

# RDC PROPERTIES LIMITED



RESULTS PRESENTATION  
UN-AUDITED SIX MONTHS  
30 JUNE 2008

**Presented by:**  
**Property & Asset Management  
Limited**



# **Our Presentation**

- **Introduction of the enlarged TEAM**
- **Highlights of the 6 months un-audited results, to June 2008**
- **Market overview and our strategy.**
- **Prospects and developments.....**

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# **Enlarged Management TEAM**



(FROM RIGHT: G.Giachetti, Pule Mokumako, J.Karumathil, K.Chikerema, J Stewart, S T Thwabi, D.Mmathipe, G.Tsitsi Mosweu  
out of picture: Anand V Subramaniam )

5/17/2016



# HIGHLIGHTS OF THE FINAL RESULTS

- **TURNOVER**

- P 13.703 million 19.51% increase from P 11.466 million (Half year)
- Full stream of the revenue of buildings refurbished the previous years
- Reduced vacancy rate from 4.24% to 1.22%.

- **PROFIT FROM OPERATIONS**

- P 10.199 million 20.25% increase from P 8.482 million

- **PROFIT BEFORE DEBENTURE INTEREST**

- P 8.115 million 37.06% increase from P 5.920 million,

- **DISTRIBUTION TO UNIT HOLDERS**

- P 3,796 million 21.52% increase from P 3,124 million
- Not distributing income from Madagascar

- **INVESTMENT PORTFOLIO**

- P 191.36 million 7.14% increase from P 178.611 million
- Progress made on Isalo Rock Lodge investments.
- WIP on CBD development.

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# HIGHLIGHTS OF THE FINAL RESULTS

- **BANK OVERDRAFT**
  - P 7.124 million increased from P 1.562 million
  - NOT YET TAKEN LONG TERM LOAN FOR CBD
  
- **FINANCE COSTS**
  - P 2.926 million 14.74% decrease from P 3.432million
  - SUCCESSFUL RE-FINANCING ARRANGEMENT
  
- **STOCK MARKET STATISTICS**
  - DIVIDEND YIELD INCREASED FROM 5.2% IN JUNE 07, TO 6.2% IN JUNE 08: TOP OF BSE.
  - SHARE PRICE STABLE WHILE MARKET LOOSES SUBSTANTIALLY P 3.70

# MARKET OVER VIEW / INVESTMENT STRATEGY

## MARKET OVERVIEW

- Demand for prime properties in Gaborone particularly in the retail and commercial sector continues to be strong.
- Demand outside of Gabs still strong - In all but **one** of the outlying centers. Vacancy 1.22%
- The New CBD is starting to attract MAJOR attention, a number of projects are in a final stage of design and some have started work of site.... This will change the market ...

## INVESTMENT STRATEGY

- Long-term objective:
  - Investment in PRIME Properties – Good LOCATION.
  - Diversified income stream (currency and industry sectors).
  - Creating a Pan African portfolio.
- Partnership as a way of thinking;
  - For new developments.
  - With our customers.
- Innovation – design and technical solutions.
  - MASA TOWERS.
  - Isalo Rock Lodge.

# PROSPECTS FOR 2008 AND BEYOND...

## PROPOSED HOTEL AND COMMERCIAL DEVELOPMENT - CBD



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## ISALO LODGE - MADAGASCAR



# EXCITING NEW PROJECTS

**A TEAM THAT ADD'S VALUE – BEST VALUE**

● Design completed

● Team:

- Arctez architects
- AREA M&E engineers
- ADA Civil/Structural Engineers
- GAAM/KD Professional QS

● Partners – Steering Committee

● Procurement method:

- **COMPETITIVE TENDER**

● Advance civil works completed (subsoil risk eliminated)

● Building Tender completed (estimated cost now ascertained)

- Tender received: ICC / M&R / GAAM tend.est

● **!! PROBLEM WITH COSTS !! (Estimate 180 M / tenders ICC 247M / M&R 294 / GAAM 244**

● Added value .. Re engineering of the project .. Input from ICC/PAM (51 M Saving)

- **CONTRACT AWARDED AT 197 M**





# EXCITING NEW PROJECTS

## STUNNING FINANCIAL PERFORMANCE



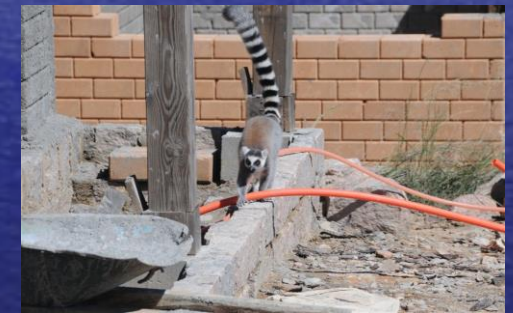
- **ANCHOR TENANTS:**
  - African Sun Limited (Holliday Inn)
  - Casino (agreed -subject to license)
  - Cinema (agreed terms)

<b>Financial indicators</b>	<b>In excess of</b>
IRR (over 20 years) (terminal value on 16% regr.)	<b>23,06%</b>
IRR (over 20 years) (no terminal value)	<b>21,14%</b>
IRR (over 10 years) (terminal value on 16% regr.)	<b>24,81%</b>
IRR (over 10 years) (no terminal value)	<b>12,4%</b>
PBP	<b>6,5 Years</b>
NPV (discount rate 16.5%)	<b>P39m</b>

<b>Cost</b>	<b>Pula</b>	<b>%</b>
Land:	<b>2,751,210</b>	<b>1.11</b>
Building costs:	<b>191,298,235</b>	<b>77.30</b>
Professional Fees:	<b>10,947,945</b>	<b>8.46</b>
Contingencies	<b>16,491,809</b>	<b>6,66</b>
Interest during construction:	<b>14,632,645</b>	<b>5.91</b>
Marketing & legal	<b>350,000</b>	<b>0.14</b>
Hotel relocation fee	<b>1,000,000</b>	<b>0,40%</b>
<b>Total</b>	<b>247,468,848</b>	<b>100.00</b>
<b>Investment by Anchors</b>	<b>81,500,000</b>	
<b>TOTAL INVESTMENT</b>	<b>324,000,000</b>	

# View of the future Isalo Rock Lodge - Madagascar

- MADAGASCAR ECONOMY LOOKING UP – NEW MINING VENTURES
- HOSPITALITY IN HIGH DEMAND



## In summary...

- THE YEAR 2008 IS A VERY SUCCESSFUL YEAR, ...**STRONG RESULTS.**
- WE LOOK FORWARD TO THE NEW VENTURES LOCAL AND ABROAD, AS WE PIONEER NEW DEVELOPMENT CONCEPTS FOR BOTSWANA.
- **THE SUCCESS OF OUR INVESTORS AND TENANTS IS OUR SUCCESS...**

RDC ICC PAM

**THANK YOU**

