

WestProp Holdings Limited ("The group") is pleased to present its trading update for the first quarter of 2025, highlighting the Group's financial performance, operational milestones, and strategic outlook. In an evolving economic landscape, WestProp remains at the forefront of Zimbabwe's real estate sector, demonstrating resilience, adaptability, and a commitment to innovation.

OPERATIONAL ENVIRONMENT

The Zimbabwean real estate market in Q1 2025 has been shaped by macro-economic trends, regulatory shifts, and infrastructure investments. While liquidity constraints and investor sentiment fluctuations have presented challenges, they have also created strategic openings for well-positioned developers. The Group continues to navigate this dynamic environment with a forward-thinking approach, leveraging its diversified portfolio and operational efficiencies to drive sustainable growth. By streamlining construction through TrustProp (Private) Limited (aluminium and glass manufacturing), BrickFusion (Private) Limited (brick moulding), and West Development Company (plant and machinery), the Group has enhanced its ability to deliver premium developments while optimizing costs.

FINANCIAL PERFORMANCE

The Group recognised revenue of USD 4.47 million (compared to USD 7.03 million achieved in Q1 2024). This decrease was primarily due to the near sell-out of Pokugara properties, which had contributed USD 5.07 million in Q1 2024 but saw limited remaining inventory by Q4 2024. Revenue was driven by the continued success of Pomona City (USD 2.41 million) and Millennium Heights (USD 1.36 million). Investor interest in Pomona City Flats remained strong following their late 2024 launch, significantly bolstering revenue growth.

The Group's gross profit margin improved from 40% in Q1 2024 to 52.4% in Q1 2025, amounting to USD 2.35 million (compared to USD 2.82 million for the same period in 2024). This reflects effective pricing strategies and rigorous cost control, ensuring stable profitability despite broader industry pressures. Cost of sales totalled USD 2.13 million, down from USD 4.21 million in Q1 2024, maintaining an efficient cost structure amid ongoing infrastructure expansion. Operating expenses decreased to USD 1.24 million, compared to USD 1.63 million in Q1 2024. WestProp (HQ) absorbed a substantial share of these costs, driven by marketing, administration, and project expansion efforts linked to Millennium Heights Radisson Aparthotel and Strategic Business Units (SBUs).

Pomona City delivered a net profit of USD 1.35 million, a substantial increase from USD 356,130 in Q1 2024. This growth underscores strong investor confidence and sustained demand following the successful late 2024 launch of Pomona City Flats. Millennium Heights recorded a net profit of USD 347,431, reflecting a slight decline from USD 437,285 in Q1 2024. The moderation in profitability aligns with project phasing and ongoing development initiatives, ensuring continued long-term value creation. Pokugara Properties generated a net profit of USD 163,610, down from USD 868,279 in Q1 2024. This decline was expected, as the remaining units were successfully sold in Q4 2024, marking near-full subscription of the project.

Overall, the Group's core developments—Pomona City and Millennium Heights—continue to deliver high-margin, cash-positive results, reinforcing financial stability and supporting sustained shareholder value.

SUSTAINABILITY INITIATIVES

WestProp remains committed to sustainable real estate development, actively integrating eco-friendly solutions across its projects. Solar-powered rental initiatives and water-efficient infrastructure continue to be central features in Millennium Heights, The Hills Lifestyle Estate, and Pokugara Estates. The Group prioritizes green spaces, smart technologies, and eco-conscious designs, aligning with international standards in sustainable urban living.

PROJECT UPDATES & OUTLOOK



The Hills Golf Course & Lifestyle Estate

The Hills Golf Course development is progressing steadily, with irrigation equipment procured and installation underway. Infrastructure upgrades at The Hills Lifestyle Estate remain on schedule, with civil works advancing and significant progress on the boundary wall construction past 30% completion.



Pokugara Properties

Phase 2 of the estate is nearing completion, with only four units remaining out of 69 unveiled. Thirteen units have already been handed over, and the remaining units—now 90% complete—are scheduled for handover in Q2 2025. Once residential units are complete, the development of common areas and amenities will commence.



Pomona City

Momentum at Pomona City remains strong, with completed infrastructure including asphalt roads, stormwater drainage, and water systems for Phase 1A, enabling several homeowners to commence construction. The residential stands in Phase 1B & C have progressed substantially, with Boulevard road surfacing finalized. The Pomona City Walk-Up Flats, which launched 3 blocks off-plan (blocks A, B and C) in Q4 2024, have now sold 60% for Block A.



Millennium Heights

The construction of Millennium Heights Block 4 is advancing rapidly and is expected to be completed in Q3 2025. Block 5 has been introduced offering 148 Radisson serviced apartments, structured under a Real Estate Investment Trust (REIT) model. Unit shares are already available for investment, with an accessible entry point of USD 500 per unit, enabling investors to part-own the property. Block 6 has also been launched, currently in its planning phase, and is now available for off-plan sales.

MANUFACTURING DIVISION – ENHANCING CONSTRUCTION EFFICIENCY

Operational efficiency continues to improve at TrustProp Private Limited. In-house material production has delivered cost optimization, improved construction timelines, and enhanced quality control, ensuring consistency across WestProp's developments.

APPRECIATION

The Group extends its gratitude to investors, stakeholders, and partners for their unwavering support. The Group remains focused on delivering high-quality, innovative real estate solutions, fostering sustainable urban development, and navigating Zimbabwe's evolving economic landscape with confidence and strategic vision.

For and on behalf of the board



Simbarashe Kadye
Finance Director

