

ICON PROPERTIES PLC

SUMMARY UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

SUMMARY STATEMENT OF COMPREHENSIVE INCOME

For the six months period ended 30 June 2024

In thousands of Malawi Kwacha

	Unaudited 6 months ended 30 June 2024	Unaudited 6 months ended 30 June 2023	Audited 12 months ended 31 December 2023
Income			
Revenue	3,351,238	2,827,149	5,988,388
Increase in fair value of properties and investee companies	7,808,374	4,616,875	11,849,970
Dividend income	-	-	2,507
Finance income	1,308,312	1,095,558	2,365,552
Other income	443,955	256,795	717,803
Total income	12,911,879	8,796,377	20,924,220
Expenses	(2,333,176)	(1,615,278)	(3,936,441)
Profit before income tax	10,578,703	7,181,099	16,987,779
Income tax (expense)/credit	(852,154)	(749,911)	2,171,571
Profit for the period	9,726,549	6,431,188	19,159,350
Basic and diluted earnings per share (MK)	1.46	0.96	2.87

SUMMARY STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

In thousands of Malawi Kwacha

	Unaudited 30 June 2024	Unaudited 30 June 2023	Audited 31 December 2023
ASSETS			
Non-current assets			
Investment properties	104,162,062	88,718,745	96,090,160
Equipment	356,769	-	-
IFRS 16 lease smoothing asset	273,213	-	300,131
Investment in associate	8,500,000	8,500,000	8,500,000
Investment in shares	126,548	112,000	126,548
Deferred tax asset	331,069	-	321,656
Office equipment	-	2,188	405
Investment in treasury notes	-	11,741,508	11,826,523
Total non-current assets	113,749,661	109,074,441	117,165,423
Current assets			
Trade and other receivables	3,086,045	2,749,709	1,815,102
Tax recoverable	20,003	64,050	282,680
Cash and cash equivalents	15,342,698	2,712,436	3,299,140
Total current assets	18,448,746	5,526,195	5,396,922
Total assets	132,198,407	114,600,636	122,562,345
EQUITY AND LIABILITIES			
Equity			
Share capital	58,209,424	58,209,424	58,209,424
Restructuring reserve	8,012,031	8,012,031	8,012,031
Retained earnings	64,379,767	43,382,900	54,653,218
Total equity	130,601,222	109,604,355	120,874,673
Non - current liabilities			
Deferred tax liability	-	3,434,626	-
Deferred income	364,130	384,744	373,107
Total non - current liabilities	364,130	3,819,370	373,107
Current liabilities			
Trade and other payables	1,233,055	1,176,911	1,314,565
Total current liabilities	1,233,055	1,176,911	1,314,565
Total equity and liabilities	132,198,407	114,600,636	122,562,345

SUMMARY STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2024

In thousands of Malawi Kwacha

	Unaudited 6 months ended 30 June 2024	Unaudited 6 months ended 30 June 2023	Audited 12 months ended 31 December 2023
Balance at the beginning of period	120,874,673	103,173,167	103,173,167
Distributable profit for the year	1,918,175	1,814,313	3,490,553
Non-distributable profit for the year	7,808,374	4,616,875	15,668,797
Straight-lining of revenue adjustment	-	-	278,956
Dividends paid	-	-	(1,736,800)
Balance at the end of period	130,601,222	109,604,355	120,874,673

SUMMARY STATEMENT OF CASH FLOWS

For the six months period ended 30 June 2024

In thousands of Malawi Kwacha

	Unaudited 6 months ended 30 June 2024	Unaudited 6 months ended 30 June 2023	Audited 12 months ended 31 December 2023
Net cash (used in)/generated from operating activities	(463,007)	(151,195)	1,137,688
Net cash generated from/(used in) investing activities	12,506,565	(721,731)	312,890
Net cash used in financing activities	-	-	(1,736,800)
Net increase/(decrease) in cash and cash equivalents	12,043,558	(872,926)	(286,222)
Balance at the beginning of period	3,299,140	3,585,362	3,585,362
Cash and cash equivalents at the end of period	15,342,698	2,712,436	3,299,140

PERFORMANCE

The Company reported a 51% increase in profit after tax of K9.7 billion for the six months period ended 30 June 2024 (2023: K6.4 billion).

The Company recorded a total income of K12.9 billion for the six months period, compared to K8.8 billion in 2023. The main reason for the difference from the corresponding period was the positive impact of property revaluation gains, which increased in the current period. Rental income also increased by 19% due to executed rental escalations. The Company's total expenses increased to K2.3 billion (2023: K1.6 billion), mostly due to inflationary pressures.

During the period, the Company liquidated the treasury note it had held on 31 December 2023, hence the increase in cash and cash equivalent balances.

DIVIDEND

The Directors have recommended an interim dividend of K935.2 million (2023: K868.4 million) representing 14 tambala per share (2023: 13 tambala), an 8% increase in dividend.

The Dividend will be paid on 25 October 2024 to those shareholders registered in the books of the Company as at close of business on 11 October 2024. The Company's shares will trade ex-dividend from 9 October 2024.

The share register will be closed from 14 October 2024 to 24 October 2024, both dates inclusive and no transfers shall be registered during that time.

OUTLOOK

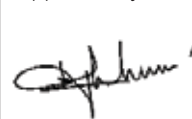
Year-on-year inflation in the Country stood at 33.3% in June 2024 and is expected to average 33% in 2024 due to elevated food prices and external global factors. The Country's foreign currency shortages are likely to persist in 2024, putting further pressure on the local currency, which may further drive up inflationary pressures. Economic growth is projected to remain subdued in 2024 due to lower than expected output in the agricultural sector.

The property market is however expected to continue to improve as it gradually aligns to the prevailing macro-economic dynamics.

The Company is committed to continuing to push forward on projects in the pipeline despite the challenging economic environment in the country. Announcements will be made in the coming months.

APPROVAL OF THE FINANCIAL STATEMENTS

The half year summary unaudited financial statements were approved by the Board of Directors on 19 August 2024.



E. Chapola
Chairperson
of the Board



D. Kamkwamba
Chairperson, Finance and
Audit Committee

