

# RDC PROPERTIES LIMITED



UN AUDITED HALF YEAR RESULTS  
30 JUNE 2012

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



RDC PROPERTIES LIMITED

# Topics

- **Half Year Results – Highlights**
- **Projects and Market Overview**
- **Prospects and Developments**



## HIGHLIGHTS of the half year ended 30 June 2012

**❑ FINANCIALS:**

- ❑ REVENUE GROWTH UP AT 25%
- ❑ PROFIT BEFORE TAX UP BY 14%
- ❑ INVESTMENT AND PROPERTY PORTFOLIO UP BY 31%, STANDS AT P669M

**ABRIDGED GROUP STATEMENT OF  
COMPREHENSIVE INCOME**

	<b>Un-audited 30-June-2012</b>	<b>Un-audited 30-June-2011</b>	
	<b>P'000</b>	<b>P'000</b>	
<b>Revenue</b>	<b>19,145</b>	<b>15,352</b>	<b>24.71%</b>
Operating expenses	(5,782)	(5,397)	
Finance costs	<u>(3,034)</u>	<u>(2,100)</u>	
<b>Profit from operations</b>	<b>10,329</b>	<b>7,855</b>	<b>31.50%</b>
Other income	<u>526</u>	<u>1,021</u>	
<b>Profit before exchange differences</b>	<b>10,855</b>	<b>8,876</b>	
Exchange gain	<u>675</u>	<u>1,197</u>	
<b>Profit before tax</b>	<b>11,530</b>	<b>10,073</b>	<b>14.46%</b>
Income tax expense	<u>(291)</u>	<u>(86)</u>	
<b>Profit after tax for the period from continuing operations</b>	<b>11,239</b>	<b>9,987</b>	
<b>Discontinued operations</b>			
(Loss)/profit from discontinued operations	<u>(14)</u>	<u>35</u>	
<b>Profit for the period</b>	<b>11,225</b>	<b>10,022</b>	
<b>Other comprehensive income</b>			
Exchange differences on translating foreign operations	<u>(414)</u>	<u>(428)</u>	
<b>Total comprehensive income for the period</b>	<b><u>10,811</u></b>	<b><u>9,594</u></b>	<b>12.69%</b>
<b>Total comprehensive income for the period attributable to:</b>			
-Non-controlling interests	1,871	712	
-Equity holders of the parent	<u>8,940</u>	<u>8,882</u>	
	<b><u>10,811</u></b>	<b><u>9,594</u></b>	
Number of linked units in issue at period end	35,033,129	34,544,029	
Average weighted number of linked units in issue	34,586,909	33,642,697	
<b>Earnings per linked unit (thebe)</b>	<b>25.85</b>	<b>26.40</b>	
Interim dividend (thebe)	0.33	0.32	
Interim debenture interest (thebe)	<u>16.38</u>	<u>15.82</u>	
<b>Total distribution</b>	<b><u>16.71</u></b>	<b><u>16.14</u></b>	<b>3.53%</b>

**ABRIDGED GROUP STATEMENT OF FINANCIAL  
POSITION**

**Un-audited  
30-June-2012  
P'000**

**Un-audited  
30-June-2011  
P'000**

**Assets**

Property, plant and equipment	23,049	285,740
Intangible assets	1,000	1,000
Investment properties	642,905	219,312
Investments	2,065	2,237
Current assets	18,883	21,736
Assets classified as held for sale	<u>281</u>	<u>1,245</u>
<b>Total Assets</b>	<b><u>688,183</u></b>	<b><u>531,270</u></b>

**Equity and Liabilities**

Unit holders' funds	254,896	171,890
Non-controlling interests	85,370	71,401
Long term borrowings	237,192	220,604
Deferred taxation	53,600	31,006
Current liabilities	56,686	35,574
Liabilities directly associated with assets classified as held for sale	<u>439</u>	<u>795</u>
<b>Total Equity and Liabilities</b>	<b><u>688,183</u></b>	<b><u>531,270</u></b>



# FINANCIAL HIGHLIGHTS

## ❑ INVESTMENT PORTFOLIO

❑ P669.02m – 32% increase (2011 – P508.29m)

## ❑ GROSS INCOME

❑ P19.15m – 24.71% increased (2011– P15.35m)

## ❑ PROFIT FROM OPERATIONS

❑ P10.33m – 31.5% Increase (2011– P7.86m)

## ❑ PROFIT BEFORE EXCHANGE DIFFERENCES

❑ P10.86m – 22.30% increase (2011– P8.88m)

## ❑ PROFIT BEFORE TAXATION

❑ P11.53m – 14.46% increase (2011– P10.07m)

## ❑ LONG TERM BORROWINGS

❑ P237.19m – 7.52% increase. (2011– P220.60m)

Increase due to financing of Masa Centre.

## ❑ DISTRIBUTION TO UNIT HOLDERS – INTERIM

❑ 16.71 thebe per Linked Unit – up by 3.53% (2011–16.14 thebe per Linked Unit)

❑ Proposing an elective capitalisation of 50% of the interim distribution

## FINANCIAL HIGHLIGHTS

### □ STOCK MARKET STATISTICS

- Share price at P6.78 – decrease of 5.57% ( 2011– P7.18)
- Dividend yield is 6.51% compared to 8.11% in 2011
- Share Price as at 6 September 2012 P7.00
- Linked Units in issue at period end 35,033,129 (2011: 34,544,029)
- NAV / Share valued at P 7.28 UP 46.18% ( 2011 – P4.98)
- NAV – adjusted for deferred taxation P8.81 up 50.09% ( 2011 – P5.87)

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## MARKET OVERVIEW

- ❑ Several new Commercial projects have started their operations in different zones of Gaborone, noticeably in the New CBD
- ❑ The risk of oversupply of Office space in specific areas of the Capital is now noticeable but the demand for Retail and Industrial building is still strong and is pushing the yields.
- ❑ The demand for ownership of real estate is still noticeably high.
- ❑ More than before, the market is selective and highly demanding in terms of LOCATION, QUALITY and STANDARDS.
- ❑ RDC's portfolio is sound both in Gaborone and across the Country; the strong results and very low vacancy rates are there to confirm
- ❑ The PAM Team is now focused in strengthening long term relationship with the Blue Chip Tenants (Business Partners). This increased Customer Centric approach is showing good results and will be the key driver for the new developments.





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## HIGHLIGHTS of the year 2012

UN AUDITED Financial results for the half year ended 30 June 2012

- ▶ **Banc ABC commits to one of subsidiary owned premises, Lotsane Complex in Palapye**
- ▶ **Brazilian embassy renews its lease with RDC Properties for another 5 years**
- ▶ **Afritec, a subsidiary of CBH Group commits to a five year lease in Mebala Centre.**
- ▶ **Masa Centre is no longer a project but it is now operational and the eateries within the centre have created a lively and “vibey” atmosphere for the centre and this is even witnessed from requests by entities in the fashion and magazine industry to do some photo shoots in the centre.**
- ▶ **Lansmore gears to open its elegant hotel by starting initially with 49 rooms to the public towards the beginning of the second half.**
- ▶ **The Ministers of Environment, Wildlife and Tourism and Trade and Industry, Honourables Kitso Mokaila and Dorcus Makgato-Malesu visit Masa Centre and aided the centre to receive favourable press coverage.**



# MASA CENTER



*"LIFE HAS BEGUN....."*



*SNEAK PREVIEW...*



*SNEAK PREVIEW...*



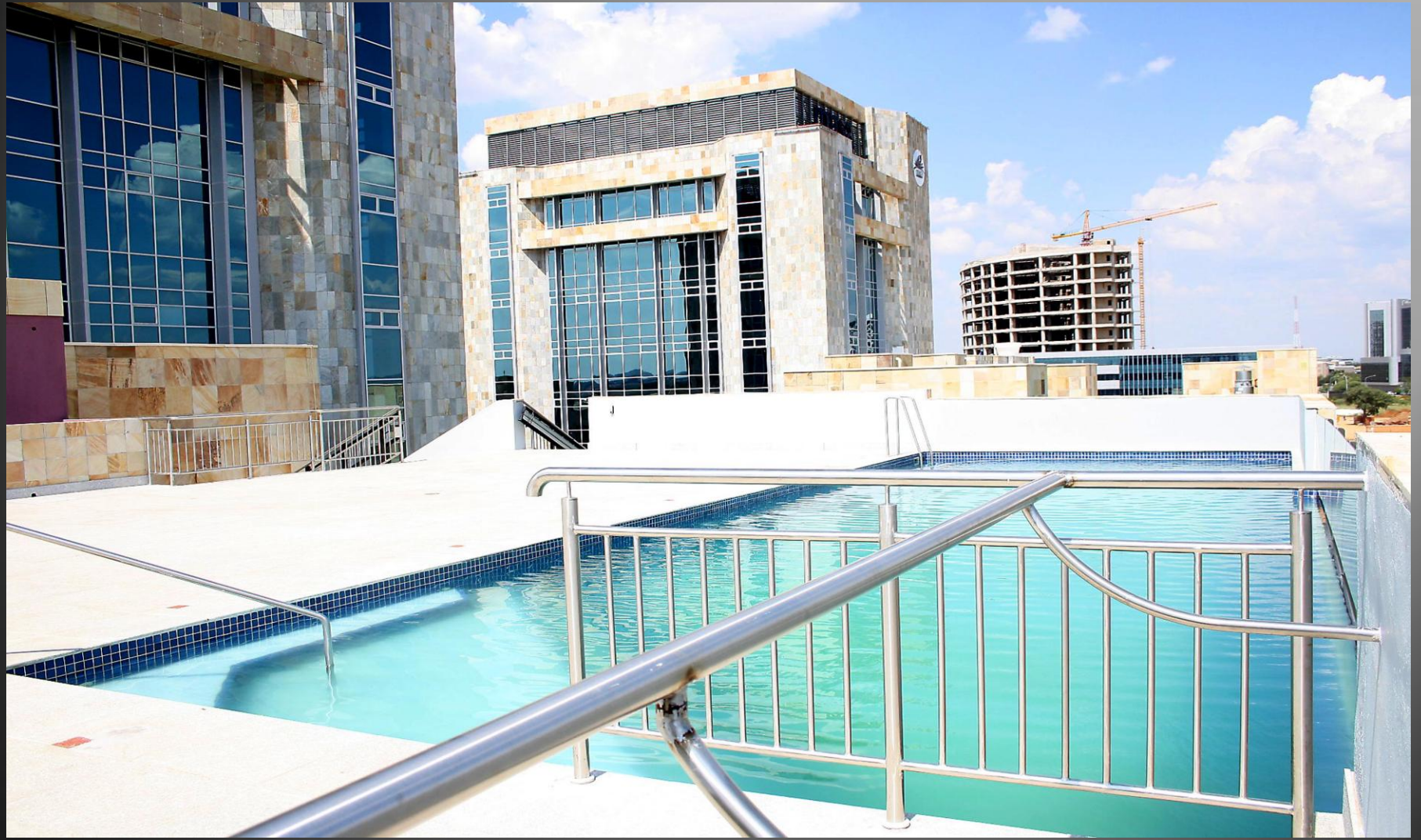
*SNEAK PREVIEW...*



*SNEAK PREVIEW...*



*SNEAK PREVIEW...*



*SNEAK PREVIEW...*





# Marketing



- Increasing awareness of RDC Properties through use of electronic media – i.e. enhancement of RDC website and soon to be launched Masa Centre website.
- Survey administration to improve service delivery and therefore satisfying our clients and other stakeholders
- Masa Centre competition and forthcoming Ceremonial Opening of the Centre
- For more information on letting opportunities contact: [pam@rdc.bw](mailto:pam@rdc.bw) or [masacentre@rdc.bw](mailto:masacentre@rdc.bw) or call 391 4548/3910290 or fax 3973441



- ▶ The political crisis in Madagascar and the world wide economic downturn are unfortunately still effecting on the number of tourists coming to Madagascar.
- ▶ January to June 2012 we have reached a 14% occupancy level. Currently we are looking to 46% occupancy for the month of October.
- ▶ We completed a contract with one of the biggest online booking agency (Reconline). To boost the online reservation option we have improved our web site including the booking on line option, the link to Tripadvisor, more Italian/French translations and new pictures.
- ▶ Because of low level of tourism, our competitors have lowered the rates to attract more tourists. IRL is a better hotel but has been obliged to cope with this situation and also offer a lower rates based on number of rooms booked in a year (2013). This proposal looks like has been well accepted by the Tour Operators and we hope will be fruitful for the future.



- ▶ We are still receiving positive and encouraging report from our clientele via our golden book and via Tripadvisor.com

*“I think the most beautiful hotel where you've never been! We stayed two nights during our honeymoon and I was crying my heart to go away! common areas are beautiful and very well, the food is great and the staff very kind, and the rooms are wonderful, spacious, with comfortable bed and bath and shower ...”*

# Few Pictures



# Few Pictures



## G/WEST New Development

- RDC is looking into developing an area in G/West
  - The Preliminary Feasibility Study has been finalized and approved in principle by the board
  - PAM is currently performing the Pre-Tendering activities
    - Discussions with Real Estate Agents to gather actual market demand
    - Fine tuning of the design
    - Consultants selection
- Next Phase will be Construction Tender

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# G/WEST New Development

Preliminary Artist's Impression



# THANK YOU

