



# Mashonaland Holdings Limited Trading Update For The Quarter Ended 31 March 2025

## OPERATING ENVIRONMENT

The first quarter of the year was characterized by weak consumer demand across economic sectors. This slowdown in economic activity is attributable to the erosion in consumer purchasing power, a consequence of inflation and high interest rates. These conditions are reflective of the prevailing tight monetary policy stance implemented by the authorities in an effort to stabilize the exchange rate. The Reserve Bank of Zimbabwe (RBZ) reported a USD year-on-year inflation rate of 15% by the close of the quarter. USD inflationary pressures have had the effect of sustaining the high cost of borrowing.

Despite the challenging economic climate and limited availability of affordable capital, the local property market has demonstrated resilience and continues to capture the interest of investors. This sustained interest can be attributed to the relatively stable and predictable returns offered by real estate investments, as well as the persistent underlying demand for prime commercial and residential space.

## PROPERTY MARKET

The property sector continues to witness differing growth patterns. The occupier market continues to be dominated by strong demand in the residential and retail market segments. Demand for retail is spurred by the growing informal sector in the economy. Property owners have responded to this by converting some CBD spaces into miniaturized shopping units to appeal to the informal sector. Demand for residential accommodation is spurred by the housing backlog and a limited supply of new housing stock over the years.

Property developers have responded to the shift in the occupier market with more investors now attracted towards retail and residential development projects which offer return on investment in the short to medium term. Overall, the real estate sector remains a prime destination for investors seeking capital preservation and manageable risk. Key investment opportunities include low-medium cost housing developments, mixed-use projects, and infrastructure investments that foster economic expansion and urban transformation.

## FINANCIAL PERFORMANCE

The unaudited results for the 3months ended 31 March 2025 are as presented below:

Income statement highlights	31-Mar-25 USD	31-Mar-24 USD	% movement
Revenue	1,742,143	1,405,724	24% ▲
Operating profit before fair value adjustments	811,036	598,430	36% ▲
Key ratios			% movement
Occupancy level (%)	88%	87%	1% ▲
Collections (%)	92%	93%	1% ▼
Operating profit margin (%)	47%	43%	4% ▲
Rental yield (%)	9%	8%	1% ▲
Statement of financial position highlights	31-Mar-25 USD	31-Dec-24 USD	% movement
Investment property	91,915,438	91,595,000	0%

- Revenue growth was supported by improved occupancy compared to the same period last year. The company's revenue performance also improved due to the introduction and leasing of new spaces at Pomona Commercial Centre.
- The company's portfolio occupancy marginally improved from 87% to 88%. Collections percentage closed the quarter at 92%.
- Operating profit increased by 36% driven by the uplift in revenue.

## PROPERTY DEVELOPMENT PROJECTS

### Pomona Commercial Centre

The development is comprised of a wholesaling unit and flexible warehousing constituting 14,000sqm lettable space. All construction works have been completed including landscaping and power connections. The complex has been opened to the public, with some tenants on track to complete their fit-outs in the second quarter of the year, while others commenced trading in April 2025.

### Greendale Cluster Housing Stands

All regulatory approvals have been secured for the engineering services, comprising of roads, stormwater, sewer and water reticulation. Development works and preselling activities are expected to commence in the second quarter of the year.

## OUTLOOK

Looking ahead, the Group is focused on commercializing its prior-period investments while continuing efforts to achieve a balanced portfolio structure that safeguards investor returns.

By Order of the Board

Egnés Madhaka  
Company Secretary

14 May, 2025

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