



ICON PROPERTIES PLC

SUMMARY UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

Profit after tax

K2.52bn

for the period ended 30 June 2019

Total income

K5.75bn

for the period ended 30 June 2019

Total assets

K75.5bn

for the period ended 30 June 2019

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

For the six months period ended 30 June 2019
In thousands of Malawi Kwacha

	Unaudited Consolidated 6 months 30 June 2019	Unaudited Separate 6 months 30 June 2019	Audited Consolidated 2 months 31 Dec 2018	Audited Separate 2 months 31 Dec 2018
Income				
Rental income	2,498,883	378,220	813,358	117,831
Increase in fair value of investee companies and properties	2,030,732	1,290,082	516,369	888,872
Income from dividends and income notes	2,496	671,158	-	102,580
Net Investment income	1,054,049	914,991	51,438	258
Other income	166,533	118,256	57,517	59,519
Total income	5,752,693	3,372,707	1,438,682	1,169,060
Expenses	(1,118,864)	(353,636)	(631,874)	(168,222)
Profit before income tax	4,633,829	3,019,071	806,808	1,000,838
Income tax expense/(credit)	2,113,722	862,335	(469,100)	(177,388)
Profit for the year	2,520,107	2,156,736	1,275,908	1,178,226
Attributable to:-				
Owners of the company	2,471,742	-	1,241,630	-
Non-controlling interest	48,365	-	34,278	-
Profit for the year	2,520,107	2,156,736	1,275,908	1,178,226
Basic and diluted earnings per share (MK)	0.38	0.38	0.19	0.19

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

As at 30 June 2019

In thousands of Malawi Kwacha

	Unaudited Consolidated 30 June 2019	Unaudited Separate 30 June 2019	Audited Consolidated 31 Dec 2018	Audited Separate 31 Dec 2018
ASSETS				
Non-current assets				
Investment property	54,384,316	10,538,051	51,962,000	10,099,000
Investment in subsidiaries	-	42,098,127	-	41,212,005
Investment in associate	-	1,784,940	-	1,741,379
Financial asset	65,505	65,505	65,505	65,505
Office equipment	4,115	-	5,144	-
Deferred tax asset	-	-	226,220	177,388
Total non-current assets	54,453,936	54,486,623	52,258,869	53,295,277
Current assets				
Trade and other receivables	1,630,378	306,922	1,538,403	242,933
Tax recoverable	912,391	309,343	769,906	289
Cash and cash equivalents	18,519,842	15,191,598	18,053,789	15,666,037
Total current assets	21,062,611	15,807,863	20,362,098	15,909,259
Total assets	75,516,547	70,294,486	72,620,967	69,204,536
EQUITY AND LIABILITIES				
Equity				
Share capital	58,209,424	58,209,424	58,209,424	58,209,424
Restructuring reserve	7,841,995	7,841,995	7,841,995	7,841,995
Retained earnings	3,713,372	3,334,962	1,241,630	1,178,226
Equity attributable to equity holders of the parent company	69,764,791	69,386,381	67,293,049	67,229,645
Non-controlling Interest	1,274,957	-	1,243,842	-
Total equity	71,039,748	69,386,381	68,536,891	67,229,645
Non-current liabilities				
Deferred tax liability	3,142,049	394,408	1,746,628	-
Deferred Income	902	-	1,082	-
Total non-current liabilities	3,142,951	394,408	1,747,710	-
Current liabilities				
Trade and other payables	1,333,848	513,697	2,336,366	1,974,891
Bank overdraft	-	-	-	-
Total current liabilities	1,333,848	513,697	2,336,366	1,974,891
Total equity and liabilities	75,516,547	70,294,486	72,620,967	69,204,536

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

For the six months period ended 30 June 2019
In thousands of Malawi Kwacha

	Unaudited Consolidated 6 months 30 June 2019	Unaudited Separate 6 months 30 June 2019	Audited Consolidated 2 months 31 Dec 2018	Audited Separate 2 months 31 Dec 2018
Balance at 1 January 2019	68,536,891	67,229,645	-	-
Share exchange	-	-	52,164,207	52,164,207
Non-controlling interest arising from share exchange	-	-	1,209,564	-
Issue of shares	-	-	14,700,000	14,700,000
Share issue costs	-	-	(812,788)	(812,788)
Distributable profit for the year	1,802,401	1,180,964	473,965	271,119
Non-distributable profit for the year	717,706	975,772	801,943	907,107
Dividend paid by subsidiary to non-controlling interest shareholders	(17,250)	-	-	-
Balance at 30 June 2019	71,039,748	69,386,381	68,536,891	67,229,645

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

For the six months period ended 30 June 2019
In thousands of Malawi Kwacha

	Unaudited Consolidated 6 months 30 June 2019	Unaudited Separate 6 months 30 June 2019	Audited Consolidated 2 months 31 Dec 2018	Audited Separate 2 months 31 Dec 2018
Net cash generated from operating activities	(179,166)	(1,899,340)	2,203,305	1,692,808
Net cash used in investing activities	(391,584)	(35,091)	(130,331)	(16,821)
Net cash generated from financing activities	1,036,803	1,459,992	13,938,650	13,990,050
Net increase in cash and cash equivalents	466,053	(474,439)	16,011,624	15,666,037
Cash and cash equivalents at 1 January 2019	18,053,789	15,666,037	2,042,165	-
Cash and cash equivalents at 30 June 2019	18,519,842	15,191,598	18,053,789	15,666,037

INCORPORATION

ICON Properties plc was incorporated in Malawi as a private limited company on 4 June 2018. It commenced its activities on 1 November 2018 hence was operational for two months in the year ended 31 December 2018.

PERFORMANCE

The average occupancy rate across the property portfolio remained above 90% throughout the reporting period. The Company generated total income of K5.75 billion for the six months period which includes increase in fair value of properties of K2.03 billion. Total expenses for the period were at K1.12 billion, some of the major expense areas included property and administrative management fees, repairs and maintenance and utility costs which amounted to K560 million. The Company reported a profit after tax of K2.5 billion for the six months period ended 30 June 2019.

DIVIDEND

Directors have resolved to pay an interim dividend amounting to MK650 million representing 10 tambala per share. The Dividend will be paid on 30 October 2019 to members whose names appear on the register as at the close of business on 18 October 2019.

OUTLOOK

The first half of 2019 saw the Malawi Kwacha depreciate against major currencies. The local unit has however shown signs of recovery early in the second half of the year. Demand for rental space in the property market continues to be stable as such the Company expects to maintain good performance throughout the period. Going forward, the Company seeks to consolidate and align its brand which will be used to leverage the success of several projects currently in the pipeline.

APPROVAL OF THE FINANCIAL STATEMENTS

The half year summary unaudited consolidated and separate financial statements were approved by the Board of Directors on 11 September 2019.

CHAIRMAN
R. Scharar

DIRECTOR
V. Kumwenda

