciation | 2 162 | 727 |
| Allowance for credit losses | 1 772 | 996 |
| Fair value adjustments | (37 637) | (97 466) |
| Profit after adjusting for non-cash items | 1 314 129 | 1 008 993 |
| Changes in working capital | | |
| Trade and other payables | (18 661) | 189 039 |
| Trade and other receivables | 47 180 | (106 871) |
| Cash generated from operations | 1 342 648 | 1 091 161 |
| Cash flows from investing activities | | |
| Purchase of property plant and equipment | = | (15 743) |
| Expenditure on additional investment property | (10 862 363) | (162 534) |
| Net cash outflow from investing activities | (10 862 363) | (178 277) |
| Cash flows from financing activities | | |
| Issue of Units | 11 294 810 | - |
| Dividend paid | (1 155 987) | (981 597) |
| VAT Loan | 1 623 750 | (762 383) |
| VAT Asset | (1 570 802) | 748 653 |
| Net cash outflow from financing activities | 10 191 771 | (995 327) |
| Total cash movement for the period | 672 056 | (82 443) |
| Opening cash and cash equivalents | 382 960 | 465 403 |
| Closing cash and cash equivalents | 1 055 016 | 382 960 |
| | | |

Notes to the Financial Statements

1. Corporate Information

Tigere Real Estate Investment Trust was registered 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.

2.1 Basis of preparation and accounting principles

The Trust's general purpose abridged financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards. The accounting policies used in the current period are consistent with those applied in the previous period unless otherwise stated. These general purpose abridged financial statements have been prepared on the assumption that the Trust will continue to operate on a going concern basis.

2.2 Statement of compliance These general purpose abridged financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations

Committee ("IFRSIC") interpretations applicable and in a manner required by The Companies and Other Business Entities Act (Chapter 24:31) and of the Zimbabwe Stock Exchange Listing Regulations. 2.3 Reporting currency

The general purpose abridged financial statements of the Trust are presented in United States Dollars (US\$), 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 Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market. The general purpose additional currency balances were obtained from the Reserve Bank of Zimbabwe Interbank Market.

The abridged financial results should be read in conjunction with the complete set of financial statements of Tigere Real Estate Investment Trust for the year ended 31 December 2024, which have been audited by PKF Chartered Accountants (Zimbabwe), signed by Sydney Bvurere, PAAB Practising certificate 0209 and an unmodified opinion has been issued thereon. The auditor's report for year ended 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 Fund's registered office and same has been lodged with the ZSE.

| | Audited | Audited |
|-----------------------------------------|------------|------------|
| 3. Rental Revenue | 31 Dec 24 | 31 Dec 23 |
| | US\$ | US\$ |
| Rental Income | 1 664 644 | 1 481 038 |
| | 1 664 644 | 1 481 038 |
| 4. Operating Expenses | | |
| Secretarial and Accountancy Fees | 52 146 | 77 476 |
| Asset Manager fees | 217 369 | 177 493 |
| Permits & Licences | 65 340 | 61 200 |
| Marketing & Advertising | 43 230 | 52 283 |
| Depreciation | 2 162 | 727 |
| Other expenses | 18 887 | 17 976 |
| | 399 134 | 387 155 |
| 5. Investment Properties | | |
| Fair value at the beginning of the year | 22 360 000 | 22 100 000 |
| *Additions | 10 862 363 | 162 534 |
| Disposals | = | |
| Fair value adjustments | 37 637 | 97 466 |
| Fair value at the end of the year | 32 260 000 | 22 360 000 |
| | | |

*During the year, an additional asset Highland Park 2 was acquired at \$10 825 000. Other works were also done to enhance the Shopping Centre at a value of \$37 363.

6. Property, Plant and Equipment

| 2024 | US\$ | US\$ | US\$ |
|-------------------------------------------------|-----------------|--------------------|--------------|
| Cost | Other Equipment | Computer Equipment | Total |
| Balance as at 01 Jan 2024 | 20 165 | 546 | 20 711 |
| Additions | - | - | - |
| Disposals | <u> </u> | - | <u>-</u> |
| Balance as at 31 Dec 2024 | 20 165 | 546 | 20 711 |
| Accumulated Depreciation | | | |
| Balance as at 01 Jan 2024 | (609) | (142) | (751) |
| Depreciation for the year | (2 021) | (141) | (2 162) |
| Balance as at 31 Dec 2024 | (2 630) | (283) | (2 913) |
| Carrying amount as at 31 Dec 24 | 17 535 | 263 | 17 798 |
| Carrying amount as at 31 Dec 23 | 19 556 | 404 | 19 960 |
| 7. Trade & Other Receivables | | Audited US\$ | Audited US\$ |
| Trade Receivables Net of ECL | | 135 395 | 186 126 |
| Prepayments | | 10 180 | 6 629 |
| Value added tax asset | | 1 570 802 | = |
| | | 1 716 377 | 192 755 |
| 8. Cash and Cash Equivalents | | | |
| US\$ Balances | | 1 053 495 | 361 185 |
| ZWG Balances | | 1 521 | 21 775 |
| | | 1 055 016 | 382 960 |
| 9. Trade & Other Payables | | | |
| Trade Payables | | 364 371 | 407 108 |
| Value Added Tax | | 27 467 | 1 619 |
| | | 391 838 | 408 727 |
| 10. Long Term Liabilities Value Added Tax Loan | | 1 623 750 | |
| value Audeu Tax Lodii | | 1 023 730 | <u>-</u> |

The loan has an interest rate of 0% for the first three years, and thereafter 12,5%. The loan has a repayment date of 10 September 2029, it was secured by the underlying and ownership in investment property mentioned under note 5. The loan relates to funds procured to settle the Value Added Tax on Highland Park Phase 2.

1 623 750

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.

12. Subsequent Events

There are no reportable subsequent events.

13. Contingencies

There were no contingent assets or liabilities and commitments as at 31 December 2024.



Independent Auditor's Report

To the Trustee of Tigere Property Fund Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of Tigere Property Fund set out on pages 8 to 27, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and other Business Entities Act (Chapter 24.31).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is that matter that in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on this matter.

Key Audit Matter

Valuation of Investment Property

The Trust held investment property valued at USD 33 260 000 as at 31 December 2024.

We have identified the valuation of investment properties as representing a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the level of judgment associated with determining fair values.

How our audit addressed the Key Matter

In evaluating the appropriateness of the valuation and the compliance to IFRS13 we employed various audit procedures including the following:

- Evaluated Trust's independent external valuer's competence and capabilities as evidenced by licence with the professional body.
- Reviewed the methods, assumptions and inputs used by the external valuers.
- Reviewed the financial statements for adequate disclosures of the assumptions, judgements and various inputs to the valuation

We satisfied that the Trust's investment property valuation is adequate and appropriate.

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PKF Chartered Accountants (Zimbabwe) is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firm.



Other information

The Trustee is responsible for the other information that may be presented along with these financial statements. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustee for the Financial Statements

The Trustee is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and other Business Entities Act (Chapter 24.31), and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Fund to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due
 to fraud or error, design and perform audit procedures responsive to those risks, and obtain
 audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of
 not detecting a material misstatement resulting from fraud is higher than for one resulting from
 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the
 override internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.

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- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information or business of the Fund to express and audit opinion on the financial statements. We are responsible for the direction, supervision and performance of the Fund audit. We remain solely responsible for our audit opinion.

We communicate with the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided the Trustee with a statement that we have complied with relevant ethical requirements regarding independence.

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

MARCH 2025

Date:

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