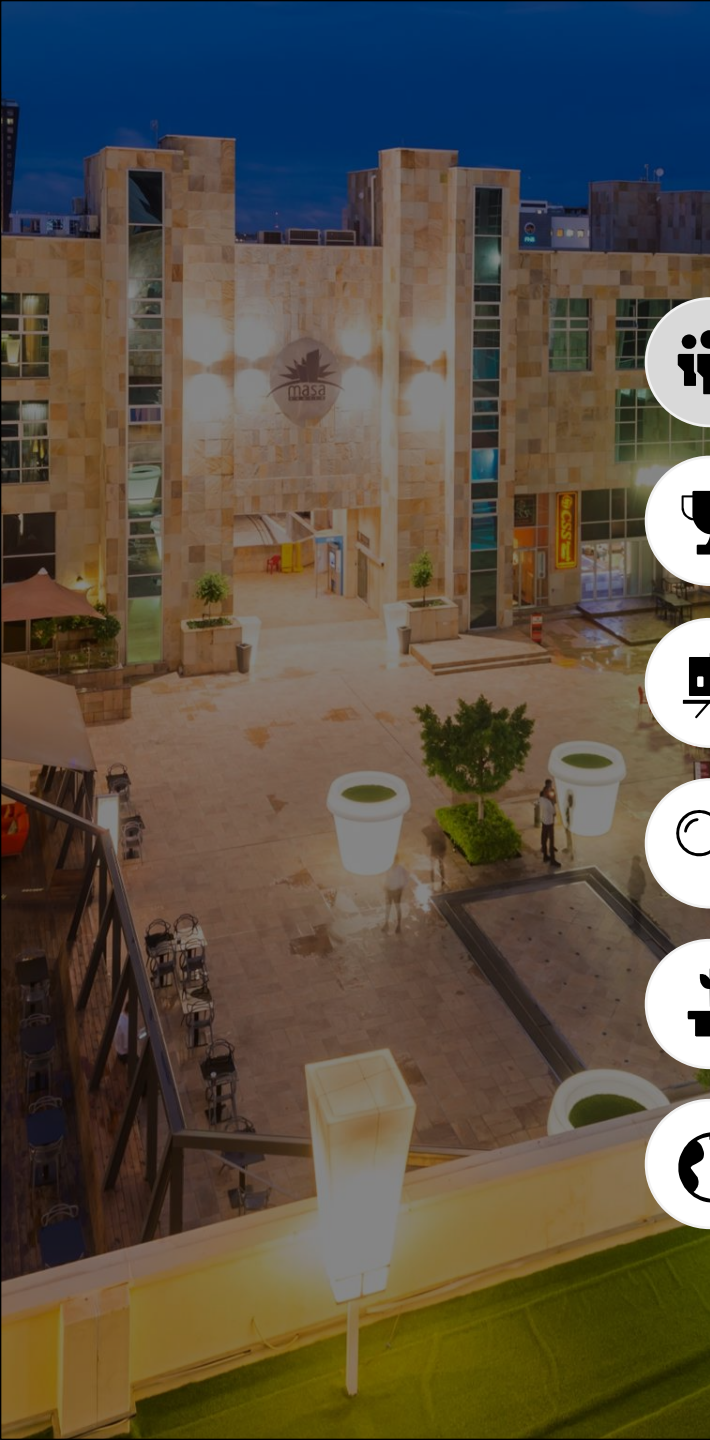




FINANCIAL RESULTS PRESENTATION
FOR THE YEAR ENDED ON 31 DECEMBER 2020





Discussion Topics



-  Introduction
-  Financial Highlights
-  31 December 2020 Results
-  Portfolio Analysis
-  Prospects & Developments
-  Corporate Social Responsibility



RDC PROPERTIES LIMITED

INTRODUCTION



Overview of FY2020

The year to 31 December 2020 was an unprecedented year characterized by the pandemic.

Some of the major impacts to our Group are as follows:

- Hard lockdown impacted mainly on the tourism/recreational sector within the portfolio.
- The impact has been mitigated differently by country - South Africa has been less effected than Botswana
- Our exposure to small retail/commercial units is limited so the impact has mainly been on hospitality
- Cash flows have been tested and the Group has demonstrated its strong balance sheet and managed to retain its strength

Our Response

The Consolidated results for the year ending 31 December 2020 reflect the resilience of a well-diversified and carefully managed portfolio in a very demanding operating environment.



Cash preservation through prudent management



50% of prior distribution, capitalisation offer & vendor equity finance has conserved cash



OPCO / PROPCO hospitality has successfully protected the sustainability of hotel Operations.



Worked with stakeholders to secure employment in our Asset Managers and Operating Partners.



First to respond to the Government appeal for Quarantine Hotel, despite early stigma



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STRATEGIC DIRECTION



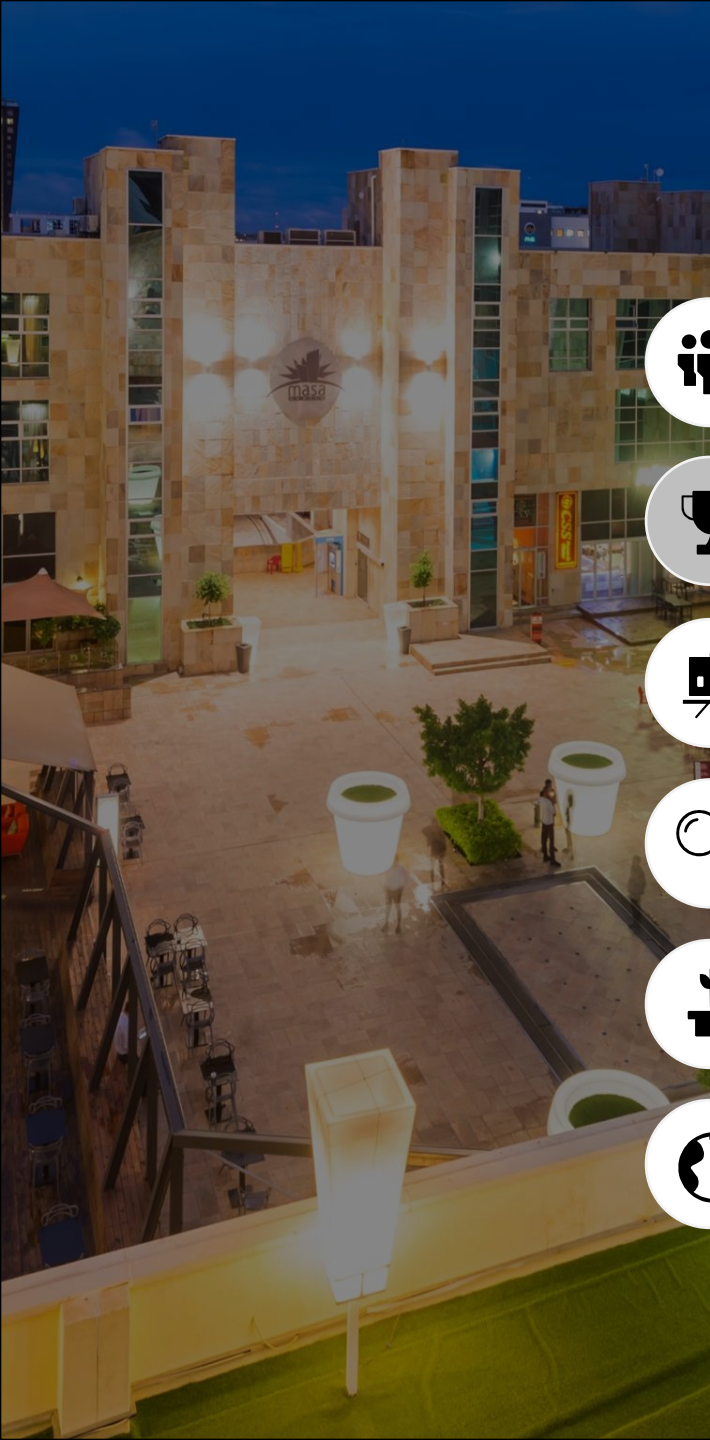
WE OWN AND MANAGE STRATEGIC PROPERTY ASSETS THAT ADD VALUE TO THE COMMUNITIES WE SERVE

- Our **PURPOSE** guides us going forward:
 - We own and manage strategic property assets that add value to the communities we serve
 - We are engaging in “improving our environmental footprint” through green projects
- Our **STRENGTH** comes from:
 - Real diversification of the portfolio - **Region + Use + Currency**
 - The integration of management teams (Botswana – South Africa – USA)
Depth of management skills to be deployed
- Our **SHAREHOLDERS** have indicated that our dividend yield is too low:
 - The response is the realization that acquisitions enhance our ability to grow dividends more so than development. By balancing our portfolio growth between **acquisition** and **development** we seek to strike a balance between patient capital and income generation.
 - The Group is therefore accelerating accretive acquisitions, the positive impact of which will be felt in the years to come.

A crisis always provides opportunity. We have taken note of the above & put in place actions to gain an advantage for our communities:

- Market dislocations in terms of market valuations versus NAV – Corporate Action explored
- Opportunities arising from distressed assets as presented to us by Senior Advisors
- All actions underpinned by the strong support to the Board of Directors, key shareholders and minority interests.





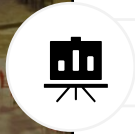
Discussion Topics



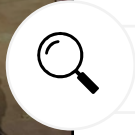
Introduction



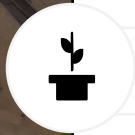
Financial Highlights



31 December 2020 Results



Portfolio Analysis



Prospects & Developments



Corporate Social Responsibility



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Highlights: Year ended 31 December 2020



INVESTMENT AND PROPERTY PORTFOLIO

P2.3 billion  **8.4%**

(2019 – P2.02 billion)

Investment and property portfolio grew due to new acquisitions in RSA and the USA, offset by fair value devaluation at 31 Dec 2021
* **59%** independently valued

RENTAL REVENUE

P132 million  **14%**

(2019 – P152m)

Decrease in revenues due to Covid was partially offset by P6.8m increase from new acquisitions in Capitalgro.

PROFIT FROM OPERATIONS

P83 million  **22%**

(2019 – P107m)

Decrease in profit from operations due to COVID affected business, partially offset by accretive acquisitions.

PROFIT FOR THE PERIOD

P22 million  **83%**

(2019 – P128m)

Decrease of P18.5m in fair value deficit in comparison to 2020 fair value surplus of P85m (impact is **P104 m**).

LINKED UNIT DISTRIBUTION – DIVIDEND & INTEREST

P23 million  **50%**

(2019 – P46m)

A prudent approach in response to uncertainty around Covid set at in 50% of prior year being distributed – acquisition strategy

NET ASSET VALUE

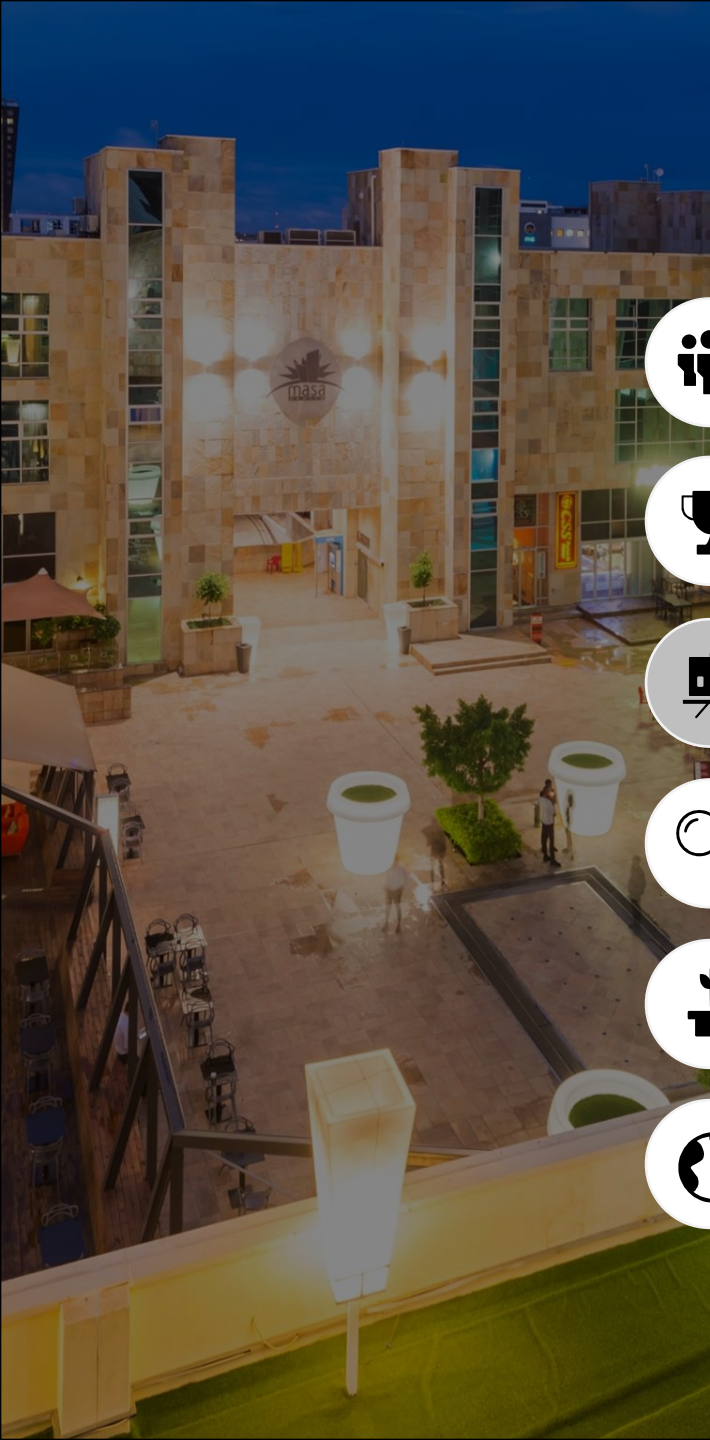
P3.27  **1.8%**
per linked unit

(2019 – P3.33)

LOAN TO VALUE NET CASH

31%  **11%**

(2019 – 20%)



Discussion Topics



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31 December 2020 Results



Realestate Group

ABRIDGED AUDITED GROUP STATEMENT OF FINANCIAL POSITION	Year Ended 31 December 2020 (P'000)	Year Ended 31 December 2019 (P'000)	% Change
Assets			
Property, plant and equipment	6,489	7,928	
Intangible asset	1,000	1,000	
Investments & Loans	80,879	-	-
Investment in a joint venture	27,444	30,633	
Investment properties	2,145,151	1,977,609	8.5%
Rental Receivable – Straight Line Adjustment	13,429	11,663	
Available for sale investments	38,160	7,231	
Long-term trade receivables	4,408	945	
Current assets	201,990	290,673	
Total Assets	<u>2,518,950</u>	<u>2,327,772</u>	8.2%
Equity and Liabilities			
Equity attributable to the owners of the parent	1,156,823	1,169,406	
Non-controlling interests	297,009	265,452	
Long term borrowings (current & non-current)	877,745	707,826	24%
Deferred tax liabilities	129,624	138,747	
Current liabilities	57,749	46,341	
Total Equity and Liabilities	<u>2,518,950</u>	<u>2,327,772</u>	

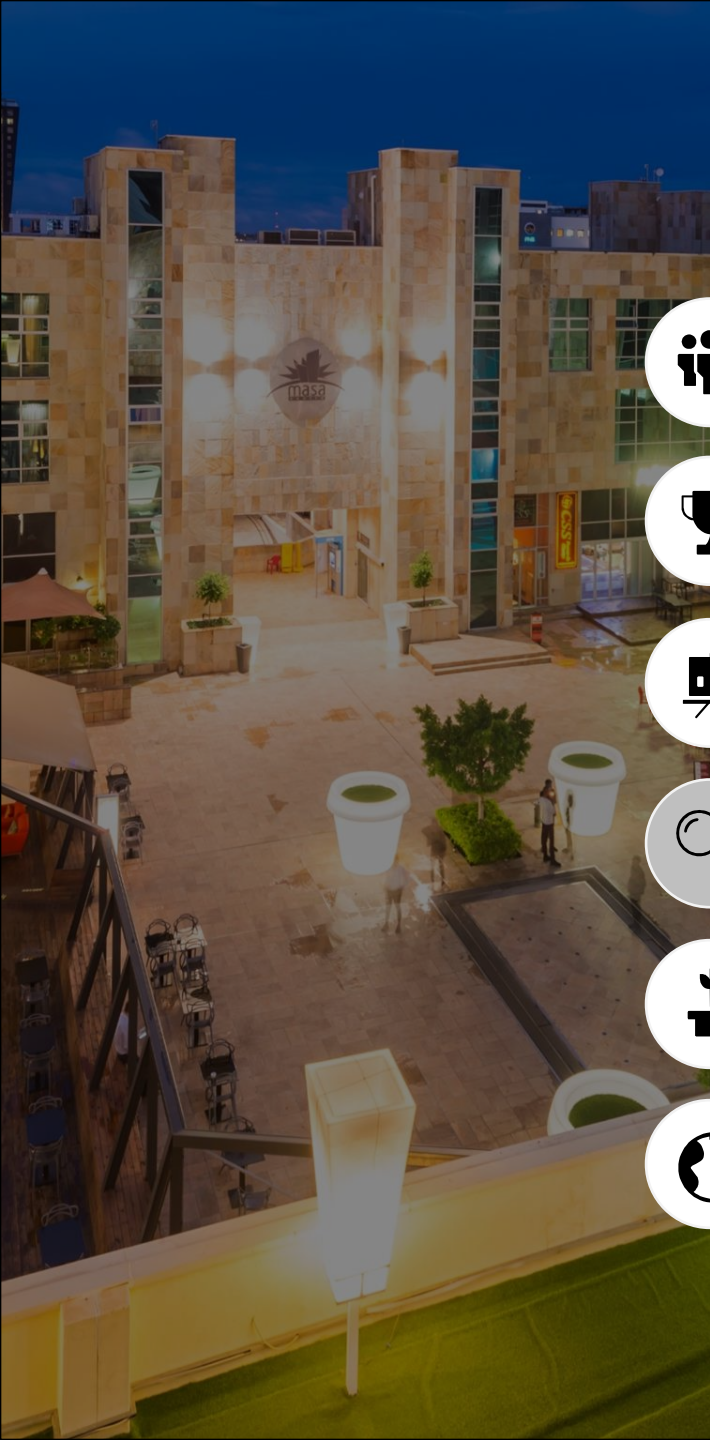
RDC PROPERTIES LIMITED

31 December 2020 Results



Realestate Group

ABRIDGED AUDITED GROUP STATEMENT OF COMPREHENSIVE INCOME	Year Ended 31 December 2020 (P'000)	Year Ended 31 December 2019 (P'000)	% Change
Revenue	131,594	152,481	(13.7%)
Operating expenses	(52,007)	(50,986)	
Other operating income	1,913	3,279	
(Loss)/income arising from joint venture	(427)	1,089	
Other foreign exchange gains	1,647	827	
Profit from Operations	82,720	106,690	(22.5%)
Investment income	13,025	19,348	
Net finance costs	(58,317)	(48,704)	
Profit before fair-value adjustments	37,428	77,334	(51.6%)
Surplus arising on fair valuation of investments	7,486	-	
(Loss)/Surplus arising on revaluation of properties	(25,947)	84,746	
Profit before taxation	18,967	162,080	(88.3%)
Income tax income/(expense)	3,240	(34,547)	
Profit for the period	22,207	127,533	(82.6%)
Other comprehensive income			
Exchange differences - translation of foreign operations	(9,067)	5	
Fair value gain/(loss) - available for sale financial assets	3,862	(6,697)	
Total comprehensive income for the period	17,002	120,481	(85.9%)



Discussion Topics



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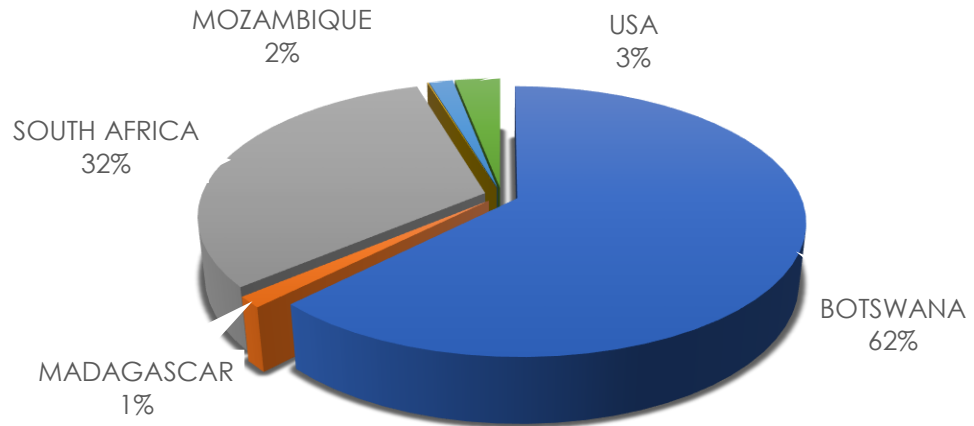
Portfolio Analysis



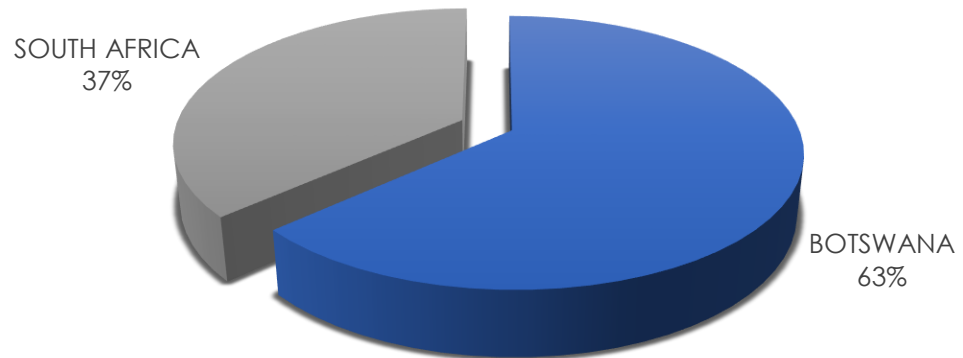
Our Geographical Landscape



Investment Property by Value – December 2020

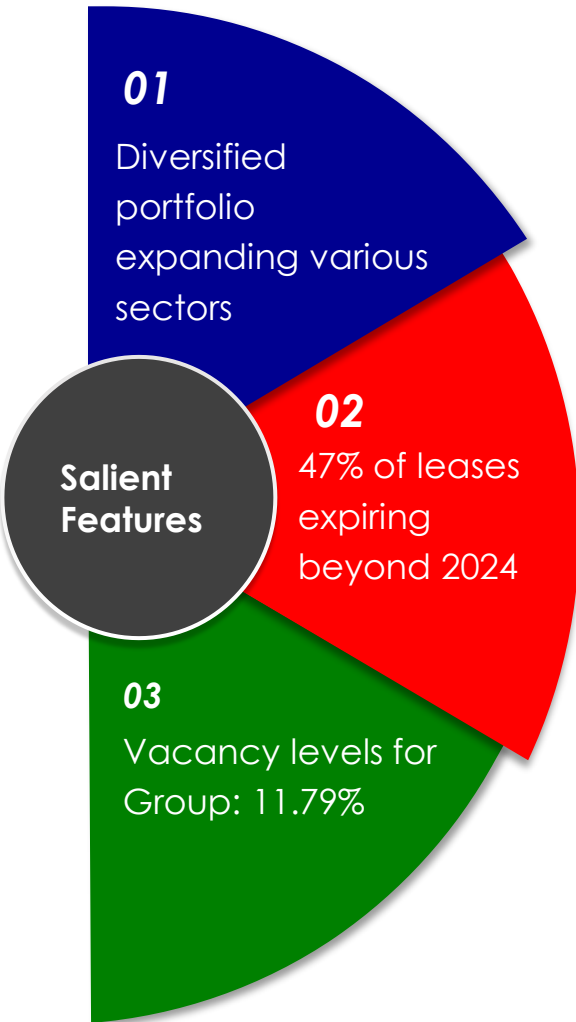


Revenue by Country – December 2020

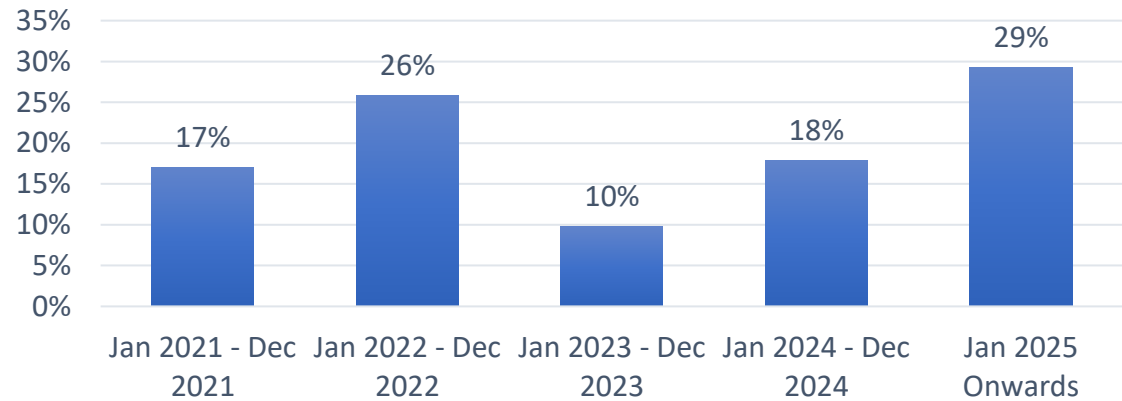


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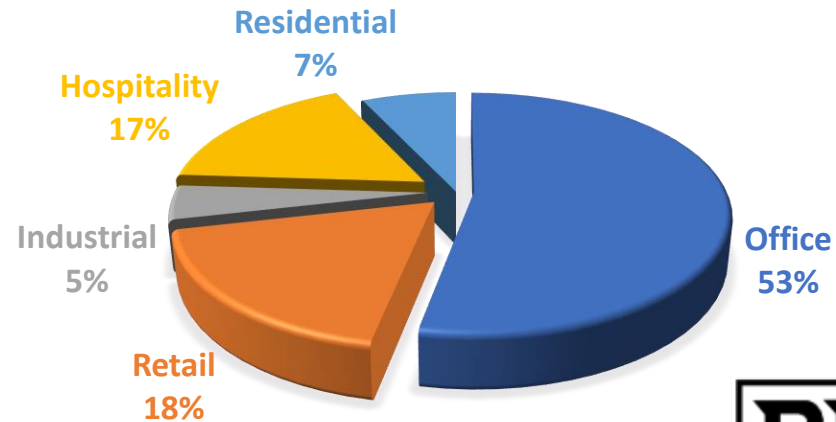
Portfolio Analysis



RDCP Lease Expiration Profile
South Africa & Botswana by Revenue



RDCP Portfolio
Revenue Contributions (31 December 2020)



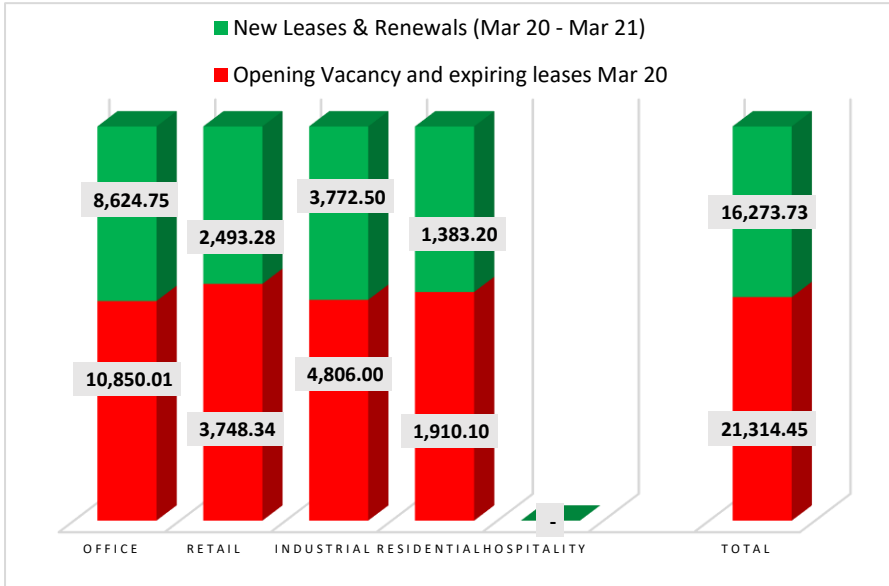
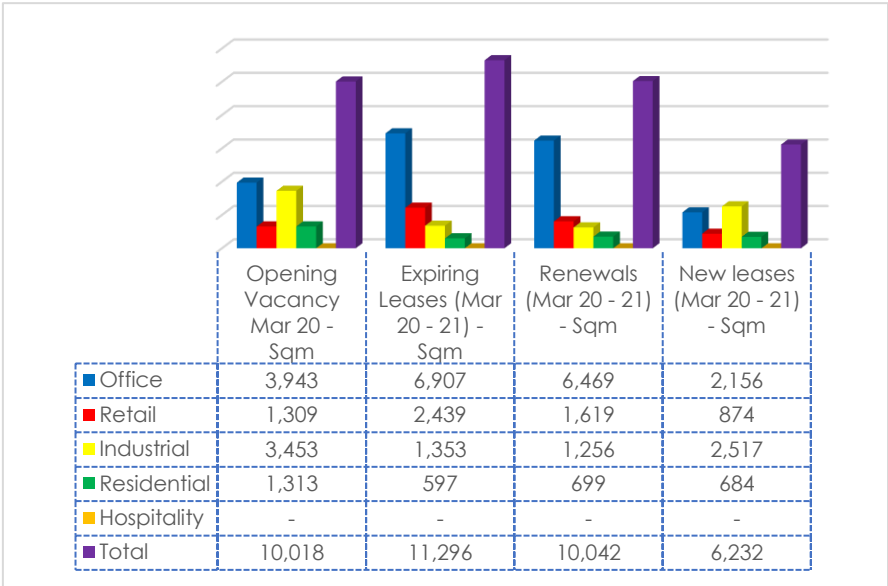
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Portfolio Analysis



RDC Properties Botswana Vacancies Analysis March 2020 – 2021 (1 year pandemic period)

RDCP Summary Vacancies Analysis Botswana



Vacancy Levels in **Botswana** at **6.56%** by Area

- Total new leases and renewals of 16,274 sqm has reduced opening vacancies.

Vacancy levels in **South Africa** being **13.42%** by Area

- Offer to let for 1,382sqm Signed with Checkers & 3,686sqm lease negotiations at an advanced stage with health services provider, department store and insurance business inclined tenant.
- Post Westlake Redevelopment, vacancy expected to stand at **5.82%** for the portfolio.
- Prospects for future leases quite positive with flexibility in lease transactions.



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Portfolio Analysis – Capitalgro



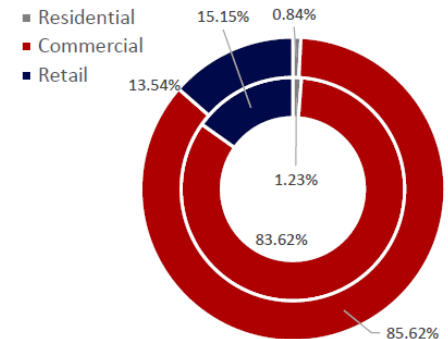
Capitalgro Portfolio Overview

63,450,533 A Class Shares	44 Shareholders	122 Active Tenants	53.5% Loan to Value	13.42% Vacancy By Area
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	TOTAL	CAXTON	VOOR-TREKKER	EDGE	EQUINOX	REGENT	TYGER LAKE	WESTLAKE
GLA m ²	43,410	3,888	11,417	11,219	5,395	5,433	719	5,339
Valuation Dec 19	R704m	-	-	R353m	R117m	R128m	R15m	R91m
Valuation Dec 20	R964m	R86m	R181m	R358m	R102m	R126m	R14m	R97m
<i>Per Independent Valuation</i>								

Portfolio Mix
(Inside Circle by Income, Outside Circle by Area)



Key Financials	FY2020	FY2019	% Change
Revenue	R 85 542 035	R 71 859 434	19%
Operating Profit	R 55 201 413	R 47 127 174	17%
Shareholder Distribution	R 25 633 161	R 17 926 356	42%
Investment Property	R 964 500 000	R 704 055 000	37%
Total Assets	R 977 464 839	R 713 668 720	37%
Long Term Borrowings	R 498 994 375	R 352 799 540	41%



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Portfolio Analysis – Capitalgro FY2020 Acquisitions



65 AND 69 VOORTREKKER ROAD



- Following the easing of the lockdown level restrictions from June 2020, Capita has continued to weather the impact of Covid-19 with relative ease.
- Both of this property's tenants have remitted full rental amounts throughout the period.
- The size of the premises enabled Capita to isolate various portions of the call centre for ongoing use and the immediate sanitisation of 'infected' areas once a positive case became known. No positive cases have been reported since July 2020.

9 CAXTON STREET



- 100% occupancy despite Covid-19 has severely impacting its tenancies.
- Anchor tenant Rhino Africa Safaris has been almost entirely absent from the property since March 2020
- Long lease expiry date to 31 January 2028 and the two remaining tenancies secured with rental income guarantees to May 2023.

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Portfolio Analysis – USA Investments



Research Court

- This is a rental enterprise with a scheduled offload for tax purposes within 7 years, 8% net yield and 15% IRR over life of the investment
- \$2m placement in 2020. **Value of two buildings in excess of US\$10m**
- 6,874 sqm of space 100% let and 8% yield achieved.



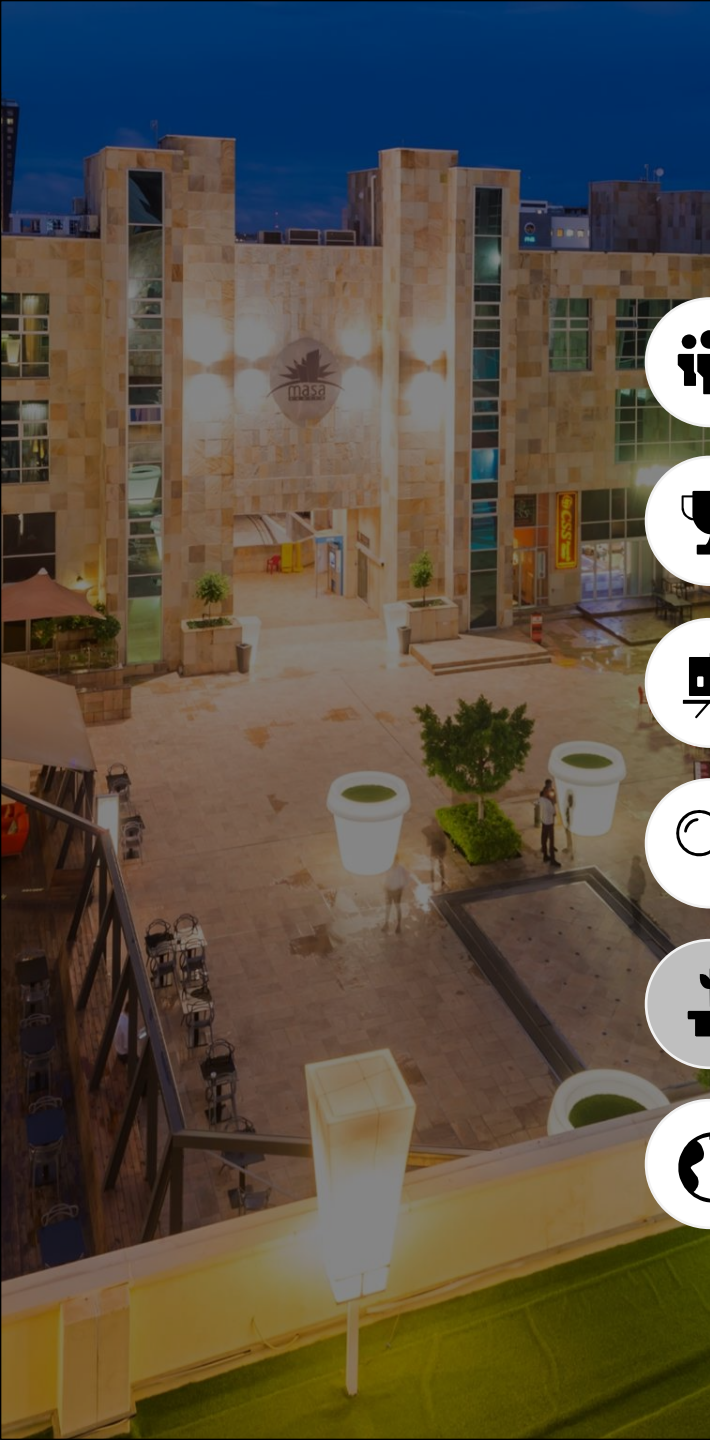
Fair-value gains in current year – P4.4 million

The Manning

- This is a high-end residential development project
- Construction is underway with US\$71.2m of \$115m presold.
- US\$3.5m placed during 2020 as a minority stake on preferred return basis with 2-year investment horizon.








Fair-value gains in current year – P3.9 million



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Prospects & Developments



Description	Value	Status	Income
Radisson Red – Rosebank Johannesburg	R405M	Building site – Acquisition by RDC Opening June 2021	Q3 2021
Retirement Homes Tlokweng	P130M	Analysis of various equity and debt financing options in connection with the Pandemic economy	On hold
Albert Road 108, Bio - Hub Woodstock – Cape Town	R105M	Building site – JV development	Q2/3 2021
Xiquelene – Mozambique	\$1.9M	Turnkey Acquisition	Q3 2022
Protea Hotel by Marriott Masa Square	P 30-35M	Property Improvement plan (3 years)	



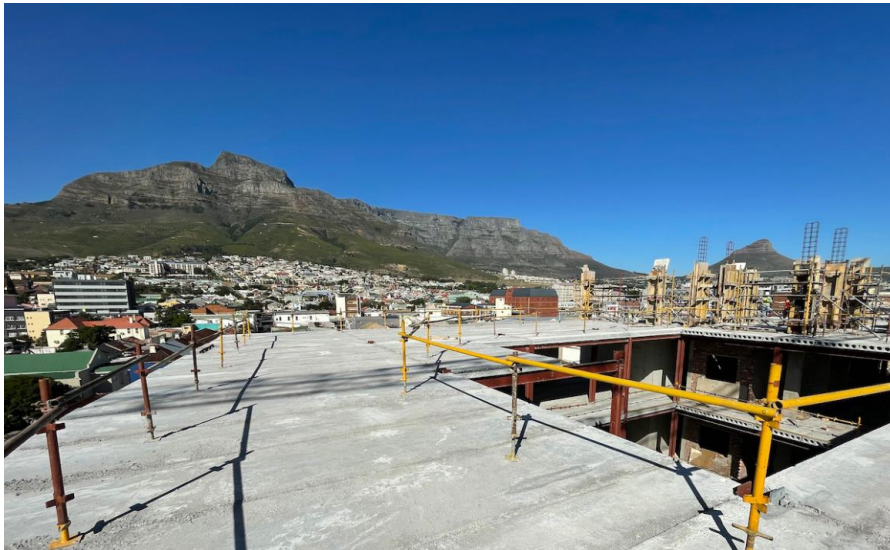
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108 Albert Road, Woodstock



The development in Woodstock, Albert Road 108, began post lockdown and is due to be complete in Q3 2021, aiming to house biotech tenants in an innovation center.

- Considerable interest in the Cape's first Biotech Hub.
- Approval for an extra level pending. This additional floor is intended to maximize the value of the asset.
- Acquisition of adjoining properties under negotiation as part of a precinct plan.
- The project has gained traction and interest within the industry and was featured in the Investment Presentation in Cape Town.



CAPITALGRO
properties

CHIC

Cape Health Innovation Campus

An initiative by the Centre for Proteomic & Genomic Research (CPGR) and Artisan Biomed, in concert with The Castle Group, Capitalgro Properties & RDC



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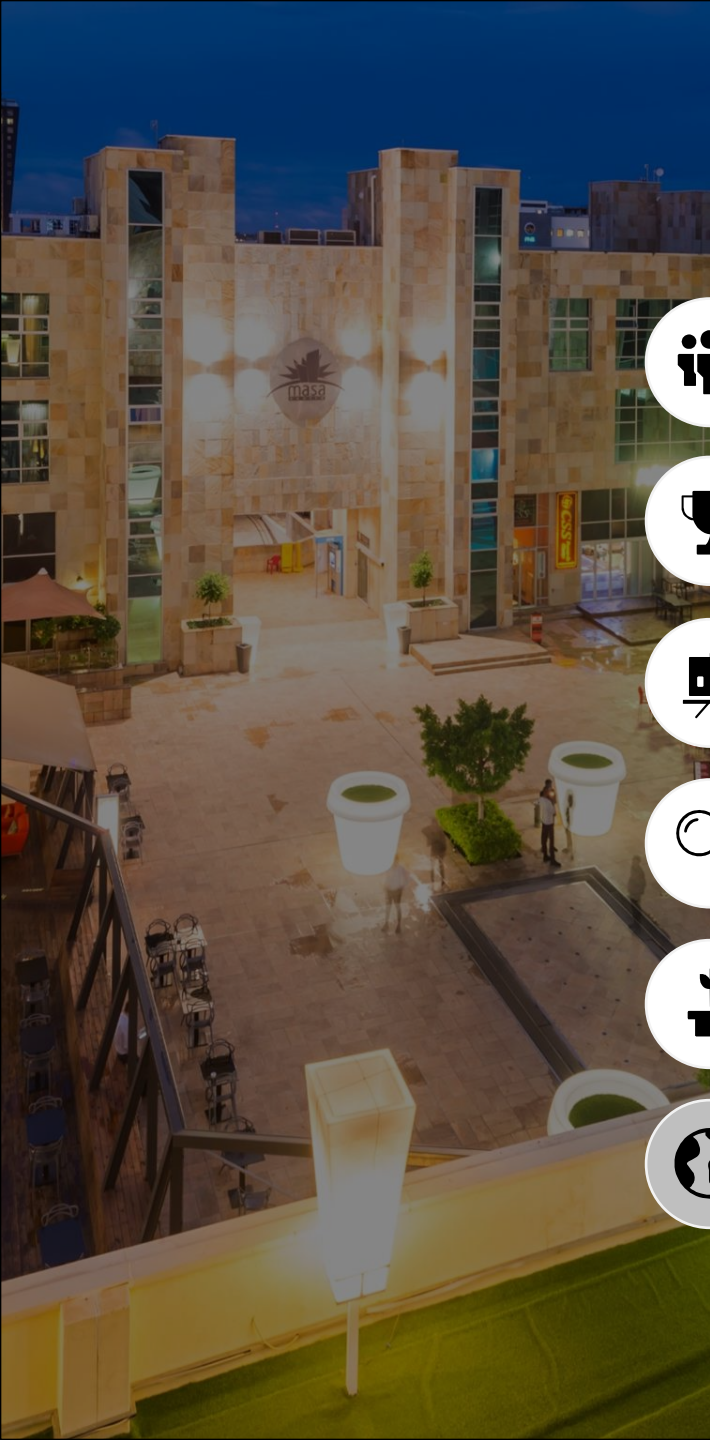
Radisson Red – Status Update

- The Radisson Red Hotel is situated in the “Art Mile” precinct of Rosebank Johannesburg. Anglo American and BP moved their offices there...
- Hotel is on track to open on 2 June 2021
- The hotel will soon achieve practical completion.
- The roof wetting was held mid March
- Core to strategic business model of the hotel
“**environmentally green star grading**” to 5-star level
- The Art of the Hotel is an intrinsic component of the Brand and the Vibe. All artwork has been approved including the external sculptures



“Wings by Usha Seejarim”

“Porte cochere lady by Marlene Steyn”



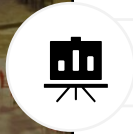
Discussion Topics



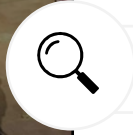
Introduction



Financial Highlights



31 December 2020 Results



Portfolio Analysis



Prospects & Developments



Corporate Social Responsibility



RDC PROPERTIES LIMITED

Corporate Social Responsibility



“We Own and Manage strategic Property Assets that add value to the Communities we serve”



THE GROUP WAS THE FIRST TO AVAIL IT'S HOTEL FOR QUARANTEN GUEST (25 March 2021)



“We Own and Manage strategic Property Assets that add value to the Communities we serve”

