



RDC Properties Limited
(incorporated in Botswana on 18 April 1996)
(Registration No. BW00000877423)
("RDC Properties" or the "Company")

SUPPLEMENTARY PROGRAMME MEMORANDUM

Capitalised terms used in this section shall bear the same meaning as defined in the section headed "Definitions", unless separately defined.

The Company established a **BWP 500 000 000** Medium Term Note Programme, on the 11 October 2018 ("the Programme") and issued notes under the programme in March 2019, March 2020, December 2021, November 2022 and December 2023.

The Issuer, subject to compliance with all relevant laws and regulations, may in terms of the Programme, from time to time, issue notes with securities and on terms related to market conditions at the time of issue ("the Notes"). The Notes may be sold to dealers or underwriters, who may resell the Notes in private offerings or otherwise.

Notes in an aggregate outstanding amount which will not exceed **BWP500 000 000** may be issued under the Programme. As of date hereof, Notes to an aggregate value of BWP290 500 000 are issued and outstanding. It is intended that further Notes in aggregate up to BWP 50 000 000 be issued and BWP23 000 000 the proceeds thereof be utilised to redeem Notes maturing on 11 December 2024. Therefore, as of date of issue of the Notes the subject of this Supplementary Programme Memorandum and after such redemption, Notes to an aggregate of BWP314 500 000 will be issued and outstanding. The Company may in the future issue further Notes under the Programme.

All Notes issued under the Programme shall be listed on the BSE, or on such other or additional financial exchange(s) as may be determined by the Issuer, subject to all applicable laws. The applicable terms of any Tranche of Notes will be agreed by the Issuer prior to the issue of such Notes and will be set out in the Terms and Conditions incorporated by reference into the Notes, as modified and supplemented by an Applicable Pricing Supplement.

This Supplementary Programme Memorandum ("the Supplementary Memorandum") has been approved by the Botswana Stock Exchange ("BSE"). The BSE's approval of this Supplementary Memorandum or the listing of the Notes issued here under the Programme after the date of the Supplementary Memorandum, should not be taken in any way as an indication of the merits of either the Issuer or the Notes. The BSE takes no responsibility for the contents of this Supplementary Memorandum and has not verified the accuracy or truth of the contents of the documentation submitted to it, makes no representation as to the accuracy or completeness of any of the foregoing, disclaims any liability for any loss arising from or as a result of reliance upon the whole or any part of this Supplementary Programme Memorandum or any Applicable Pricing Supplement and, to the extent permitted by law, the BSE will not be liable for any claim of whatever kind.

This Supplementary Programme Memorandum was registered with the Companies Intellectual Property Authority on or about 2 December 2024, in terms of Section 300 (1) (b) of the Companies Act of the laws of Botswana.

Arranger and Dealer



Issuing Agent, Calculation Agent and Paying Agent



Legal Advisor to the Issuer and Sponsoring Broker Arranger



Reporting Accountants and Auditors



Sponsoring Broker



Transfer Agent



Dated: 2 December 2024

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1 INTRODUCTION AND GENERAL

Capitalised terms used in this section headed “Introduction and General” shall bear the same meanings as ascribed to such terms section in the Programme Memorandum or in the section headed “Definitions”, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

The terms and conditions of the Notes to be issued after the date of this Supplementary Memorandum shall be those set out in the Programme Memorandum, as amended by an Applicable Pricing Supplement to be issued by the Issuer, in respect of each Tranche issued after date of this Supplementary Memorandum (“a Tranche”) and together with any further Tranche or Tranches of Notes which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing) except for their respective issue dates, interest commencement dates and/or issue prices, (a “Series”) of Notes (“the Applicable Pricing Supplement”).

Where it is intended that any of the Notes be admitted to the official list of and to trading on a Financial Exchange, that intention and the fact of application and the identity of the Financial Exchange will be stipulated in the Applicable Pricing Supplement relevant to that Tranche of Notes.

Rating

The Issuer has not been rated. Any rating which may be issued will be disclosed in each Applicable Pricing Supplement. A credit rating is not a recommendation to buy, sell or hold securities and is subject to suspension, reduction or withdrawal at any time by the relevant rating agency.

Risk

Prospective investors should have regard to the legal status of the Notes, and the rights arising to them under a Note in the form it has been issued and consult with their advisors in this regard. Prospective investors should have regard to the factors described under Section 6 “Risk Factors” in this Supplementary Memorandum.

The Issuer represents that it has taken all reasonable care to ensure that the information concerning the Issuer contained in this Supplementary Memorandum is true and accurate in all material respects on the date hereof and, that as of the date hereof, there are no other material facts in relation to the Issuer the omission of which would make misleading any statement herein, whether of fact or of opinion.

The advisors whose names and details are set out on Section 17 of this Supplementary Memorandum (“the Advisors”) have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Advisors as to the accuracy or completeness of the information contained or incorporated in this Supplementary Memorandum or any other information provided by the Issuer in connection with any issue of Notes.

No person is authorised to give any information or to make any representation not contained in this Supplementary Memorandum or any Applicable Pricing Supplement, and comprising final terms in connection with the offering of a Tranche of Notes. If any such information or representation is nevertheless given or made by any dealer, broker, seller or other person, it must not be relied upon as having been authorised by the Issuer or by any of the Advisors.

Selling Restrictions

The Notes may not be offered, sold or delivered, nor may this Supplementary Memorandum, nor any Applicable Pricing Supplement or any other offering material be distributed, in any country or jurisdiction outside Botswana except in circumstances that will result in compliance with all applicable laws and regulations. No action has been or will be taken by the Issuer or the Advisors that would permit an offering of the Notes or the circulation or distribution of this Supplementary Memorandum, in proof or final form, or any Applicable Pricing Supplement, or any offering material in relation to the Issuer or the Notes in any country or jurisdiction where action for that purpose is required.

Prior to the issue of any Tranche of Notes after date of the Supplementary Memorandum, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes this Memorandum; and
- (b) it will comply with such other or additional restrictions as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

None of the Issuer, the Arrangers or any of the Dealer(s) represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder nor assumes any responsibility for facilitating such subscription or sale.

The Notes are not required to be registered under the United States Securities Act of 1933, as amended. Accordingly, no registration statement has been filed with the US Securities and Exchange Commission (the "Commission"). The Notes have not been approved or disapproved by the Commission or any state securities commission nor has the Commission or any state securities commission passed an opinion upon the accuracy or adequacy of this Supplementary Memorandum. Any representation to the contrary is a criminal offence in the United States.

Arranger and Dealers

Each of the Arranger and Dealers and its affiliates may have a lending relationship with the Issuer and from time to time have performed, and in the future will perform, banking, investment banking, advisory, consulting and other financial services for the Issuer, for which it may receive customary advisory and transaction fees and expenses reimbursement.

In addition, in the ordinary course of its business activities, each of the Arranger or Dealers and its affiliates may make loans or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such loans, investments and securities activities may involve securities and/or instruments of the Issuer (including the Notes) or the Issuer's affiliates. Each Arranger or Dealer or its affiliates may hedge their credit exposure to the Issuer consistent with their customary risk management policies.

Issuer Responsibility

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted that would make any statement in this Supplementary Memorandum false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Supplementary Memorandum (and all documents incorporated by reference therein) contains all information required by law. The Applicant shall accept full responsibility for the accuracy of the information contained in the Supplementary Memorandum the amendments to the Supplementary Memorandum or any supplements made from time to time, except as otherwise stated therein. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplementary Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. This Supplementary Memorandum has been drawn up in compliance with the Companies Act for Botswana and in accordance with the Listings Requirements of the BSE.

The Issuer, having made all reasonable enquiries, confirms that this Supplementary Memorandum contains or incorporates all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated in this Supplementary Programme Memorandum is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Supplementary Memorandum are honestly held and that there are no other facts the omission of which would make this Supplementary Memorandum or any of such information or expression of any such opinions or intentions misleading in any material respect.

Where any term is defined within the context of any particular Condition or Section in this Supplementary Memorandum, the term so defined, unless it is clear from the Condition or Section in question that the term so defined has limited application to the relevant Condition or Section, shall bear the meaning ascribed to it for all purposes in this Supplementary Memorandum, unless qualified by the Terms and Conditions of any particular Tranche of Notes as set out in the Applicable Pricing Supplement or unless the context otherwise requires.

Neither this Supplementary Memorandum nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, nor should it be considered as a recommendation by the Issuer, the Arranger(s) or the Dealer(s) that any recipient of this Supplementary Memorandum or any other information supplied in connection with the Programme should purchase any Notes.

The delivery of this Supplementary Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme is correct as at any time subsequent to the date indicated in the document containing the same. Neither the Arrangers nor the Dealers undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, inter alia, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

Offer and Issue

The offer and issue of Notes may be by way of placement pursuant to bookbuilds and auctions, or public offer as set out below.

With respect to different Series or Tranches of Notes, the respective Notes in a Series or Tranche will be marketed before or after the Issue Date to specified persons or to clients of the Arranger(s) and/or Sponsoring Broker or any other party assisting in the placing of the Notes ("Private Placement") and/or also offered to the public generally in an offer which takes place immediately

prior to the Notes being listed (“Public Offer”) subject to meeting the Listing Requirements, as specifically set forth, in relation to a Tranche of Notes, in the Applicable Pricing Supplement. Applications to subscribe for Notes may be accepted from persons who complete the Application Form which is incorporated as an annexure to this Supplementary Memorandum.

In connection with the issue of any Series or Tranche of Notes under this Supplementary Memorandum, the Dealer(s) named in the Applicable Pricing Supplement (or any person(s) acting on their behalf) may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Dealer or Dealers (or any agent of the Dealers), will undertake stabilisation action. Any stabilisation action may begin at any time after the adequate public disclosure of the Applicable Pricing Supplement for the offer of the relevant Series or Tranche of Notes and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series or Tranche of Notes and 60 days after the date of the allotment of the relevant Series or Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Dealer(s) (or any agent of such Dealer(s)) in accordance with all applicable laws and rules.

2 DOCUMENTS INCORPORATED BY REFERENCE AND SUPPLEMENTARY DOCUMENTS

Capitalised terms used in this section headed “Documents Incorporated by Reference and Supplementary Documents” shall bear the same meanings as used in the section headed “Definitions”, except to the extent that they are separately defined in this section or it is clearly inappropriate from the context.

1. The following documents shall be deemed to be incorporated in, and to form part of, this Supplementary Memorandum (hereinafter called the “**Supplementary Documents**”) and be relevant to any issue of Notes under the Programme and read herewith:
 - 1.1 the Programme Memorandum;
 - 1.2 the Supplementary Programme Memorandum dated 8 November 2023;
 - 1.3 all amendments and/or supplements to this Supplementary Memorandum circulated by the Issuer from time to time including inter alia any Applicable Pricing Supplement;

- 1.4 the published audited integrated annual financial statements (together with reports and the notes thereto) of RDC Properties Limited for its five previous financial periods ending 31 December 2023, 2022, 2021, 2020 and 2019;
- 1.5 the Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme and all information pertaining to the Issuer which is relevant to the Programme and/or this Supplementary Memorandum;
- 1.6 the Trust Deed which establishes the Trust and appoints the Trustee to administer the Trust for the benefit of the Noteholders and Holders, executed on the 11 October 2018 and the Supplemental Trust Deed dated 31 October 2019 and Supplemental Trust Deeds 1, 2, 3, 4 and 5 dated 22 March 2019, 24 March 2020, 30 October 2023 and 12 December 2023 respectively in respect of the Notes currently in issue and outstanding and as such supplementary trust deeds may be amended or restated or supplemented from time to time;

save that any statement contained in this Supplementary Memorandum or a supplementary document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Supplementary Memorandum to the extent that a statement contained in any Supplementary Document modifies or supersedes such earlier statement whether expressly, by implication or otherwise.

2. The Issuer will provide, free of charge, to each person to whom a copy of the Supplementary Memorandum has been delivered, upon request of such person, a copy of any of the Supplementary Documents which relate to a Tranche of Notes being subscribed for by such person, and/or the Applicable Pricing Supplement (unless such documents have been modified or superseded in which case the modified or superseded documents will be supplied). Requests for such documents should be directed to the Issuer at its Registered Office and the Transfer Agent at its office as set out in Section 17 ("Corporate Information").
3. This Supplementary Memorandum, any amendments and/or supplements thereto, and the documents referred to above will be available on the Issuer's website www.rdcbw.com and will also be made available in electronic form to the BSE for publication on the BSE's X-News platform.

4. Whilst any Listed Note remains outstanding, the Issuer will publish a supplementary programme memorandum or a memorandum substantially on the same terms as this Supplementary Memorandum, as the case may be, if:

4.1. there is a Material Change which would affect the Issuer's payment obligations thereunder; or

4.2. an event has occurred which affects any matter contained in this Supplementary Memorandum, the disclosure of which would reasonably be required by the Issuer to the Noteholders, Holders and/or potential investors in the Notes; or

4.3. any of the information contained in this Supplementary Memorandum requires to be updated in terms of the Applicable Laws or applicable Listing Requirements; or

4.4. this Supplementary Memorandum no longer contains all the information required by the Applicable Laws or applicable Listing Requirements,

provided that, in the circumstances set out in this paragraph, no supplementary memorandum or programme memorandum which is substantially similar to this Supplementary Memorandum, as the case may be, is required in respect of the Issuer's audited annual financial statements if such audited annual financial statements are within 9 (nine) months after date of this Supplementary Memorandum or any supplementary memorandum.

3 GENERAL DESCRIPTION OF THE PROGRAMME

The General Description of the Programme, remains as set forth in section 3 of the Programme Memorandum.

4 SUMMARY OF THE PROGRAMME

The summary of the Programme remains as set forth in section 4 of the Programme Memorandum.

5 DEFINITIONS

1. In this Supplementary Memorandum, unless otherwise indicated, the words or phrases defined in section 5 ("Definitions") of the Programme Memorandum shall have the meaning stipulated therefor in such section 5.

2. In this Supplementary Memorandum, unless otherwise indicated, the words or phrases in the firsthand column bear the meaning stipulated in the second column and cognate expression shall bear corresponding meaning: -

“Last Practicable Date”	30 October 2024;
“Trust Deed”	the Trust Deed entered into between the Issuer and the Trustee dated 11 October 2018 as amended and restated by the Supplementary Trust Deed dated 31 October 2019, and Supplementary Trust Deeds 1, 2, 3,4 and 5 dated 22 March 2019, 24 March 2020, 30 October 2023 and 12 December 2023 respectively in respect of Notes currently in issue and outstanding, and as such Supplementary Trust Deeds may be amended or restated or supplemented from time to time.

6 RISK FACTORS

In addition to the Risk Factors set forth in section 6 of the Programme Memorandum, the Issuer believes that the following additional factors outlined below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, additional factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors set forth in section 6 of the Programme Memorandum and the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements contained in section 6 of the Programme Memorandum and the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should read the detailed information set out in the Programme Memorandum, and elsewhere in this Supplementary Memorandum to reach their own views prior to making any investment decision.

6.1. RISKS RELATING TO THE BUSINESS

6.1.1. Principle Risks and Uncertainties

Currency

The existence of portfolios of properties in Botswana, Croatia, Mozambique, Namibia, South Africa, United States of America and Zambia have a material impact on the Currency Risk for the Group as the reporting currency is Pula. The Board endeavours to fund investments in-country using local currency where possible and will consider the need for currency hedging arrangements as required to maintain currency risk at an appropriate level. Having a diversified income stream by currency does however act as a natural hedge against currency movements.

contents of the documentation submitted to it, and the BSE or any other financial exchange accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the investment in the said instrument.

1. PARTIES

1.1. Issuer	RDC Properties Limited
1.2. Dealer(s)	Stanbic Bank
1.3. Arranger(s)	Stanbic Bank
1.4. Sponsoring Broker	Motswedi Securities
1.5. Paying Agent Specified Office	The Issuer Plot 54353, Masa Square Centre, Gaborone
1.6. Calculation Agent Specified Office	The Issuer Plot 54353, Masa Square Centre, Gaborone
1.7. Transfer Agent Specified Office	Central Securities Depository Botswana Plot 70667, Fairground, Gaborone

2. PROGRAMME

2.1. Aggregate Authorised Amount	BWP500 000 000.00
2.2. Notes in issue and outstanding	BWP290 500 000
2.3. Authorised Aggregate Amount in respect of this issue	BWP 50 000 000

3. PROVISIONS RELATING TO THE NOTES BEING ISSUED

3.1. Status of Notes	[Senior/Unsubordinated]
3.2. Guaranteed	[Yes/No]
3.3. Secured	[Yes/No]
3.4. Underwritten	[Yes/No]

- 3.5. Any Applicable Covenants []
- 3.6. Form of Notes [Unlisted/Listed Notes]
[Secured/Unsecured]
- 3.7. Series Number []
- 3.8. Tranche Number []
- 3.9. Aggregate Nominal Amount:
- i. Series []
- ii. Tranche []
- 3.10. Interest Interest-bearing/[Non-interest bearing]
- 3.11. Interest Payment Basis [Fixed Rate / Floating Rate / Zero
Coupon / Index-Linked / Instalment]
Notes / Other Notes]
- 3.12. Automatic/Optional Conversion from one [Insert details including date for
Interest / Redemption / Payment Basis to
another conversion]
- 3.13. Opening Date of Offer []
- 3.14. Closing Date of Offer []
- 3.15. Settlement Date []
- 3.16. Issue Date []
- 3.17. Delivery []
- 3.18. Minimum Denomination []
- 3.19. Currency []
- 3.20. Minimum Subscription Amount []
- 3.21. Issue Price []
- 3.22. Interest Commencement Date []

- 3.23. Maturity / Redemption Date []
- 3.24. Maturity Type []
- 3.25. Applicable Business Day Convention Floating Rate Business Day / Following Business Day / Modified Following Business Day / Preceding Business Day / other convention – insert details]
- 3.26. Final Redemption Amount []
- 3.27. Last Day to Register []
- 3.28. Books Closed Period(s) The Register will be closed from [] to [] and from [] to [] (all dates inclusive) in each year until the Maturity Date
- 3.29. Default Rate []

4. FIXED RATE NOTES

- 4.1. Fixed Rate of Interest [] per cent per annum payable [semi-annually in arrears]
- 4.2. Interest Commencement Date []
- 4.3. Fixed Interest Payment Date(s) [] and [] in each year up to and including the Maturity Date
- 4.4. First Interest Payable []
- 4.5. Initial Broken Amount []
- 4.6. Final Broken Amount []
- 4.7. Interest Determination Date(s) []
- 4.8. Day Count Fraction []
- 4.9. Any other terms relating to the particular method of calculating interest []

5. FLOATING RATE NOTES

- 5.1. Interest Payment Date(s) []
- 5.2. Interest Period(s) []

- 5.3. Definition of Business Day (if different from that set out in Definition) []
- 5.4. Minimum Rate of Interest [] per cent per annum
- 5.5. Maximum Rate of Interest [] per cent per annum
- 5.6. Other terms relating to the method of Calculating interest (e.g.: Day Count Fraction, rounding up provision) []
- 5.7. Manner in which the Rate of Interest is to Rate be determined [ISDA Determination/Screen Determination/other – insert details]
- 5.8. Margin []
- 5.9. If ISDA Determination [Applicable/Non-Applicable]
- a) Floating Rate []
- b) Floating Rate Option []
- c) Designated Maturity []
- d) Reset Date(s) []
- e) ISDA Definitions to apply []
- 5.10. If Screen Determination [Applicable/Non-Applicable]
- a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) []
- b) Relevant Screen Page and Reference Code []
- 5.11. Interest Determination Date(s) []
- 5.12. If Rate of Interest to be calculated []
- Otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions

6. ZERO COUPON NOTES

- 6.1. Implied Yield [] per cent [NACA] [NACM]
[NACQ] [NACS] [other
method of compounding]
- 6.2. Reference Price [] per cent
- 6.3. Any other formula or basis for determining
amount(s) payable []

7. INSTALMENT NOTES

- 7.1. Instalment Dates []
- 7.2. Instalment Amounts []

8. MIXED RATE NOTES

- 8.1. Period(s) during which the interest rate for
the Mixed Rate Notes will be (as applicable)
that for:
- a) Fixed Rate Notes []
- b) Floating Rate Notes []
- c) Index-Linked Notes []
- d) Other Notes []
- 8.2. Interest Determination Date(s) []
- 8.3. The interest rate and other pertinent details []
are set out under the headings relating to
the applicable forms of Notes

9. INDEX-LINKED NOTES

- 9.1. Type of Index-Linked Notes [Indexed Interest Notes /
Indexed]
- 9.2. Index/Formula by reference to which []

Interest Rate / Interest Amount is to be Determined

- 9.3. Manner in which the Interest Rate / Interest Amount is to be determined []
- 9.4. Interest Period(s) []
- 9.5. Interest Determination Date(s) []
- 9.6. Interest Payment Date(s) []
- 9.7. Provisions where calculation by reference to Index and/or Formula is impossible or impracticable []
- 9.8. Definition of Business Day (if different from that set out in Condition (Definitions)) []
- 9.9. Minimum Rate of Interest [] per cent per annum
- 9.10. Maximum Rate of Interest [] per cent per annum
- 9.11. Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) []

10. OTHER NOTES

If the Notes are not Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Index-linked Notes, or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes []

11. LINKAGE TO OTHER NOTES OF THE ISSUER

11.1. Other Notes to be issued linked to

any other Notes of the Issuer	[Yes/No]
11.2. If Yes then description of linked notes	[]
12. PROVISIONS REGARDING REDEMPTION / MATURITY	
12.1. Early Redemption at the Option of the Issuer:	[Yes/No]
If yes:	
a) Optional Redemption Determination Date(s)	[]
b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	[]
c) Minimum period of notice (if different from Condition 8.11.3 (Redemption at the Option of the Issuer)	[]
d) If redeemable in part:	
Minimum Redemption Amount(s)	[]
Higher Redemption Amount(s)	[]
e) Other terms applicable on Redemption	[]
12.2. Early Redemption Amount(s) payable on Redemption for taxation reasons or on Event of Default (if required)	[Yes/No]
12.3. If yes:	
a) Amount payable; or	[]
b) Method of calculation of amount Payable	[]
12.4. Final Redemption Amount	[]
12.5. Early Redemption at the option of the	[Yes/No]

Subscriber/Investor

GENERAL

13. Financial Exchange []
14. Clearing System []
15. Additional selling restrictions []
16. Stabilising manager []
17. Provisions relating to stabilisation []
18. Listing Date []
19. Distribution [Private Placement
or Bookbuild]
20. Credit Rating assigned to the [Yes/No]
and [Issuer]/[Programme]/[Notes]
21. If rated details of rating assigned on [●]
due for renewal on [●]
22. Use of proceeds []
23. Other provisions [Other Events of Default in
addition to the Events of
Default referred to in
Condition 11 (Events of
Default)]
24. Law
The Notes are governed by the Laws of Botswana.
25. Jurisdiction
The Issuer is subject to Jurisdiction of the Courts of Botswana.
26. Disclosure by Issuer
The Issuer will for as long as any Tranche of Notes remains Outstanding, notify the Noteholders of any Material Change in the financial position of the Issuer.

27. Responsibility

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by Applicable Laws and the listing requirements of the BSE.

Application is hereby made to list this issue of Notes on [] December 2024

SIGNED at Gaborone on this [] day of December 2024

For and on behalf of

RDC PROPERTIES LIMITED

Name:

Capacity:

Who warrants his authority hereto

Name:

Capacity:

Who warrants his authority hereto

Acknowledged these to be the terms of the Notes allocated to us, on [] December 2024

Name:

For and on behalf of Investor

Investor Stamp

8 TERMS AND CONDITIONS OF THE NOTES [SCHEDULE 10 PARAGRAPH 18(2)]

The Terms and Conditions of the Notes to be issued after date of this Supplementary Memorandum will be issued on and subject to the Terms and Conditions set forth in Section 8 of the Programme Memorandum, as amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement. If there is any conflict or inconsistency between provisions set out in the Applicable Pricing Supplement and the provisions set out in the Terms and Conditions set out in Section 8 of the Programme Memorandum, in respect of the Notes, then the provisions in the Applicable Pricing Supplement will prevail.

The Notes to be issued after date of this Supplementary Programme Memorandum will be senior, unsubordinated notes, which will not be secured, nor guaranteed, nor underwritten.

In the event a meeting of Noteholders is necessary this will be called by notice published on XNEWS and one edition of an English Language newspaper circulating in Botswana and sent electronically to the email address of the Noteholder.

9 PURPOSE OF OFFER AND USE OF PROCEEDS [SCHEDULE 10 PARAGRAPH 7]

The Issuer makes the offer of Notes pursuant to and after the date of this Supplementary Memorandum, and will use the proceeds thereof partly to redeem RDC-CRB-1224-07 in the aggregate amount of BWP23 000 000. Any additional amounts will be used in funding the expansion of operations or the acquisition of companies, with similar operations to that of the Group, in countries where the Group is currently operating or with the purpose of establishing operations in other countries to which operations of the Group may be expanded.

Any specific use of proceeds of a particular Tranche of Notes issued pursuant to and after the date of this Supplementary Memorandum shall be stated in the Applicable Pricing Supplement.

10 DESCRIPTION OF THE ISSUER, AS AT DATE OF ISSUE OF THIS MEMORANDUM [SCHEDULE 10 PARAGRAPH 1(B)]

1. History and business activities of the Issuer [Schedule 10 paragraph 6(1)(a)]

In addition to the information contained in paragraphs 1 (Background) and 2 (Timeline) of section 10 of the Programme Memorandum, and section 10 (History and Business) of the Supplementary Programme Memorandum dated 8 November 2023, the following additional information is provided: -

During 2023 until June 2024, RDC's investment and property portfolio increased in total value by 0.3% to BWP5.9billion through fair-value uplift of properties and organic investment, with Botswana representing 25% of this value and South Africa, 48% of this value.

No new acquisitions were effected during this period.

Timeline

- **2021:** Successful 100% acquisition of the JSE listed property fund – Tower Property Fund Limited, effective 28 December 2021.
Successful development of the Radisson Red Hotel (Rosebank, Johannesburg), with official opening of the hotel in August 2021.
Successful rights offer executed and generating funds of P667 million.
- **2022:** RDC Properties Limited undergoes rebranding exercise.
Successful integration of the Tower Portfolio into the existing RDC portfolio.
- **2023:** Disposal of one of the USA properties – Research Court – successfully concluded in April 2023.
Acquisition of 50% of David Livingstone Safari Lodge (Zambia) – the acquisition was completed in September 2023 and will be brought into consolidated results for the year ended 31 December 2023.
- **2024:** As at June 2024, the Group has disposed a total of 4 investment properties (2 in Gauteng and 1 in Capetown, South Africa and 1 in Phakalane, Gaborone) for an aggregate of approximately P107.6million and inventory units in South Africa for an aggregate of approximately P21.8million.

2. Directors' opinion on the Prospects of the Issuer [Schedule 10 paragraph 6 (9)]

The Group has shown a positive trend in its business since its latest audited financials as of 31 December 2023, demonstrating resilience in a challenging market. Key factors contributing to this success include a low vacancy rate, strong tenant retention, and a well-diversified portfolio. The Group's "hands-on" management team has been instrumental, maintaining a collaborative and proactive approach across its Botswana and South Africa operations. This has enabled the Group to foster close relationships with tenants, financing partners, and other stakeholders, further supporting stability. Additionally, the regional hospitality sector has seen a strong rebound post-COVID-19 recovery, benefiting the Group's performance.

3. Sectoral Diversification

As at 30 June 2024, RDC's portfolio is spread (by GLA) as to office 42%, retail 37%, industrial 6%, hospitality 13% and residential 3%.

4. Management Team

The management team developed since 2021 is well positioned to leverage combined skills within the group to take advantage of opportunity for repurposing and disposing of less strategic properties, the streamlining of the business.

5. Benefit of the Capital Raise

The Directors believe the proposed capital to be raised pursuant to the issue of Notes under the Programme after issue of this Supplementary Memorandum will secure the continued growth of the Group 's acquisition strategy.

6. Status of Business and Financial Integrity

The Directors remain confident that the business and financial integrity of the Group remains sound.

7. Business of the Group [Schedule 10 paragraph 6(2)]

The business of the Issuer and the Group, remains thus as set out in Section 10 of the Programme Memorandum.

8. Risk Management

The risk management, within the Group, remains as set forth in paragraph 3 of Section 6 of the Programme Memorandum. Reference is also made to Note 33 to the Integrated Audited financial Statements of the Group as at 31 December 2023 Annexure 2 hereto.

9. Countries of Operation

As at the Last Practicable Date the countries of operation of the Group are Botswana (22 properties), South Africa (41 properties), Croatia (4 properties), Mozambique (3 properties), Madagascar (1 property), USA (1 Development investment) and Namibia (dormant properties), Zambia (1 property investment).

10. The Directors of the Issuer as at date of this Supplementary Memorandum [Schedule 10 paragraph 2 (a) and (b)] are:

Andrew John Gawith Bradley
Catherine Kate Maphage
Federica Emilie Costanza Giachetti
Gary Morton Fisher
Giorgio Giachetti
Guido Renato Giachetti
Jacopo Pari
Nicola Robyn Milne
Simon Norman Susman
Sithabile Pauline Mathe

The details and CVs of the Directors, appeared in the Programme Memorandum and Supplementary Programme Memoranda dated 28 September 2021 and 8 November 2023.

A list of all the other companies of which the directors were and are also directors, and the nature of business of such companies is Annexure 4 hereto.

11. Governance

RDC conducts all business with integrity and provides effective leadership based on an ethical foundation.

The board directs strategy and operations to build a sustainable business while considering the long- term impact on the environment, society and the economy. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our corporate governance policies. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning.

The board ensures that RDCP acts as a responsible corporate citizen by adhering to corporate governance policies. The board is aware that stakeholders' perceptions affect RDCP's reputation. The Group is committed to promoting ethical business practice in all aspects of its operations. The board acts as the custodian for corporate governance.

The Group has adopted King Code (King III) as the framework for corporate governance. RDCP has applied the guidelines as entrenched in the revised Botswana Stock Exchange listing rules in so far as appropriate and practical for a Company of its size.

12. External Auditor

Grant Thornton were appointed and acted as auditors of the Company, and the Group, in respect of the financial years 2019, 2020, 2021, 2022, 2023 and act as such in respect of the financial year 2024.

The Audit and Risk Committee remains satisfied with the independence of the external auditor and the quality of the external audit.

Except for the foregoing, the statement with regard to External Auditor contained in Section 10 of the Programme Memorandum remain applicable.

13. Key Management Executives

As at the Last Practicable Date, the following are the key management executives of the Issuer and the Group: -

Guido R. Giachetti – Executive Vice Chairman

Jacopo Pari – Chief Executive Officer, Operations and Developments

Gary Fisher – Chief Executive Officer, Properties

Avishkaar Singh – Group Financial Controller

Irvin Bozac – Country Manager, Croatia

Letsweletse Ramokate – Country Manager, Botswana

Phillip Mothoteng – Group Finance Director

Saleem Khan – Group Financial Manager

Phillip Mothoteng has been appointed by Property and Asset Management (Pty) Limited, the company providing property and asset management services for the Group in Botswana and accounting and secretarial services to the Group generally.

Saleem Khan has been appointed by Notwane Asset Management (Pty) Limited, a subsidiary of Property and Asset Management (Pty) Limited (which company provide asset management services to the Group in South Africa)

14. Alteration in share and debenture capital in last five years [schedule 10 paragraph 6(1)(b) and (c) and 8]

End of FY 2019	350 982 285
End of FY 2020	353 448 157
End of FY 2021	758 232 937
End of FY 2022	758 232 937
End of FY 2023	758 232 937

15. Stated Share and Debenture Capital [schedule 10 paragraph 8]

As at the Last Practicable Date the stated share capital of the Issuer was BWP 1 058 199 000 and the debenture capital of the Issuer was BWP 242 634 000.

16. Shares and debentures in issue

As at the Last Practicable Date there were 758 232 937 ordinary shares and 758 232 937 debentures in issue.

17. Major share and debenture holders (holders of linked units)

As at the Last Practicable Date the following Unitholders held more than 5% of the issued ordinary shares and debentures linked thereto, in the Company.

Unit Holders	Linked Units	Percentage (%)
SCBN (PTY) LTD RE: BOTSWANA PUBLIC OFFICERS PENSION FUND	200 541 548	26.45
REALESTATE FINANCIERE SA	169 797 025	22.39
GIORGIO GIACHETTI	75 476 750	9.95
FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	44 097 944	5.82

18. Registered Address [Schedule 10 paragraph 5]

The address of the Issuer's registered office is Plot 64289, Tlokweng Road, Gaborone.

19. Independent Group Auditor [Schedule 10 paragraph 3]

Grant Thornton was appointed and acted as auditor for the Group in respect of the financial year ended December 2023. Grant Thornton has issued an unqualified audit opinion in respect of the Issuer for the financial year ended 31 December 2023.

20. Compliance Officer, Attorney, Stockbroker, Trustee and Bankers [Schedule 10 paragraph 4]

The Compliance Officer of the Issuer is Phillip Mothoteng

The Attorney to the Issuer and Arranger, in respect of the Programme, is now Botlhole Law Group to which Neill Armstrong acts as a consultant. The Stockbroker and Trustee in respect of the Programme, remains as set forth in Section 10 of the Programme Memorandum.

As at the Last Practicable Date, the bankers to the Issuer are:

- Stanbic Bank Botswana Limited
- First National Bank of Botswana Limited
- ABSA Bank Botswana Limited
- Access Bank Botswana Limited

As at the Last Practicable Date, the bankers to the Group are:

- Stanbic Bank Botswana Limited
- Standard Bank of South Africa
- Standard Bank (Mauritius) Limited
- First National Bank of Botswana Limited
- First National Bank of South Africa Limited
- ABSA Bank Botswana Limited
- ABSA Bank of South Africa
- Access Bank Botswana Limited
- Eerste & Steiermarkische Bank
- Nedbank of South Africa
- Privredna Banka Zagreb
- The Mauritius Commercial Bank Limited
- Investec Bank Limited

21. Directors Interests [Schedule 10 paragraph 17]

As at the Last Practicable Date the following directors who currently hold office have a direct and indirect interest, through connected persons, in the Issuer as set forth below:

Indirect Holding of G.R GIACHETTI		
Description	No. of units	Percentage (%)
Guido Renato Giachetti holds 33% shares in Realestate Financiere SA and 100% of Aspera Holding Trust	86448662	11.4
Direct Holding		

Andrew John Gawith Bradley		
Catherine Kate Maphage		
Federica Emilie Costanza Giachetti	348973	0.05
Gary Morton Fisher		
Giorgio Giachetti	75476750	9.95
Jacopo Pari	1850000	0.24
Nicola Robyn Milne		
Simon Norman Susman	2462006	0.32
Sithabile Pauline Mathe		

22. Directors Remuneration [Schedule 10 paragraphs 2 (b) and (c)]

From 1 January 2023 to 31 December 2023 the Issuer's directors received total emoluments of BWP1 421 000.

23. Details of any material change in the business of the Issuer during the last five years [Schedule 10 paragraph 6(4)]

Save for

- the acquisition of the Radisson RED Hotel in Rosebank, Johannesburg completed in July 2021;
- the acquisition of Xiquelene Project in Mozambique, completed in 2021;
- the acquisition of all the issued shares in Tower Property Fund of South Africa, completed in December 2021;
- the acquisition of 50% interest in David Livingstone Safari Lodge and Spa, Zambia completed in September 2023;
- the redemption and disposal of the investment in Research Court (USA), in April 2023;

there has been no material change in the business of the Issuer during the last five years.

24. Material Contracts

The Company has not entered into any other material agreements for the in period following 31 December 2023.

25. Other Fees [schedule 10 paragraph 16 (2)]

The statement made, in this regard in Section 10 of the Programme Memorandum remains applicable.

26. Principal Immovable Property

As at the Last Practicable Date the Group's Freehold and Leasehold land and buildings currently comprise that set forth in Annexure 3 hereto.

27. Material Commitments Borrowings and Guarantees- [Schedule 10 paragraph 6 5(b) and 9]

The material commitments of the Group, which include borrowings and guarantees, as at 31 December 2023 are set forth in detail in N24 to the Integrated Audited Financial Statements of the Group as at 31 December 2023 which is Annexure 2 to this Supplementary Programme Memorandum. The outstanding obligations in terms of those commitments as at 30 June 2024 are set forth here below:

Lender	Nature	Repayment terms	Interest rate (weighted average)	Balance at 30 June 2024 (P'000)
The Standard Bank of South Africa	Term loans	Repayment dates range between November 2024 and June 2026. Limited capital repayments and final repaid at maturity	3m JIBAR + 1.80% to 3m JIBAR + 1.80%. 68% of loans are hedged.	874,994
ABSA Bank Limited – South Africa	Term loans	Repayment dates range between March 2025 and September 2026. Limited capital repayments and final repaid at maturity.	SA Prime – 1%	342,592
Botswana Insurance Fund Management Limited	Promissory notes, unlisted bond and commercial paper	Repayment dates range between September 2034 and June 2036	Fixed rates ranging from 8.00% to 10.20%	313,430
Erste Bank	Term loan	February 2025 with repayment on maturity. And the other loan has quarterly capital repayments with expiry in July 2029.	2.5% fixed by swaps equal to loan value. Other loan at 3m EURIBOR +2.3%	371,096
Nedbank	Term loan	Monthly capital repayments expiring on July 2031.	3m JIBAR + 2.22%	148,355

Privredna Bank Zagreb	Term loan	December 2025. Repayment on maturity	3m EURIBOR + 3.50%	133,681
Investec	Term loan	December 2025. Limited Capital repayments until maturity in December 2025.	A term loan facility at 3m JIBAR + 3.50% and a revolving credit facility at SA Prime + 0.28%	136,342
Listed bonds	Senior Notes	Repayment dates range between December 2025 and March 2027	100m ranges from MoPR +4.81% to MoPR + 5.61. Balance fixed from 8.35% to 9%	290,500

A list of the properties of the Group which are encumbered in favour of third parties, including the lenders set out in the table above, is set out in note 24 to the Integrated Audited Financial Statements of the Group as at 31 December 2023 which is Annexure 2 to this Supplementary Programme Memorandum.

28. Capital Commitments

As at the Last Practicable Date, the Issuer is committed to proceed with an offer, to all the holders of linked units of Primetime Property Holdings Limited in terms of which, if that offer is, with the consent of the BSE, proceeded with, and if RDC acquires 100% of the issued linked units in Primetime Property Holdings Limited, RDC will issue a further 181 721 181 linked units at a value of BWP2.40 per linked unit on the basis that RDC acquires each issued linked unit in Primetime Property Holdings Limited at a value of P1.60 on the basis that the holder of linked units in Primetime Property Holdings Limited sells same to RDC will receive 0.68750 linked units in RDC for every 1 Primetime Property Holdings Limited linked unit tendered in terms of the offer by RDC.

As part of the process of acquisition of the issued linked units in Primetime Property Holdings Limited, RDC will issue out 189 558 236 new linked units to registered holders of linked units in RDC on the basis of 1 new linked unit, valued at P2.40 per linked unit (for every 4 linked unit held by such holders).

29. Contingent liabilities

The Group has given a corporate guarantee of P47 700 000 in favour of ABSA Bank Botswana Limited and a Deed of Cession of Rentals dated 03 November 2010 over Plot 54353 Gaborone.

The Issuer has given a guarantee to Investec Bank Limited, for the due discharge of all the obligations of RDC Properties South Africa Proprietary Limited under the loan agreement entered into between RDC Properties South Africa Proprietary Limited and Investec Bank, in respect of a facility of ZAR400 000 000.

The Group has recognised a contingent liability to value of P32,291,445 for an additional tax assessment issued by SARS to Tower International Treasury (Pty) Ltd for tax years 2019 and 2020, which is still in the process of a formal dispute.

30. Auditors Letter of Comfort

Grant Thornton has issued a letter of comfort confirming the status of the Issuer as a going concern as at 31 December 2023.

31. Regulatory Approvals

The necessary approvals from the Companies and Intellectual Property Authority of Botswana (“CIPA”) in terms of the Companies Act for Botswana for this Supplementary Memorandum, and the BSE in terms of the Listing Requirements regarding the issuance of the Notes in the BSE have been obtained. CIPA has scrutinized the information disclosed in this Supplementary Memorandum to ensure that it complied with provisions of the Companies Act and regulations of the Companies Act of Botswana with regard to a prospectus for an offering of Notes. CIPA does not express a view on the legal status of the Notes or risk for investors or the price of the Notes therein and as such CIPA accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the investment in the Notes.

No other consents, approvals, authorisations or other orders of a regulatory authorities are required under the laws of the Republic of Botswana for the establishment of the Programme and the issue of Notes in Botswana, and for the Issuer, the Arranger(s), the Issuing Agent, Transfer Agent, Paying Agent and Calculation Agent to undertake and perform their respective obligations under the Programme.

32. Listing

The Programme has been approved by the BSE. The Issuer seeks to list certain Notes issued under the Programme on the BSE (or any successor exchange to the BSE) and may seek to list Notes issued under the Programme on other Financial Exchanges.

In the event that Notes that are intended to be listed are issued 12 months after the date of this Supplementary Memorandum, the Issuer undertakes to prepare and publish a further Supplementary Memorandum in compliance with relevant Listings Requirements, unless exempted from such Listing Requirements.

33. Consents [Section 304 (2) of the Companies Act]

The advisors to the Issuer in respect of this Supplementary Memorandum and the Notes to be issued pursuant thereto, to whom reference is made in this Supplementary Memorandum have given their consents to be so referred to.

Grant Thornton as expert has given consent to reference as such in this Supplementary Memorandum and the inclusion of its letter of comfort, in respect of the Issuer, in respect of the financial year ended 31 December 2023, for inspection.

34. Documents Available

Copies of the following documents will, be available from the Registered Office of the Issuer for the time being, in Gaborone:

- (a) the published integrated annual reports of the Issuer, incorporating the audited annual financial statements of the Issuer in respect of the most recent five financial years;
- (b) the published unaudited financial results of the Issuer for the six months ended 30 June 2024;
- (c) this Supplementary Memorandum;
- (d) the Applicable Pricing Supplement relating to the particular Tranche of Notes that is being subscribed for;
- (e) the Trust Deed, and Supplementary Trust Deed number 1 and 2, 3, 4, 5 and a draft of Supplementary Trust Deed number 6;
- (f) letter of consent and comfort, of Grant Thornton; and
- (g) the letters of the consents of the advisors.

35. Subsidiaries [Schedule 10 paragraph 6(1)(a)]

The following update to the subsidiaries set forth in the paragraph “Subsidiaries” in Section 11 of the Programme Memorandum lists all current subsidiaries of the Group as at the Last Practicable Date:

Name of Subsidiary	Percentage Share
RDC Properties International (Pty) Ltd	100.00%
Three Partners Resorts Limited	53.75%

Bophelong Senior Living (Pty) Ltd	100%
Lotsane Complex (Pty) Ltd	76.67%
Propcorp (Pty) Ltd	33.33%
David Livingstone Safari Lodge and Spa Limited	50%
TPF International Limited	74%
Tower Industrial d.o.o. (Croatia)	74%
Sub Dubrovnik d.o.o. (Croatia)	74%
Tower Europe Retail d.o.o. (Croatia)	74%
Tower Europe d.o.o. (Croatia)	59.2%
RDC Mauritius	100%
RDC Properties South Africa	100%
Lucky Bean Property Investments (Pty) Ltd	100%
Tower Property Fund (Pty) Ltd	100%
Micawber 219 (RF) (Pty) Ltd	100%
Lexshell 492 Investments (Pty) Ltd	100%
Tower International Treasury (Pty) Ltd	100%
Capitalgro (Pty) Ltd	64.43%
RDC Erf 232 Rosebank (Pty) Ltd	100%
RDC Xiquelene Ida	100%
RDC Zimpeto Limited	60%
RDC KMR Limited	55%
Zimpeto Shopping Centre Ida	60%
Xai-Xai Newco Ida	33%
RDC Properties Namibia (Pty) Ltd	100%
RDC Property Development (Namibia) (Pty) Ltd	70.31%
HMS1 SA – Isalo Lodge	50%

11 FINANCIAL INFORMATION [SCHEDULE 10 PARAGRAPH 6(6)]

The following financial data has been extracted from the audited financial statements of the Issuer in respect of the years ending 31 December 2019, 2020, 2021, 2022 and 2023.

Statement of profit and loss and other comprehensive income in respect of preceding 5 financial years to 31 December 2023

	Financial year ended 31-Dec 2023 P'000	Financial year ended 31-Dec 2022 P'000	Financial year ended 31-Dec 2021 P'000	Financial year ended 31-Dec 2020 P'000	Financial year ended 31-Dec 2019 P'000
Revenue					
Contractual Lease rental revenue	563,807	525,556	145,289	129,828	151,812
Straight line rental adjustment	(2,517)	(351)	1,273	1,766	669
Net property operating expenses	(216,560)	(201,634)	(47,083)	(52,007)	(50,986)
Revenue from sale of inventory	2,465	77,483	-	-	-

Cost of sales	(2,398)	(77,648)	-	-	-
Gross profit from operations	344,797	323,406	99,479	79,587	101,495
Other operating expenses	(51,698)	(54,442)	(85,140)	-	-
Gains/(losses) arising from joint venture	536	310	(413)	(427)	1,089
Other foreign exchange gains (losses)	(922)	2,259	(1,820)	1,647	827
Other operating income	10,379	15,541	3,503	1,913	3,279
Inventory write-down	6,145	(13,005)	-	-	-
Profit from operations before fair value adjustments	309,237	274,069	62,692	82,720	106,689
(Loss/gain arising on fair valuation of investments)	(19,712)	1,765	16,051	7,486	-
(Los)/gain arising on fair valuation of interest rate derivatives	(16,040)	39,001	-	-	-
Surplus arising on revaluation of investment properties	106,921	97,516	36,632	(25,947)	84,746
Net valuation	104,404	97,165	37,905	(24,181)	85,415
Adjusted for straight line rental adjustment	2,517	351	(1,273)	(1,766)	(669)
Profit from operations	380,406	412,351	115,375	64,259	191,436
Investment income	14,048	8,791	18,343	13,025	19,349
Finance costs	(241,617)	(212,228)	(68,598)	(58,317)	(48,704)
Bargain purchase gain	26,797	-	577,342	-	-
Profit before tax	179,634	208,914	642,462	18,967	162,080
Income tax expense	(46,288)	(24,752)	4,920	3,240	(34,548)
Profit for the year	133,346	184,162	647,382	22,207	127,533
Other comprehensive income					
<i>Items that may be subsequently identified to profit or loss</i>					
Exchange differences on translation of foreign operations	28,659	28,247	(8,869)	(9,067)	5
Share of joint venture OCI for the year	25,780	-	-	-	-
Net fair value gains on available for sale financial assets	-	(1,104)	13,165	3,862	(6,697)
Gross fair value gains on available for sale financial assets	-	(1,104)	13,165	3,862	(6,697)
Income tax on fair value gains of available for sale financial assets	-	-	-	-	-
Other Comprehensive income/(loss) for the year	54,439	27,143	4,296	(5,205)	(6,692)
Total comprehensive income for the year	183,639	211,305	651,678	17,002	120,840

Dividends paid in the 5 years preceding date of this Supplementary Memorandum

Year	Dividend No	Declaration Date	Distribution Date	Number of Shares	Gross dividend / Share	Gross interest / share	Total Gross Distribution (P'000)
2024	Interim	16 09 2024	29 10 2024	758,232,937	0.126 thebe	2.712 thebe	P21,518
2023	Final	20 03 2024	30 04 2024	758,232,937	0.130 thebe	2.507 thebe	P19,994
2023	Interim	20/09/2023	30/10/2023	758,232,937	0.135 thebe	4.128 thebe	P32,323

2022	Final	-	-	758,232,937	-	-	-
2022	Interim	21/09/22	28/10/22	758,232,937	0.158 thebe	3.337 thebe	P26,500
2021	Final	31/12/21	27/04/21	758,232,937	0.132 thebe	6.524 thebe	P50,468
2021	Interim	14/09/21	06/10/21	441,810,009	0.347 thebe	2.370 thebe	P12,004
2020	Final	30/12/20	28/04/21	353,448,157	0.75 thebe	3.745 thebe	P15,887
2020	Interim	15/09/20	28/10/20	353,448,157	0.399 thebe	2.147 thebe	P8,999
2019	Final	05/12/19	29/04/20	350,982,285	0.489 thebe	5.282 thebe	P20,255
2019	Interim	13/08/2019	30/10/19	350,982,285	0.101 thebe	5.028 thebe	P18,002

Distribution Policy

The distribution policy of the Company is to calculate the distributable income for the period under review, and generally to distribute between 75%-90% of distributable income, depending on the development projects active at the time. As the portfolio becomes larger, the impact of development projects will be minimized and the distribution will be more predictable.

In terms of the Constitution, any distribution payable in respect of a Linked Unit shall bear no interest and, if it remains unclaimed for a period of 3 years from date of declaration, shall be forfeited and retained by the Company.

Availability of complete financial results including notes

The complete financial results for the past 5 financial years, including the full notes to the financial statements are available on the Issuer's website www.rdcbw.com and for inspection by potential Noteholders, during normal business hours after the date of this Supplementary Memorandum, at the registered offices of the Issuer, as set out herein.

12 SUBSCRIPTION AND SALE

The information in respect of application procedure, payment for the notes and delivery, and selling restrictions, secondary market of the Notes as set forth in Section 12 of the Programme Memorandum continue to apply.

13 BOTSWANA TAXATION

The statements with regard to the information given in Section 13 of the Programme Memorandum, and the information set forth as regards Income Tax, Withholding Tax, Capital Gains, Stamp Duty and Tax Treaties set forth in Section 13 of the Programme Memorandum remain applicable.

14 EXCHANGE CONTROL

The statement made in Section 14 of the Programme Memorandum with regard to Exchange Control, remains applicable.

15 PARAGRAPHS OF 10TH SCHEDULE TO COMPANIES ACT NOT APPLICABLE

The statement with regard to the paragraphs of the 10th Schedule to the Botswana Companies Act which are not applicable set forth in Section 15 of the Programme Memorandum remains valid.

16 BOARD OPINION AND RESPONSIBILITY STATEMENT OF THE MEMBERS OF THE BOARD

- (1) The Board of Directors is confident that the business and financial integrity of the Issuer shall remain sound.
- (2) The members of the Board, whose names are given on page 22 of this Supplementary Memorandum collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts and (if applicable) that this Supplementary Memorandum contains all information required by law.
- (3) The members of the Board confirm that this Supplementary Memorandum includes all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) as investors and their professional advisers would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the issuer and of the rights attaching to the securities to which this Supplementary Memorandum relates.

SIGNED AT GABORONE ON THIS 2ND DAY OF DECEMBER 2024



Name: Jacopo Pari

Capacity: Director

Who warrants his authority hereto





Name: Nicola Milne

Capacity: Director

Who warrants her authority hereto

17 CORPORATE INFORMATION

<p>Issuer</p>  <p>Plot 54353, Unit 1H, 1st Floor, Masa Square Centre, Western Commercial Road, CBD, Gaborone, Botswana P.O. Box 405391 Gaborone, Botswana Contact: Phillip Mothoteng</p>	<p>Issuer's Principal Place of Business</p> <p>Plot 54353, Unit 1H, 1st Floor, Masa Square Centre, Western Commercial Road, CBD, Gaborone, Botswana P.O. Box 405391 Gaborone, Botswana Contact: Phillip Mothoteng</p>
<p>Legal Advisor to the Issuer and Arranger</p>  <p>Bothhole Law Group 6th Floor, Exponential Building, Plot 54351, New CBD, Gaborone, Botswana P.O. Box 1027 AAD, Gaborone, Botswana Contact: Neill Armstrong</p>	<p>Arrangers and Dealers</p>  <p>Stanbic Bank Botswana Limited Plot 50672 Fairgrounds Office Park Gaborone Contact: Onalenna Keseabetswe</p>
<p>Sponsoring Broker</p>  <p>Motswedi Securities (Proprietary) Limited Plot 113, Unit 30, Kgale Mews, Gaborone Private Bag 00223, Gaborone Contact: Kelemosadi Gaorengwe</p>	<p>Auditors</p>  <p>Grant Thornton Acumen Park, Plot 50370, Fairgrounds Gaborone P. O. Box 101, Gaborone Contact: Aswin Vaidyanathan</p>
<p>Company Secretary</p>  <p>PricewaterhouseCoopers Proprietary Limited 64289, Tlokweng Road, Gaborone P.O. Box 294 Gaborone, Botswana Contact: Saumendu Sinha</p>	<p>Issuing, Transfer, Calculation and Paying Agent</p>  <p>Plot 54353, Unit 1H, 1st Floor, Masa Square Centre, Western Commercial Road, CBD, Gaborone, Botswana P.O. Box 405391 Gaborone, Botswana Contact: Kabo Tshukudu</p>
<p>Compliance Officer</p> <p>Plot 54353, Unit 1H, 1st Floor, Masa Square Centre, Western Commercial Road, CBD, Gaborone, Botswana P.O. Box 405391 Gaborone, Botswana Contact: Phillip Mothoteng</p>	<p>Trustee</p> <p>Ranjith Priyalal De Silva DPS Consultancy Services Proprietary Limited Plot 54513, Unit 6A, Courtyard, Gaborone PO Box 1453 Gaborone</p>

ANNEXURE 1: UNAUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024 AND STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2024

ABRIDGED UNAUDITED GROUP STATEMENT OF COMPREHENSIVE INCOME	Six months ended 30 June 2024	Six months ended 30 June 2023	% Change	Audited year ended 31 December 2023
	P'000	P'000		P'000
Revenue	288,357	272,911	6%	561,290
Net property operating expenses	(112,420)	(98,829)		(216,560)
Net property income	175,937	174,082	1%	344,730
Other operating expenses	(25,044)	(26,937)		(51,698)
Sale of inventory	19,038	2,466		2,465
Cost of sales	(19,079)	(2,399)		(2,398)
Inventory write-down	-	-		8,145
Other operating income	4,469	5,166		10,379
Bargain purchase gain	-	-		26,797
Gain on the sale of subsidiary	5,961	-		(4,146)
Income arising from joint venture	679	20		536
Other foreign exchange gains	570	6,876		(922)
Profit from operations before fair value adjustments and finance costs	162,531	159,274	2%	331,888
Fair value gain/(loss) on investments	-	(340)		(19,712)
Fair value gain/(loss) on investment properties	(251)	(13,191)		106,921
Fair value gain/(loss) on interest rate derivatives	(4,277)	(4,324)		(16,040)
Net finance costs	(116,972)	(111,208)		(227,569)
Profit before tax	41,031	30,211	36%	175,488
Income tax expense	(3,485)	(5,759)		(46,288)
Profit for the period	37,546	24,452	54%	129,200
Total profit for the period attributable to:				
Owners of the company	26,985	15,007		101,039
Non-controlling interests	10,561	9,445		28,161
	37,546	24,452		129,200
Other comprehensive income				
Exchange differences on translation of foreign operations	12,215	3,465		28,659
Fair value gain on available for sale financial assets	(736)	(1,840)		25,780
Total comprehensive income for the period	49,025	26,077	88%	183,639
Average number of linked units in issue at period end	758,232,937	758,232,937		758,232,937
Earnings per linked unit (thebe)	3.56	1.98		14.23
Number of linked units in issue at distribution date	758,232,937	758,232,937		758,232,937
Distribution per linked unit (thebe)	2.84	4.26		3.50

**ABRIDGED UNAUDITED GROUP
STATEMENT OF FINANCIAL POSITION**

	Six months ended 30 June 2024	Six months ended 30 June 2023	% Change	Audited year ended 31 December 2023
Assets	P'000	P'000		P'000
Property, plant and equipment	35,258	41,684		38,570
Intangible asset	1,000	1,000		1,000
Investments	48,222	106,679		46,753
Long term loan receivables	27,247	-		23,062
Financial assets at fair value through OCI	8,465	8,344		10,421
Investment in a joint venture	105,091	29,207		102,063
Investment properties	5,482,780	5,446,284		5,421,568
Investment properties held for sale	31,736	80,813		99,738
Long-term trade receivables	26,341	30,656		26,340
Inventories	143,995	151,389		158,943
Other current assets	307,782	191,468		279,716
Total Assets	6,217,917	6,087,524	2%	6,208,174
Equity and Liabilities				
Equity attributable to the owners of the parent	2,630,224	2,514,095		2,609,717
Non-controlling interests	521,160	534,300		560,387
Long-term borrowings	2,715,726	2,714,551		2,601,895
Deferred tax liabilities	215,061	186,901		216,022
Current liabilities	135,746	137,677		220,153
Total Equity and Liabilities	6,217,917	6,087,524	2%	6,208,174

**ABRIDGED UNAUDITED GROUP
STATEMENT OF CASH FLOWS**

Cash flows from operating activities			
Profit from operations			
Adjustment for non-cash items			
Working capital changes			
Taxation paid			
Net cash generated/(utilized) from operating activities			
Additions to investment properties			
Acquisition of interest in a joint venture			
Additions of property, plant and equipment			
Movements in investments			
Net proceeds from sale of inventory			
Disposal of investment property not held for sale			
Proceeds on held for sale investment property			
Net cash proceeds on sale of subsidiary			
Investment income			
Dividend income			
Share of income from joint venture			
Net loans raised			
Net finance costs paid			
Distributions to non-controlling interest			
Dividend and debenture interest			
Net movement in cash and cash equivalents			
Cash and cash equivalents at beginning of the period			
Effects of exchange rates			
Cash and cash equivalents at end of the period			

	Six months ended 30 June 2024	Six months ended 30 June 2023	Audited year ended 31 December 2023
	P'000	P'000	P'000
	162,531	159,274	283,380
	3,357	3,832	6,629
	(14,749)	(15,708)	12,035
	(6,444)	(2,867)	(6,798)
	144,695	144,531	295,246
	(29,896)	(20,631)	(29,659)
	-	-	(1,362)
	-	-	(976)
	(1,469)	(11,266)	25,819
	19,038	2,466	2,374
	-	-	102,633
	67,852	-	-
	11,820	-	-
	-	-	12,902
	30	-	1,146
	-	(20)	-
	77,123	(5,488)	(103,018)
	(116,972)	(111,208)	(241,617)
	34,875	-	(18,294)
	(20,000)	(1,709)	(32,324)
	117,345	(3,326)	12,870
	73,106	80,077	80,077
	(17,423)	7,128	(19,841)
	173,028	83,879	73,106

**ABRIDGED UNAUDITED GROUP
STATEMENT OF CHANGES IN EQUITY**

Balance brought forward – previously reported			
Total distribution to the owners of the company			
Net movement attributable to the owners of the company			
Net movement attributable to non-controlling interests			
Balance at the end of the period			

	Six months ended 30 June 2024	Six months ended 31 December 2023	Six months ended 30 June 2023
	P'000	P'000	P'000
	3,170,104	3,048,395	3,030,197
	(20,000)	(25,438)	-
	38,464	121,060	16,632
	(37,184)	26,087	1,566
	3,151,384	3,170,104	3,048,395

ANNEXURE 2: AUDITED FINANCIAL RESULTS OF THE 12 MONTHS ENDED 31 DECEMBER 2023

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Group		Company	
		2023 P'000	2022 P'000	2023 P'000	2022 P'000
Continuing Operations:					
Revenue					
Contractual lease rental revenue	2	563 807	525 556	64 695	53 602
Straight-line rental adjustment		(2 517)	(351)	828	(288)
		561 290	525 205	65 523	53 314
Net property operating expenses		(216 560)	(201 634)	(14 326)	(11 951)
Net Property Income		344 730	323 571	51 197	41 363
Revenue from the sale of inventory	2	2 465	77 483	-	-
Cost of sales	16	(2 398)	(77 648)	-	-
Gross Profit from operations		344 797	323 406	51 197	41 363
Other operating expenses		(51 698)	(54 442)	(23 352)	(11 347)
Gains from joint venture		536	310	-	-
Other foreign exchange gains/(losses)	3	(922)	2 259	(12 517)	24 538
Other operating income		10 379	15 541	94	3 015
Inventory Adjustment	16	6 145	(13 005)	-	-
Profit from operations before fair value adjustments		309 237	274 069	15 422	57 569
(Loss)/gain arising on fair valuation of investments	10	(19 712)	1 765	-	-
(Loss)/gain arising on fair valuation of interest rate derivatives	24	(16 040)	39 001	-	-
Gain arising on revaluation of investment properties	12	106 921	97 516	40 082	13 475
Net valuation		104 404	97 165	40 910	13 187
Adjusted for straight line rental adjustment		2 517	351	(828)	288
Profit from operations	4	380 406	412 351	55 504	71 044
Investment income	5	14 048	8 791	89 973	40 161
Finance costs	6	(241 617)	(212 228)	(44 980)	(41 819)
Bargain purchase gain	7	26 797	-	-	-
Profit before tax		179 634	208 914	100 497	69 386
Income tax expense	8	(46 288)	(24 752)	(15 699)	3 116
Profit for the year from continuing operations		133 346	184 162	84 798	72 502
Discontinued Operations:					
Loss for the year from discontinued operations	36	(4 146)	-	-	-
Profit for the year		129 200	184 162	84 798	72 502

Other comprehensive income				
<i>Items that may be subsequently reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations		28 659	28 247	-
Share of Joint venture OCI for the year	3	25 780	-	-
Net fair value losses on financial assets at fair value		-	(1 104)	(1 104)
Gross fair value losses on financial assets at fair value	13	-	(1 104)	(1 104)
Other comprehensive income/(loss) for the year		54 439	27 143	(1 104)
Total comprehensive income for the year		183 639	211 305	84 798
Profit attributable to:				
Owners of the company		101 039	137 299	84 798
Non-controlling interests		28 161	46 863	-
		129 200	184 162	84 798
Total comprehensive income attributable to:				
Owners of the company		155 478	164 442	84 798
Non-controlling interests		28 161	46 863	-
		183 639	211 305	84 798
Number of linked units in issue at year-end	19	758 232 937	758 232 937	-
Average number of linked units in issue	19	758 232 937	758 232 937	-
Earnings per linked unit (thebe)		14.23	18.84	-
Dilutive earnings per linked unit (thebe)		14.23	18.84	-
Earnings per linked unit is based on the average number of linked units in issue and profit for the year attributable to the owners of the Company, adjusted for taxation on debenture interest credited to the Statement of Changes in Equity of:				
		107 925	142 865	-
Distribution per linked unit				
Distribution per linked unit (thebe)		6.90	3.50	-
Interest per linked unit (thebe)		6.64	3.34	-
Dividend per linked unit (thebe)		0.27	0.16	-
Distribution per linked unit is calculated on the number of linked units in issue at date of distribution.				
Other information				
Interest to dividend ratio		25.00	21.12	-

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Notes	Group		Company	
		2023 P'000	2022 P'000	2023 P'000	2022 P'000
ASSETS					
Non-current Assets					
Property, plant and equipment	9	38 570	47 090	3 225	3 564
Investments	10	46 753	95 413	595 802	598 680
Investments in joint ventures	3	102 063	25 746	-	-
Long-term loan receivables	11	23 062	-	652 291	658 878
Investment properties	12	5 429 077	5 575 136	850 264	833 777
At fair value		5 421 568	5 570 144	853 928	835 773
Rental receivable - straight-line rental adjustment		7 509	4 992	(3 664)	(1 996)
Financial assets at fair value through other comprehensive income	13	10 421	10 642	9 201	9 201
Intangible asset	14	1 000	1 000	-	-
Trade and other receivables	15	26 340	36 478	-	-
Rental receivable - straight line rental adjustment		(7 509)	(4 992)	3 664	1 996
		5 669 777	5 786 513	2 114 447	2 106 096
Current Assets					
Trade and other receivables	15	112 686	90 336	127 578	106 269
Current tax assets		166	3 578	284	1 746
Inventories	16	158 943	161 076	-	-
Investment property held for sale	17	99 738	-	24 000	-
Cash and cash equivalents	18	81 699	86 183	3 739	1 474
Non-current assets classified as held for sale - Disposal Group	36	85 165	-	-	-
		538 397	341 173	155 601	109 489
Total Assets		6 208 174	6 127 686	2 270 048	2 215 585

EQUITY AND LIABILITIES

Capital and Reserves

Stated capital	19	1 058 199	1 058 199	1 058 199	1 058 199
Debentures	20	242 634	242 634	242 634	242 634
Accumulated profits	21	1 269 448	1 193 847	410 485	351 125
Debenture interest and dividend reserve	22	-	-	-	-
Investments revaluation reserve		6 415	6 415	(5 750)	(5 750)
Joint Venture Share of OCI Reserve		25 780	-	-	-
Foreign currency translation reserve		7 241	(3 632)	-	-
Equity attributable to owners of the parent		2 609 717	2 497 463	1 705 568	1 646 208
Non-controlling interests	23	560 387	532 734	-	-
Total equity		3 170 104	3 030 197	1 705 568	1 646 208

Non-current Liabilities

Long-term borrowings	24	2 520 452	2 369 095	443 510	365 321
Deferred tax liabilities	25	216 022	185 060	42 936	34 122
		2 736 474	2 554 155	486 446	399 443

Current Liabilities

Trade and other payables	26	144 978	142 638	20 396	23 128
Bank overdraft	27	8 593	6 106	6 000	2 192
Current tax liabilities		3 877	-	-	-
Current portion of long-term borrowings	24	81 443	394 590	51 638	144 614
Liabilities directly associated with non-current assets classified as held for sale	36	62 705	-	-	-
		301 596	543 334	78 034	169 934

Total Equity and Liabilities

		6 208 174	6 127 686	2 270 048	2 215 585
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STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2023

Notes	Stated capital P'000	Debentures P'000	Accumulated profits P'000	Investment revaluation reserve P'000	Joint Venture Share of OCI P'000	Debenture interest and dividend reserve P'000	Foreign currency translation reserve P'000	Attributable to owners of the parent P'000	Non-controlling interests P'000	Total Equity P'000
GROUP										
Balance at 1 January 2022	1 058 199	242 634	1 120 745	7 519	-	50 468	(31 879)	2 447 686	493 329	2 941 015
Profit for the year	-	-	137 299	-	-	-	-	137 299	46 863	184 162
IFRS 3 - Business Combination Adjustment	-	-	(43 263)	-	-	-	-	(43 263)	9 689	(33 574)
Other comprehensive income for the year	-	-	-	(1 104)	-	-	28 247	27 143	-	27 143
Total comprehensive income for the year	-	-	94 036	(1 104)	-	-	28 247	121 179	56 552	177 731
Debt interest declared and proposed	22	-	(25 302)	-	-	25 302	-	-	-	-
Taxation attributable to debenture interest	8	-	5 566	-	-	-	-	5 566	-	5 566
Debt interest paid	-	-	-	-	-	(74 769)	-	(74 769)	-	(74 769)
Dividends declared and proposed	22	-	(1 198)	-	-	1 198	-	-	-	-
Dividends paid	-	-	-	-	-	(2 199)	-	(2 199)	(17 147)	(19 346)
Balance at 31 December 2022	1 058 199	242 634	1 193 847	6 415	-	-	(3 632)	2 497 463	532 734	3 030 197
Profit for the year	-	-	101 039	-	-	-	-	101 039	28 161	129 200
IFRS 3 - Business Combination Adjustment	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	25 780	-	28 659	54 439	-	54 439
Total comprehensive income for the year	-	-	101 039	-	25 780	-	28 659	155 478	28 161	183 639
Debt interest declared and proposed	22	-	(31 300)	-	-	31 300	-	-	-	-
Reclassification on equity	-	-	-	-	-	-	(17 786)	(17 786)	17 786	-
Taxation attributable to debenture interest	8	-	6 886	-	-	-	-	6 886	-	6 886
Debt interest paid	-	-	-	-	-	(31 300)	-	(31 300)	-	(31 300)
Dividends declared and proposed	22	-	(1 024)	-	-	1 024	-	-	-	-
Dividends paid	-	-	-	-	-	(1 024)	-	(1 024)	(18 294)	(19 318)
Balance at 31 December 2023	1 058 199	242 634	1 269 448	6 415	25 780	-	7 241	2 609 717	560 387	3 170 104
COMPANY										
Balance at 1 January 2022	1 058 199	242 634	299 557	(4 646)	-	50 468	-	1 646 212	-	1 646 212
Profit for the year	-	-	72 502	-	-	-	-	72 502	-	72 502
Other comprehensive income	-	-	-	(1 104)	-	-	-	(1 104)	-	(1 104)
Total comprehensive income for the year	-	-	72 502	(1 104)	-	-	-	71 398	-	71 398
Debt interest declared and proposed	22	-	(25 302)	-	-	25 302	-	-	-	-
Taxation attributable to debenture interest	8	-	5 566	-	-	-	-	5 566	-	5 566
Debt interest paid	-	-	-	-	-	(74 769)	-	(74 769)	-	(74 769)
Dividends declared and proposed	22	-	(1 198)	-	-	1 198	-	-	-	-
Dividends paid	-	-	-	-	-	(2 199)	-	(2 199)	-	(2 199)
Balance at 31 December 2022	1 058 199	242 634	351 125	(5 750)	-	-	-	1 646 208	-	1 646 208
Profit for the year	-	-	84 798	-	-	-	-	84 798	-	84 798
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	84 798	-	-	-	-	84 798	-	84 798
Debt interest declared and proposed	22	-	(31 300)	-	-	31 300	-	-	-	-
Taxation attributable to debenture interest	8	-	6 886	-	-	-	-	6 886	-	6 886
Debt interest paid	-	-	-	-	-	(31 300)	-	(31 300)	-	(31 300)
Dividends declared and proposed	22	-	(1 024)	-	-	1 024	-	-	-	-
Dividends paid	-	-	-	-	-	(1 024)	-	(1 024)	-	(1 024)
Balance at 31 December 2023	1 058 199	242 634	410 485	(5 750)	-	-	-	1 705 568	-	1 705 568

STATEMENT CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

Notes	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Cash flows from operating activities				
Profit from operations	380 406	412 351	55 504	71 044
Share of income in a joint venture, net of foreign exchange differences	(536)	(310)	-	-
Depreciation	7 165	8 308	509	655
Contingent liability recognised on business combination	26	(32 291)	-	-
(Surplus)/Deficit from adjustment to net realisable value - inventory	(6 145)	13 005	-	-
Loss/(gain) arising on fair valuation of interest rate derivatives	16 040	(39 001)	-	-
Gain arising on revaluation of investment properties	(106 921)	(97 516)	(40 082)	(13 475)
Operating income before working capital changes	290 009	264 546	15 931	58 224
Changes in working capital:				
- (Increase)/decrease in trade and other receivables	12 212	2 583	(22 977)	(27 054)
- Decrease in trade and other payables	(177)	(7 019)	5 823	(12 034)
Taxation recovered/(paid)	35	(6 798)	3 213	81
Net cash generated from/(utilised in) operating activities	295 246	250 485	1 990	19 217
Cash flows from investing activities				
Purchase of property, plant and equipment	(976)	(2 241)	(170)	(1 386)
Acquisition of interest in a joint venture	(1 362)	-	-	-
Investment property additions	12	(40 744)	(1 245)	(1 092)
Investment income	12 902	6 563	49 297	37 673
Net movement in investments	25 819	(2 586)	-	8 329
Sale of financial assets	13	2 025	-	-
Sales of inventory	16	76 355	-	-
Disposals of investment property not held for sale	12	24 633	-	-
Sale of investment properties previously held for sale	-	26 180	-	10 680
Net cash generated from investing activities	111 731	90 185	47 882	54 204
Cash flows from financing activities				
Dividend income	5	1 146	1 124	40 676
Dividends paid	(1 024)	(2 199)	(1 024)	(2 199)
Debenture interest paid	(31 300)	(74 769)	(31 300)	(74 769)
Dividends paid to non-controlling interest	(18 294)	(17 147)	-	-
Finance costs	6	(241 617)	(212 228)	(44 980)
Long-term loans raised	274 830	489 814	118 611	113 293
Long-term loans repaid	(377 848)	(557 006)	(133 398)	(82 015)
Net cash utilised in financing activities	(394 107)	(372 411)	(51 415)	(85 021)
Net movement in cash and cash equivalents	12 870	(31 741)	(1 543)	(11 600)
Cash and cash equivalents at beginning of year	80 077	137 109	(718)	10 882
Effects of exchange rates	(19 841)	(25 291)	-	-
Cash and cash equivalents at end of year	73 106	80 077	(2 261)	(718)
Consisting of:				
Cash and bank balances	81 699	86 183	3 739	1 474
Bank overdraft	(8 593)	(6 106)	(6 000)	(2 192)
Cash and cash equivalents at end of year	73 106	80 077	(2 261)	(718)

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Presentation of financial statements

These financial statements are presented in Pula (P) as that is the currency of Botswana and the functional currency of the Group and Company's operations.

1.2. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

1.3. Adoption of new and revised International Financial Reporting Standards

The following new IFRS standards, interpretations and amendments have been adopted during the financial reporting period:

- IFRS 17 Insurance Contracts - Amendments
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

None of these new IFRS standards, interpretations and amendments have had a material impact on the Group or Company.

International Financial Reporting Standards in issue but not yet effective

At the date of approval of these financial statements, The Group and Company have chosen not to early adopt the following applicable Standards that were in issue but not yet effective.

Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1)	Annual reporting periods beginning on or after 1 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	Annual reporting periods beginning on or after 1 January 2024
Non-current Liabilities with Covenants (Amendments to IAS 1)	Annual reporting periods beginning on or after 1 January 2024

The Group and Company expect to adopt the above for the first time in the 2024 annual financial statements. The impact of the adoption of the new standards, amendments and interpretations is not likely to be material to the Group and Company financial statements.

1.4. Basis of accounting

The financial statements have been prepared on the historical basis, except for the revaluation of investment properties and certain financial instruments carried at fair value. The principal accounting policies, which have been consistently followed in all material respects, are set out below.

1.5. Basis of consolidation

The consolidated financial statements "Group financial statements", incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. The Group's accounting policies are similar to those adopted by the Company. In the significant accounting policies, where applicable, Group also refers to Company. Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders; potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non- controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non- controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial acquisition plus the non-controlling interest's share of subsequent changes in equity.

1.6. Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between the aggregate of the fair value of the consideration received and the fair value of any retained interest and the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

1.7. Revenue recognition

Revenue arises mainly from rental income from operating leases with tenants, dividend income and interest income. Other revenue arises from the sale of inventories (properties acquired or developed for the purpose of sale).

1.7.1. Contractual lease rental revenue

The Group often enters into transactions involving operating leases with tenants. The transaction price for a lease contract excludes any amounts collected on behalf of third parties.

Rental income from operating leases is recognised in the statements of comprehensive income on a straight-line basis over the term of relevant leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on the straight-line basis over the lease term. The change in fair value of investment properties is offset against the rental straight-line adjustment in the statements of comprehensive income.

Service charges recovered comprise utility expenses, service levies and other costs recovered from tenants which are recognised in the profit and loss statement on an accrual basis.

1.7.2. Dividend Income

Dividend income is recognised when the shareholders' right to receive payment has been established and is measured gross of withholding tax.

1.7.3. Interest

Interest is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

1.7.4. Sale of inventories

The sale of inventories includes the sales of properties developed by the Group. Based on the terms of the underlying contracts, revenue is recognised when all the suspensive conditions are met and when the property is registered in the name of the customer. The outstanding amount is settled on the date of transfer.

1.8. Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interest that, in substance, forms part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payment on behalf of the associate or joint venture.

An investment in an associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 - Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on the disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if the associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to the reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

1.9. Interests in joint operations

A joint venture operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly.
- Its liabilities, including its share of any liabilities incurred jointly.
- Its revenue from the sale of its share of the output arising from the joint operation.
- Its share of the revenue from the sale of the output by the joint operation.
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operation (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

1.10. Financial instruments

1.10.1. Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

1.10. Financial instruments (continued)

1.10.2. Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

1.10.3. Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Financial assets through profit or loss (FVTPL)

Financial instruments measured at fair value through profit or loss are subsequently measured at fair value at the reporting date, with changes in fair value recognized in the profit or loss for the period in which they arise. Fair value is determined based on a valuation technique - discounted cash flow analysis or capitalisation rate model. Gains and losses arising from changes in fair value of financial instruments measured at fair value through profit or loss are recognized in the statement of profit or loss in the period in which they occur. These gains and losses include both realized and unrealized amounts.

Financial assets at fair value through other comprehensive income (FVOCI)

All FVOCI financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the investment revaluation reserve within equity, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired, the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience to calculate the expected credit losses on an individual basis.

Write - off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances and short-term deposits and are classified as financial assets measured at amortised cost. Cash and cash equivalents are measured initially at fair value and subsequently at amortised cost.

1.10.4. Financial liabilities

The Group's and the Company's significant financial liabilities include interest bearing loans, derivative financial instruments, related companies' loans payable, and trade and other payables, which have been classified as other financial liabilities.

Interest bearing loans are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

1.10.4. Financial liabilities (continued)

Related companies' loans payable comprises loans from companies owing at year-end. The financial liabilities included in this line item are classified as financial liabilities at amortised cost. They are measured initially at fair value and subsequently at amortised cost.

Derivative financial instruments are initially recognised at fair value and the fair value is re-measured at each reporting date. Derivative financial instruments comprise interest rate swaps, which are classified as at fair value through profit or loss. Gains or losses on the fair value of derivative financial instruments are recognised in profit or loss.

1.11. Stated capital and debentures

Stated capital and debentures issued by the Company are recorded at the proceeds received, net of direct issue costs.

Expenses incurred in the raising of capital are written off against equity if directly related to the equity raised. Indirect expenses relating to the raising of equity are expensed through profit and loss.

1.12. Investment properties

Investment properties are held to earn rentals and for capital appreciation. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at their fair values at each statement of financial position date. Gains or losses arising in changes to fair value of investment properties are recognised in the statements of comprehensive income in the period in which they arise. Investment property is transferred to inventory when a change in use is evidenced by the commencement of development with a view to sale.

1.13. Property, plant and equipment

Properties in the course of construction are reflected as capital work in progress and are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs are capitalised in accordance with the Group's and the Company's accounting policies. Completed properties, plant and equipment (excluding investment properties) are stated in the statements of financial position at cost less accumulated depreciation and any impairment losses. The methods of depreciation, useful lives and residual values are reviewed annually.

Depreciation is calculated on the straight-line basis to write off the cost of each asset to its residual value over its estimated useful life as follows:

Leasehold buildings	20 - 50 years
Furniture and equipment	2 - 10 years
Aircraft	15 years

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as difference between the sales proceeds, and the carrying amount of the asset and is recognised in the statements of comprehensive income.

1.14. Intangible assets

Intangible assets acquired separately are reported at cost less accumulated impairment losses. The intangible asset has been assessed as having an indefinite useful life as it relates to an indefinite license acquired to build and operate a hotel in the Central Business District of Gaborone. As such, the intangible asset is not amortised. The estimated useful life is reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

1.14.1. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.14.1. Impairment of tangible and intangible assets other than goodwill (continued)

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.15. Inventories

Inventories consist of properties held for development and sale and are measured at the lower of cost and net realisable value. The cost of the inventories is assigned using the specific identification method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises all costs of purchase, costs of construction and other costs incurred in bringing the inventories to their present location and condition.

Properties transferred from investment property to inventory have an initial deemed cost equal to their fair value on the date of transfer.

When inventories are sold, the carrying amount of those inventories are recognised as an expense (cost of sales) in the period in which the related revenue is recognised.

1.16. Taxation

Tax expense comprises current, withholding taxes paid in a foreign country and deferred tax.

1.16.1. Current tax

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted at the statements of financial position date.

1.16.2. Deferred tax

Deferred tax is accounted for using the statement of financial position liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax basis used for computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the rates that are expected to apply when the asset is realised, or the liability settled. Deferred tax is charged or recognised in the statements of comprehensive income. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the asset to be recovered.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model under IAS 40 Investment Property, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in IAS 12 Income Taxes (i.e. based on the expected manner as to how the properties will be recovered).

1.16.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for business combination.

1.17. Foreign currency

Foreign currency transactions are accounted for at exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions are recognised in the statements of comprehensive income.

Monetary assets and liabilities denominated in foreign currency are retranslated at the rates ruling on the statements of financial position date. Gains and losses arising on retranslation are dealt with in the statements of comprehensive income.

On consolidation, the assets and liabilities of the Group's operations are translated at the exchange rate prevailing at the statements of financial position date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's foreign currency translation reserve. Such translation are recognised in the Group statement of comprehensive income in the period in which the operation is disposed of.

1.18. Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of that asset until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowings costs eligible for capitalisation.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.19. Share-based payment equity reserve

The grant-date fair value of the scheme is recognised as an expense in the statement of profit or loss and other comprehensive income, with a corresponding increase in equity through the share-based payment reserve, over the vesting period. The amount recognised as an expense is adjusted for changes in management's estimate of the number of shares expected to vest, such that the amount ultimately recognised is based on the number of awards that vest.

1.20. Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

1.21. Operating expenditure

Tenant recoveries are recognised as they are earned, in line with the contractual rights in the leases. Recoveries of costs from lessees are recognised as revenue received from customers, and thus not offset against operating cost expenses.

1.22. Distributions

The company may from time to time distribute accumulated profits provided that the relevant regulatory requirements been met, notably whether the solvency and liquidity tests have been passed to the satisfaction of the directors.

1.23. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

1.23.1. The Group as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Although the risks associated with rights the Group retains in underlying assets are not considered to be significant, the Group employs strategies to further minimise these risks. For example, ensuring all contracts include clauses requiring the lessee to compensate the Group when a property has been subjected to excess wear-and-tear during the lease term.

1.24. Non-Current assets held for sale

Non-current assets and disposal Groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the following criteria are met:

- management is committed to a plan to sell.
- the asset is available for immediate sale.
- the sale is highly probable, within 12 months of classification as held for sale (subject to limited exceptions) -the asset is being actively marketed for sale at a sales price reasonable in relation to its fair value
- actions required to complete the plan indicate that it is unlikely that plan will be significantly changed or withdrawn.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non- controlling interest in its former subsidiary after sale.

1.25. Provisions and contingencies

Provisions are recognised when:

- the Group has a present obligation as a result of a past event.
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. Provisions are not recognised for future operating losses.

1.26. Operating segments

An operating segment is a distinguishable component of the Group that is engaged either in providing products and services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those other segments. The Group's primary format for segment reporting is based on geographical segments. Segment results include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

1.27. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future and other sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts within the next financial year:

1.27.1. Fair value of investment properties

The directors use their judgement in selecting an appropriate valuation technique for the investment properties. Investment properties are valued using a direct capitalisation method based on assumptions supported, where possible, by observable market prices. Each property is revalued by an independent accredited valuer at least every three years. The directors ensure that the reviewer selected is independent, maintains the appropriate qualification and accreditation, and has the necessary experience in the property market to which the property being valued belongs to.

In the absence of current prices in an active market, valuations that make maximum use of relevant observable inputs and minimal use of unobservable inputs are prepared. Discounted cash flow analysis is applied which is prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. Then a yield that reflects the specific risks inherent in the net cash flows is applied to the net annual cash flows to arrive at the property valuation. The valuation process also makes use of the net income method which assumes a rental stream into perpetuity and uses the capitalisation rate to account for the risk of projected market, business and financial volatility and to adjust for the sustainability of the cash flow into perpetuity. Once the capitalisation value has been calculated, further adjustments are made to the valuations relating to project costs and values. The directors confirm that there have not been any material changes to the information used and assumptions applied by the valuer.

1.27. Critical accounting judgements and key sources of estimation uncertainty (continued)

1.27.2. deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets from investment properties that are measured using the fair value model in IAS 40 - Investment Properties, the directors have reviewed that the Group's investment property portfolio and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption set out in IAS 12 - Income Taxes, that investment properties measured using the fair value model are recovered through sale is not rebutted.

1.27.3. Impairment of investments and assets

The Group and Company review the investments and assets for impairment at the end of each annual reporting period and consider if any impairment is necessary based on review of net asset value, current market value and discounted cash flows.

1.27.4. Provision for doubtful debt

The Group makes use of a simplified approach in accounting for trade and other receivables, and related companies' receivable loans and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

1.27.5. Useful lives and residual values of property, plant and equipment

The Group and Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each annual reporting period.

1.27.6. Recoverability of intangible asset

The Group and Company review the intangible asset for impairment at the end of each annual reporting period.

1.27.7. Related party transactions

Related parties are defined as those parties that:

- directly, or indirectly through one or more intermediaries:
 - control, are controlled by, or are under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries).
 - have an interest in the entity that gives them significant influence over the entity; or
- are members of the key management personnel of the entity or its parent including close members of the family.

All dealings with related parties are transacted on an arm's length basis.

1.27.8. Joint arrangements and joint operations

Joint operations are joint arrangements whereby the parties that have joint control of the arrangement have the rights to the assets and the obligations for the liabilities relating to the arrangement. In assessing whether an arrangement constitutes a joint arrangement, the directors consider whether the arrangement is structured through a separate vehicle, the type of legal structure, the agreements with other parties that have joint control and other facts and circumstance that be relevant.

1.27.9. Net realisable values of properties held as inventories

Independent valuations are performed on a regular basis for the purpose of determining the net realisable value of the properties included in inventory. As part of the preparation of the current year annual financial statements, detailed valuations were performed by an independent valuer. The comparable sales valuation method was used to determine the fair value of the properties. This method uses the recent selling values of properties in a similar location, condition and size adjusted in certain instances for unit density, usability and access. The reduction to net realisable value is accounted for in profit or loss.

1.27.11. Classification between inventories and investment properties

Management uses the criteria as set out by IAS 2 (Inventories) and IAS 40 (Investment Properties) for the initial recognition and classification of inventories and investment properties. When the company decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognised and does not treat it as inventory.

Management identified the portions of the properties required for intended development and sale projects and classified these portions of the properties as inventory as it is the intention of the company to develop these properties for later sale. Development and sale is not the primary business of the company.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
2. Revenue				
Contractual lease rental revenue comprises:				
Rental income	442 840	403 390	61 877	50 839
Service charges recovered	121 167	122 166	3 018	2 763
	563 807	525 556	64 695	53 602

Variable lease income, not dependent on an index or rate, of P47.0 million is included in the rental income above (2022: P17.6 million).

Other Revenue comprises:

Revenue from the sale of inventory	2 465	77 483	-	-
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Revenue from sale of inventory relates to sales of apartment units held at the Old Cape Quarter and Napier Street properties in the De Waterkant district of Cape Town, South Africa. During the current financial year, one unit was sold for total proceeds of P2,465,451 (2022: 18 units for P77,483,000).

Revenue recognised at a point in time:

Service charges recovered	121 167	122 166	3 018	2 851
Revenue from the sale of inventory	2 465	77 483	-	-

The group meets all performance obligations at the point in time when either services are rendered or developed units are sold.

3. Investment in a joint venture

Details of the Group's investment in a joint venture at the end of the reporting period is as follows:

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group	
			2023	2022
HMS1 Société Anonyme (HMS1)	Operating a lodge known as Isalo Rock lodge	Madagascar	50%	50%
David Livingstone Safari Lodge & Spa Limited	Operating as a hotel in Zambia	Zambia	50%	-

The above joint ventures are accounted for using the equity method in these annual financial statements.

The principle activities of the joint ventures are the operations of hospitality assets in Madagascar and Zambia. This represents a strategic investment of the Group, which continues to expand its footprint in the hospitality sector.

Summarised information in respect of the Group's joint ventures are set out below. The summarised financial information below represents amounts shown in the joint venture's annual financial statements prepared in accordance with IFRS.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

3. Investment in a joint venture (Continued)

HMS1 Societe Anonyme (HMS1) Financial Information

Summarised statement of financial position

	2023 P'000	2022 P'000
Current		
Cash and cash equivalents	25	13
Financial assets (excluding cash)	13 853	11 242
Total current assets	<u>13 878</u>	<u>11 255</u>
Other current liabilities (including trade and other payables)	(9 410)	(8 731)
Total current liabilities	<u>(9 410)</u>	<u>(8 731)</u>
Non-current		
Investment property	51 676	50 076
Deferred tax asset	2 403	488
Total non-current assets	<u>54 079</u>	<u>50 564</u>
Long-term borrowings	(1 611)	(1 596)
Total financial liabilities	<u>(1 611)</u>	<u>(1 596)</u>
Net assets	<u>56 936</u>	<u>51 492</u>

Summarised statement of comprehensive income

Revenue	3 138	1 433
Operating costs	(876)	(806)
Profit from operations	<u>2 285</u>	<u>627</u>
Finance costs	-	-
Profit before taxation	<u>2 285</u>	<u>627</u>
Income tax expense	(17)	(7)
Profit/ for the year	<u>2 268</u>	<u>620</u>
Group's share of profit for the year	<u>1 134</u>	<u>310</u>

David Livingstone Safari Lodge & Spa Limited Financial information:

Summarised statement of financial position

(Note: The joint venture was acquired in September 2023 and therefore no comparatives are provided)

	2023 P'000
Current Assets	
Inventory - consumables	1 090
Inventory - operating equipment	707
Bank and cash/overdraft	14 178
Trade and other receivables	1 141
Total current assets	<u>17 114</u>
Current Liabilities	
Trade and other payables	(6 143)
Total current liabilities	<u>(6 143)</u>
Non-current	
Property, plant and equipment	182 946
Total non-current assets	<u>182 946</u>
Long-term borrowings	(46 725)
Total financial liabilities	<u>(46 725)</u>
Net assets	<u>147 192</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

3. Investment in a joint venture (Continued)

David Livingstone Safari Lodge & Spa Limited Financial information (Continued):

Summarised statement of comprehensive income

	2023 P'000
Revenue	14 016
Operating costs	(12 032)
Net foreign exchange (loss)/gains	63
Profit/(loss) from operations	2 047
Finance costs	(3 246)
Profit/(loss) for the year	(1 199)
Other Comprehensive income	
Revaluation gain on property, plant and equipment	51 560
Total Comprehensive Income	50 362
Group's share of profit/(loss) for the year	(599)
Group's share of other comprehensive income	25 780

Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount of the interest in joint ventures recognised in the consolidated financial statements

	2023 P'000	2022 P'000
Summarised financial information		
Opening net assets	51 492	52 817
Acquisition of Joint Venture (refer note 7)	48 833	-
Bargain purchase gain	53 593	-
Profit/(loss) for the year	1 069	620
Share of OCI	51 560	-
Foreign exchange differences	(2 424)	(1 945)
Closing net assets	204 123	51 492
Interest in joint ventures	50%	50%
Carrying amount of the Group's interest in joint ventures	102 063	25 746

4. Profit from operations

Profit from operations is stated after taking into account the following:

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Auditor's remuneration - audit fee	1 635	1 425	480	365
Depreciation	7 165	8 308	509	655
Directors' emoluments - for services as directors (note 28)	2 867	3 368	1 421	1 076
Management and administration fee paid to related company (note 28)	23 497	22 390	3 380	3 094
Acquisition cost relating to business combinations - other	557	-	557	-
Lease renewal fees paid to related company (note 28)	6 404	7 151	468	693
Movement in expected credit losses (note 15)	(819)	6 166	2 236	144
Inventory Adjustment (net realisable value)	(6 145)	13 005	-	-
Repairs and maintenance on investment properties	18 219	15 444	1 912	1 845
Service charges paid to related company (note 28)	9 341	8 602	9 341	8 602
Foreign exchange gains/(losses)	(922)	2 259	(12 517)	24 538
Bargain purchase gain (note 7)	26 797	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
5. Investment income				
Bank balances	6 529	6 059	2 166	1 433
Money market	8	59	8	59
Overdue accounts and tenant deposits	866	1 549	17	33
Related parties and intercompany (note 28)	5 499	-	47 106	36 148
	<u>12 902</u>	<u>7 667</u>	<u>49 297</u>	<u>37 673</u>
Dividends received	1 146	1 124	40 676	2 468
	<u>14 048</u>	<u>8 791</u>	<u>89 973</u>	<u>40 161</u>
6. Finance costs				
Interest payable on:				
Bank overdraft	589	881	500	703
Long-term borrowings	231 031	205 431	43 744	40 090
Other	9 997	5 916	736	1 026
	<u>241 617</u>	<u>212 228</u>	<u>44 980</u>	<u>41 819</u>

7. Acquisition of a 50% shareholding in David Livingstone Safari Lodge (Pty) Ltd

In September 2023, the Group acquired 50% of the shares and voting interest in David Livingstone Safari Lodge (Pty) Ltd ("David Livingstone"). The Group did not acquire control of the investee and accordingly has accounted for the acquisition as an acquisition of a joint venture.

The acquisition, in partnership with the Protea Hotels Zambia (the remaining 50% shareholder), will enable the Group to strengthen its geographical and sectoral diversification.

The acquisition was part of a three-step process, comprising:

1. RDC Properties International (Pty) Ltd ("RDCPI") acquired the loan claim against David Livingstone from the Development Bank of South Africa. This was executed on 4 April 2023, and did not result in joint control. The claim was acquired for USD 2,500,000, with Protea Hotels Zambia acquiring their share.
2. RDCPI acquired a promissory note against David Livingstone held by the BOABAB Trust. This was executed on 12 September 2023 and did not result in joint control. The promissory note was acquired by both RDCPI and Protea Hotels Zambia, at 50% each, totalling USD 400,000.
3. Lastly the share capital of David Livingstone was acquired on 12 September 2023, by RDCPI and Protea Hotels Zambia, at 50% each. This gave both parties joint control. The shares were acquired for a total of USD 200,000, with RDCPI and PHZ each acquiring USD 100,000. There is further contingent consideration payable by both parties amounting to USD 200,000 each.

A. Consideration transferred:

The following table summarises the acquisition date fair values of each major class of consideration transferred.

	Group 2023 P'000
<i>Stated in thousands of Botswana Pula:</i>	
Amount settled in cash - for shares	1 362
Contingent consideration in exchange for shares	2 725
Intercompany loans settled as part of acquisition (50%)	20 329
Total fair value of consideration transferred	<u>24 417</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

Contingent Consideration:

The Group and Protea Hotels Zambia Limited have agreed to pay the selling shareholders the remaining consideration of USD 200,000 each, 180 days from the closing date (being the date of sale of shares).

This second tranche payment, being a total of USD 400,000 will be reduced by:

1. Any amounts in excess of USD 182,000 owed by the David Livingstone Safari Lodge to any trade or other creditor of David Livingstone Safari Lodge at the closing date and;
2. Any amount in excess of USD 100,000 owed by David Livingstone Safari Lodge to the Zambian Revenue Authority, in respect of any VAT, taxes, duties and other imposts at the closing date.

The Group has included USD 200,000 as contingent consideration related to the acquisition which represents its fair-value at the date of acquisition.

B. Acquisition related costs:

The Group incurred acquisition-related costs of BWP 557,000 on legal fees and due diligence costs. These costs have been included in 'administrative expenses' - refer to note 4.

C. Recognised amounts of identifiable net assets of the investee:

The following table summarises the recognised amounts of assets and liabilities of the investee:

	Group 2023 P'000	
<i>Stated in thousands of Botswana Pula:</i>	100%	50% (RDC Share)
Property, plant and equipment	136 463	68 232
Inventory - consumables	926	463
Inventory - operating equipment	1 170	585
Bank and cash/overdraft	10 907	5 454
Trade and other receivables	1 984	992
Long term borrowings (excluding RDC Share)	(40 659)	(20 329)
Trade and other payables	(8 365)	(4 182)
Net identifiable assets and liabilities	102 426	51 213
Bargain purchase gain		26 797

8. Income tax expense

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Normal taxation				
Current year expense	11 530	9 940	-	-
Prior year under provision	431	-	-	-
Total normal taxation	<u>11 961</u>	<u>9 940</u>	<u>-</u>	<u>-</u>
Deferred taxation				
Current year (excluding capital gains tax)	(903)	15 372	(352)	6 189
Capital gains deferred tax	36 820	(12 964)	9 071	(14 696)
Prior year under provision	(8 476)	6 838	94	(175)
	<u>39 402</u>	<u>19 186</u>	<u>8 813</u>	<u>(8 682)</u>
Income tax expense comprises:				
Charged to statement of comprehensive income	46 268	24 752	15 699	(3 116)
Attributable to debenture interest credited to statement of changes in equity	(6 866)	(5 566)	(6 886)	(5 566)
	<u>39 402</u>	<u>19 186</u>	<u>8 813</u>	<u>(8 682)</u>

8. Income tax expense (Continued)

The charge for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Tax rate reconciliation:				
Tax at current rate	22.00	22.00	22.00	22.00
Taxation on debenture interest	(3.83)	(2.66)	(5.85)	(8.02)
Prior year underprovision/(overprovision)	0.22	0.61	-	(1.01)
Deferred tax prior year underprovision	(3.39)	-	0.17	-
Fair value adjustment on investment properties, net of deferred capital gains tax	1.44	(16.55)	0.62	(21.18)
Sale of investment properties	-	(1.27)	-	(3.82)
Share of profit from joint venture	(0.07)	0.03	-	-
Non-taxable income	(4.96)	(0.17)	(8.90)	(0.46)
Non-taxable bargain purchase gain	(3.28)	-	-	-
Non-deductible expenses	2.43	0.36	1.73	-
Unutilised tax losses	8.01	1.71	-	-
Unrecognised assessed loss set-off in current year	(3.28)	-	-	-
Withholding taxes paid in a foreign country	1.49	1.91	-	-
Substantively enacted tax rate change in South Africa	-	(0.39)	-	-
Other	0.64	-	-	-
Effect of tax rate differentials	4.53	3.60	-	-
	21.93	9.18	8.77	(12.51)

9. Property, plant and equipment

Group	Leasehold buildings	Furniture, equipment	Aircraft & vehicles	Total
	P'000	P'000	P'000	P'000
Cost				
At 1 January 2022	2 270	42 300	3 093	47 663
Acquisition through business combination	-	2 241	-	2 241
Additions during the year	-	16 098	-	16 098
Transfers from investment property	-	(22)	-	(22)
As at 31 December 2022	2 270	60 617	3 093	65 980
Additions during the year	-	976	-	976
Foreign Currency Translation Reserve	-	(1 227)	-	(1 227)
As at 31 December 2023	2 270	60 366	3 093	65 729
Accumulated depreciation				
At 1 January 2022	1 800	7 699	1 063	10 562
Charge for the year	111	7 991	206	8 308
As at 31 December 2022	1 911	15 690	1 269	18 890
Charge for the year	111	6 848	206	7 165
Foreign Currency Translation Reserve	-	1 104	-	1 104
As at 31 December 2023	2 022	23 642	1 495	27 159
Net book value at 31 December 2023	248	36 724	1 598	38 570
Net book value at 31 December 2022	359	44 927	1 804	47 090

Leasehold buildings comprise the following:

A basement parking facility at portion of Lots 1204,1138 and 8897 in Main Mall area in Gaborone, Botswana, constructed on a plot of land leased from Gaborone City Council for a period of 20 years.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

9. Property, plant and equipment (Continued)

Company	Furniture & equipment P'000	Aircraft P'000	Total P'000
Cost			
At 1 January 2022	1 795	3 093	4 888
Additions during the year	1 386	-	1 386
As at 31 December 2022	3 181	3 093	6 274
Additions during the year	170	-	170
As at 31 December 2023	3 351	3 093	6 444
Accumulated depreciation			
At 1 January 2022	971	1 084	2 055
Charge for the year	449	206	655
As at 31 December 2022	1 420	1 290	2 710
Charge for the year	303	206	509
As at 31 December 2023	1 723	1 496	3 219
Net book value at 31 December 2023	1 628	1 597	3 225
Net book value at 31 December 2022	1 761	1 803	3 564

10. Investments

	Country of Incorporation	Share Holding	Group		Company	
			2023 P'000	2022 P'000	2023 P'000	2022 P'000
At amortised cost:						
Equity Investments - Subsidiaries						
RDC Properties International (Proprietary) Limited	Botswana	100%	-	-	505 342	508 220
Lotsane Complex (Proprietary) Limited	Botswana	77%	-	-	1 692	1 692
Three Partners Resorts Limited	Botswana	54%	-	-	82 281	82 281
Norman Kwati Matsetse (Proprietary) Limited	Botswana	100%	-	-	4 300	4 300
			-	-	593 615	596 493
Joint Operation						
Propcorp (Proprietary) Limited	Botswana	33%	-	-	2 187	2 187
			-	-	2 187	2 187
At fair value through P&L:						
USA Private Placement Insurance Policy						
Evergreen Private Placement Policy			46 753	95 413	-	-
			46 753	95 413	-	-
			46 753	95 413	595 802	598 680
Reconciliation of fair value						
Opening value			95 413	89 340	-	-
Distributions			(32 709)	(1 271)	-	-
Foreign exchange gains			3 761	5 579	-	-
Net (decrease)/increase in fair value			(19 712)	1 765	-	-
Closing balance			46 753	95 413	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

10. Investments (Continued)

Joint Operations:

The principle activity of the joint operation, Propcorp (Proprietary) Limited is rental generation on a parking lot in Botswana. The parking lot is situated next to an investment property held by the Group and therefore the investment in the joint operation is strategic in nature.

The following amounts are included in the Group annual financial statements as a result of the proportionate consolidation of Propcorp (Proprietary) Limited:

	2023 P'000	2022 P'000
Non-current assets	248	359
Current assets	186	128
Current liabilities	(206)	(95)
Income	220	168
Expenses	(315)	(265)

11. Long term loan receivables

	Country of Incorporation	Share Holding	Group		Company	
			2023 P'000	2022 P'000	2023 P'000	2022 P'000
At cost:						
Long-term loans - Investments through RDC Properties International (Proprietary) Limited						
RDC Properties International (Proprietary) Limited	Botswana	100%	-	-	615 915	626 109
RDC Properties Namibia (Proprietary) Limited	Namibia	100%	-	-	4 986	4 986
RDC-KMR Limited	Mauritius	55%	-	-	15 966	14 093
RDC Zimpeto Limited	Mauritius	60%	-	-	15 424	13 690
David Livingstone Safari Lodge & Spa (Pty) Ltd	Zambia	50%	23 062	-	-	-
			<u>23 062</u>	<u>-</u>	<u>662 291</u>	<u>668 878</u>

Long-term loans – investments through RDC Properties International (Propriety) Limited are unsecured. The interest rate on these loans are agreed between parties from time to time and range between 0% to South African Prime Rate/LIBOR Rate plus 2%. The payment terms on the loans are that they are repayable on demand. However these loans will not be recalled in the next 12 months.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

12. Investment properties

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Freehold land and buildings at fair value	4 239 049	4 434 670	312 206	367 719
Leasehold land and buildings at fair value	1 182 519	1 135 474	541 722	468 054
	5 421 568	5 570 144	853 928	835 773
Straight-line rental adjustment	7 509	4 992	(3 664)	(1 996)
	6 429 077	6 675 136	850 264	833 777
Reconciliation of fair value				
Opening value	6 675 136	6 636 802	833 777	819 804
At valuation	5 589 838	5 550 604	835 485	821 512
Straight-line rental adjustment	(14 702)	(14 702)	(1 708)	(1 708)
Acquisition through business combination	-	-	-	-
Transfers to available for sale	(83 585)	-	(24 000)	-
Transfers to discontinued operations	(99 738)	-	-	-
Transfers to inventory	-	(144 134)	-	-
Transfers to property, plant and equipment	-	(16 098)	-	-
Additions during the year	29 659	40 744	1 245	1 092
Disposals during the year	(102 633)	(24 633)	-	-
Foreign currency translation reserve	3 317	85 839	-	-
Net increase in fair value	104 404	97 165	40 910	13 169
Straight-line rental adjustment included in profit or loss	2 517	351	(828)	(288)
Straight-line prior year adjustment	-	-	(840)	-
Closing balance	6 429 077	6 675 136	850 264	833 777

Fair value adjustments

For the year ended 31 December 2023, valuations of all properties were performed by either the directors or independent valuers and have resulted in a net upward revaluation of P104,404,000 (2022: P97,165,000).

The Group engaged registered independent valuers, Stocker Fleetwood Bird to independently value properties in Botswana, and Mills Fitchet Magnus Penny to independently value properties in South Africa. These parties are considered specialists in the real estate industry and are appropriately qualified and certified to perform valuations.

Investment properties are revalued based on an independent accredited valuers report at least every three years and are revalued annually by the Board of Directors based on a direct capitalisation model or a discounted cash flow model. The board is appropriately resourced with the necessary financial qualifications and experience to perform valuations on this basis.

The property rental income earned by the Group from its investment properties before the straight-line adjustment is P563,807,000 (2022: P525,556,000).

Direct operating expenses (including repairs and maintenance) arising from investment properties was P216,560,000 (2022: P201,634,000).

As at 31 December 2023 Investment properties with a fair value of P5.397 billion (2022: P5.137 billion) are encumbered. Refer to note 24.

For contractual capital commitments to repair or enhance investment properties refer to note 30.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

13. Financial assets at fair value through other comprehensive income (OCI)

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Investments in financial instruments (equity and debt):	10 421	10 642	9 201	9 201
Opening balance	10 642	14 129	9 201	10 305
Disposals during the year	-	(2 025)	-	-
Fair value losses	-	(1 104)	-	(1 104)
Foreign currency translation reserve	(221)	(358)	-	-
Closing balance	10 421	10 642	9 201	9 201

The Group holds investments in Letshego Holdings Limited, a financial services provider listed on the Botswana Stock Exchange, Spear Real Estate Investment Trust Limited, a property REIT listed on the JSE AltX and South African government bonds.

14. Intangible asset

Licence allowing right of usage	1 000	1 000	-	-
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The Group acquired an indefinite license to build and operate a hotel in the central business district in Gaborone, Botswana. The hotel was completed and started operations during 2012. The license acquired does not expire, nor does it get renewed periodically. The directors have determined this to be an indefinite intangible asset and have reviewed the intangible asset for impairment and have concluded that the asset is not impaired.

15. Trade and other receivables

Trade receivables	80 290	72 649	17 917	15 478
Allowance for doubtful debts	(21 726)	(22 545)	(7 117)	(4 881)
	58 564	50 104	10 800	10 597
Value added tax	336	2 366	(536)	(320)
Prepayment	10 561	3 990	198	156
Municipal deposits	7 386	7 008	-	-
Recovery accruals	10 061	-	-	-
Other receivables	25 089	26 416	(87)	(583)
Related parties:				
RDC Properties International (Proprietary) Limited	-	-	83 135	59 623
Italtswana Construction Company (Proprietary) Limited	-	86	-	86
Property & Asset Management Limited	687	572	653	648
Norman Kwati Matsilese (Proprietary) Limited	-	-	2 257	2 231
Chobe Marina Lodge (Proprietary) Limited	-	2 958	-	2 958
Three Partners Resorts Limited	-	-	31 150	30 864
Antya Investments (Proprietary) Limited	2	2	2	2
Yuagong (Proprietary) Limited	26 340	33 312	-	-
Propcorp (Proprietary) Limited	-	-	5	-
Lotsane Complex (Proprietary) Limited	-	-	1	7
	139 026	126 814	127 578	106 269
Short-term portion	112 686	90 336	127 578	106 269
Long-term portion	26 340	36 478	-	-
	139 026	126 814	127 578	106 269

All amounts are short-term, unless indicated otherwise. The net carrying value of trade receivables is considered a reasonable approximation of fair value. Other receivables from related parties are unsecured and will be settled on a cash basis within the next 12 months.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

15. Trade and other receivables (continued)

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected credit loss rates are based on the payment profile for rental over the past 24 months before 31 December 2023 and 31 December 2022 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the economy. The Group has identified the gross domestic product (GDP) rate of the countries in which the customers are domiciled to be the most relevant factors and according adjusts historical loss rates for expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangements amongst others is considered an indicator of no reasonable expectation of recovery.

The tables below include disclosures relating to credit risk exposure and analysis relating to expected credit losses.

Group

	GROUP - P'000c				
	Current	30 days	60 days	90 days	120 days and more
2023					
Expected credit loss rate	5%	14%	27%	20%	35%
Gross carrying amount	12 086	7 903	3 177	3 992	53 132
Lifetime expected credit losses	647	1 068	854	810	18 347
2022					
Expected credit loss rate	8%	30%	31%	34%	39%
Gross carrying amount	14 233	7 451	4 798	4 418	41 749
Lifetime expected credit losses	1 161	2 249	1 482	1 510	16 143

Company

	GROUP - P'000c				
	Current	30 days	60 days	90 days	120 days and more
2023					
Expected credit loss rate	7%	22%	29%	35%	50%
Gross carrying amount	2 840	1 248	817	675	12 337
Lifetime expected credit loss	199	277	238	234	6 169
2022					
Expected credit loss rate	15%	23%	30%	35%	35%
Gross carrying amount	2 093	1 087	875	516	10 907
Lifetime expected credit loss	318	251	262	183	3 867

Expected credit losses reconciliation

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Movement in expected credit losses				
Balance at beginning of the year	22 545	16 379	4 881	4 737
Movement in expected credit losses	(819)	6 166	2 236	144
Balance at end of the year	21 726	22 646	7 117	4 881

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

16. Inventories

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Inventories at cost				
Opening balance	161 076	99 522	-	-
IFRS 3 - Business Combination Adjustment (Refer to note 7)	-	145 400	-	-
Additions	24	133	-	-
Sales	(2 398)	(77 648)	-	-
Adjustment to lower of cost and net realisable value	6 145	(13 005)	-	-
Foreign currency reserve adjustment	(5 904)	6 674	-	-
Closing balance	<u>158 943</u>	<u>161 076</u>	<u>-</u>	<u>-</u>

At year end, three units remain unsold of the company's inventory units at 32 Napier Street, with one being sold in the current year. 39 units remain at the Old Cape Quarter property, of which four were sold during 2023 but had not yet transferred by 31 December 2023. The units are classified as inventory as these units are leased to tenants and actively marketed until buyers are found. At year end, due to selling prices achieved, the inventory value was written up to the lower of cost and net realisable value. All of the company's properties are pledged as security, refer to note 24.

17. Investment property held for sale

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Opening Balance	-	26 180	-	10 680
Sales during the period	-	(26 180)	-	(10 680)
Transfer from Investment Property	99 738	-	24 000	-
Closing Balance	<u>99 738</u>	<u>-</u>	<u>24 000</u>	<u>-</u>

At year end, the following properties were reclassified to held for sale: Pep Serowe (P5 000 000), Phakalane Warehouse (P19 000 000) within the RDC Properties Limited company, and Constantia View Office Park (P23 116 000), Isando (P 26 342 000) and Kuit Street (26 280 000) within the wider group. All of these properties have been sold to buyers, and awaited finalisation of the transfer process at the year end date.

18. Cash and cash equivalents

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Bank balances	81 699	86 181	3 739	1 472
Money Market	-	2	-	2
	<u>81 699</u>	<u>86 183</u>	<u>3 739</u>	<u>1 474</u>

19. Stated capital

The stated capital reserve comprises the fully paid ordinary share component of the linked units issued to shareholders of the Group with no par value:

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Issued and fully paid				
Opening balance 758 232 937 (2022: 758 232 937) ordinary shares	1 058 199	1 058 199	1 058 199	1 058 199
Closing balance 758 232 937 (2022: 758 232 937) ordinary shares	<u>1 058 199</u>	<u>1 058 199</u>	<u>1 058 199</u>	<u>1 058 199</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

	Group		Company	
	2023	2022	2023	2022
	P'000	P'000	P'000	P'000

20. Debentures

The debenture reserve comprises the variable interest debenture portion of the linked units issued to the shareholders of the Group:

Opening balance 758 233 937 (2022: 758 233 937) ordinary shares	242 634	242 634	242 634	242 634
Closing balance 758 233 937 (2022: 758 233 937) ordinary shares	<u>242 634</u>	<u>242 634</u>	<u>242 634</u>	<u>242 634</u>

21. Accumulated profits

The accumulated profits reserve comprises the accumulative retained earnings balance of the Group:

Arising from operations	538 231	530 214	75 434	47 913
Bonus Share Issue	(189 095)	(189 095)	(189 095)	(189 095)
Arising from revaluation of investment properties	920 312	852 728	524 146	492 307
	<u>1 269 448</u>	<u>1 193 847</u>	<u>410 485</u>	<u>351 125</u>

22. Debenture interest and dividend reserve

The debenture interest and dividend reserve comprise the interest and dividends owing to shareholders of the Group at the end of the year.

No balances outstanding in respect of debenture interest and dividends owing to shareholders as at 31 December 2023 and 31 December 2022.

The distribution, made bi-annually, varies with the operating performance of the Group and Company.

Debenture interest

Interim paid - 4.128 (2022: 3.337) thebe	31 300	25 302	31 300	25 302
Interim declared - nil (2022: nil) thebe	-	-	-	-
Final proposed - 3.794 (2022: nil) thebe	19 009	-	19 009	-
	<u>50 309</u>	<u>25 302</u>	<u>50 309</u>	<u>25 302</u>

Dividends:

Interim paid - 0.135 (2022: 0.158) thebe	1 024	1 533	1 024	1 198
Interim declared - nil (2022: nil) thebe	-	1 001	-	-
Final proposed - 0.130 (2022: nil) thebe	989	-	989	-
	<u>2 013</u>	<u>2 534</u>	<u>2 013</u>	<u>1 198</u>

At year end, a final distribution of P20,000,000 has been proposed and declared for the period.

23. Non-controlling interests

Opening balance	532 734	493 329	-	-
Subsidiary acquired during the year	-	-	-	-
Increase in controlling shareholding of subsidiary	-	-	-	-
Bargain Purchase Adjustment	-	9 689	-	-
Share of profit for the year	28 161	46 863	-	-
FCTR Reclassification	17 786	-	-	-
Dividends for the year	(18 294)	(17 147)	-	-
Closing balance	<u>560 387</u>	<u>532 734</u>	<u>-</u>	<u>-</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

24. Long term borrowings

	Interest rate at 31 December 2023	Maturity date	Group		Company	
			2023	2022	2023	2022
			P'000	P'000	P'000	P'000
First National Bank of Botswana Limited¹						
Loan Facility - 1	Prime Rate	January 2023	-	578	-	578
Loan Facility - 3	Prime Rate	January 2029	8 762	10 162	8 762	10 162
Loan Facility - 4	Prime +1.25%	March 2027	3 553	4 448	3 553	4 448
Access Bank²						
Loan Facility 1	Prime +1.75%	January 2025	2 723	5 024	2 723	5 024
Loan Facility 2	Prime Rate	November 2024	1 486	3 164	1 486	3 164
ABSA Bank Botswana Limited³						
Three Partners Resorts Loan Facility 2	Prime + 1%	May 2023	-	2 804	-	-
Three Partners Resorts Loan Facility 3	Prime + 0.75%	December 2028	14 090	17 000	-	-
BIFM Capital Investment Fund One (Pty) Limited⁴						
Promissory Note 1	Fixed at 10.20%	September 2034	76 928	76 928	76 928	76 928
Promissory Note 2	Fixed at 9.45%	September 2034	64 941	64 941	-	-
Botswana Insurance Fund Management Limited⁵						
Promissory Note	Fixed at 8%	December 2035	50 000	50 000	50 000	50 000
Unlisted bond	Fixed at 9%	June 2036	125 000	125 000	125 000	125 000
Commercial Paper	Fixed at 9%	December 2023	-	25 166	-	25 166
Stanbic Bank of Botswana⁶						
Revolving Credit Facility	Prime + 0.75%	September 2024	10 006	10 006	10 006	10 006
Investec Bank Limited⁷						
Term Loan Facility	3 Month JBAR + 3.5%	December 2025	69 705	201 129	-	-
Revolving Credit Facility	Prime + 0.28%	December 2025	66 899	41 638	-	-
Nedbank South Africa Limited⁸						
Term Loan Facility	3 Month JBAR + 2.22%	July 2031	146 253	151 960	-	-
ABSA Bank Limited - South Africa⁹						
Mortgage bond Facility 1	Prime (RSA) - 1%	June 2025	96 272	143 062	-	-
Mortgage bond Facility A, B and C	Prime (RSA) - 1%	June 2024	85 513	133 815	-	-
Mortgage bond Facility 2	Prime (RSA) - 1%	September 2026	118 146	121 979	-	-
Mortgage bond Facility 3	Prime (RSA) - 1%	November 2025	18 233	-	-	-
First National Bank Limited - South Africa¹⁰						
Development Loan Facility	Prime (RSA) + 2%	February 2023	-	50 682	-	-
VAT loan Facility	Prime (RSA) + 2%	February 2023	-	328	-	-
Term Loan Facility	Prime (RSA) - 0.5%	November 2028	53 719	3 543	-	-
Standard Bank Limited - South Africa¹¹						
Standard Bank Loan 1	3m JBAR + 1.95%	May 2025	631 331	655 458	-	-
Standard Bank Loan 2	3m JBAR + 1.95%	May 2025	76 124	61 464	-	-
Standard Bank Loan 3	3m JBAR + 1.80%	November 2024	212 608	228 234	-	-
Standard Bank Loan 4	3m JBAR + 2.60%	June 2026	78 542	-	-	-
Chrysalis Capital Fund¹²						
Loan Facility	Prime (RSA) - 1%	May 2025	5 724	-	-	-
Privredna Banka Zagreb - Croatia¹³						
Loan Facility - Euro Denominated	3m EURIBOR + 3.5%	December 2025	135 866	125 042	-	-
Erste Bank Group - Croatia¹⁴						
Loan Facility 1 - Euro Denominated	Fixed at 2.50%	February 2025	201 144	185 120	-	-
Loan Facility 2 - Euro Denominated	Fixed at 2.50%	February 2025	51 204	47 125	-	-
Total bank debt owed			2 404 772	2 545 800	278 458	310 476

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

24. Long term borrowings (continued)

	Interest rate at 31 December 2023	Maturity date	Group		Company	
			2023	2022	2023	2022
			P'000	P'000	P'000	P'000
RDC Properties Listed Notes:						
RDCP001 Listed Unsecured Senior Notes	MoPR +5.61%	March 2026	47 371	47 371	47 371	47 371
RDCP002 Listed Unsecured Senior Notes	MoPR +5.61%	March 2027	40 212	40 214	40 212	40 214
RDCP003 Listed Unsecured Senior Notes	MoPR +4.81%	March 2024	12 017	12 017	12 017	12 017
RDCP004 Listed Unsecured Senior Notes	Fixed at 7.4%	December 2022	-	-	-	-
RDCP005 Listed Unsecured Senior Notes	Fixed at 8.75%	December 2023	-	101 131	-	101 131
RDCP006 Listed Unsecured Senior Notes	Fixed at 8.8%	December 2026	25 163	-	25 163	-
RDCP007 Listed Unsecured Senior Notes	Fixed at 8.35%	December 2024	23 105	-	23 105	-
RDCP008 Listed Unsecured Senior Notes	Fixed at 8.80%	December 2026	20 096	-	20 096	-
RDCP009 Listed Unsecured Senior Notes	Fixed at 9%	December 2028	50 247	-	50 247	-
Total Listed Notes			218 211	200 783	218 211	200 783
Balance of debt origination costs being amortised			(9 069)	(11 066)	(1 521)	(1 274)
Loans from related parties						
Loan from KMR Projects LDA	3 Month Libor + 2.5%	On Demand	12 593	12 013	-	-
Loan from JHK Investimentos LDA	3 Month Libor + 2.5%	On Demand	14 134	13 131	-	-
Loan from Castle Group (Pty) Ltd	Interest Free	On Demand	5 881	6 071	-	-
Loan from VMID Grupa d.o.o.	Fixed at 19.99%	December 2025	25 522	23 489	-	-
Interest rate derivatives at fair value through profit or loss*			(11 377)	(26 486)	-	-
Transfers to discontinued operations			(58 772)	-	-	-
Total current and long term borrowings			2 801 886	2 783 886	496 148	608 836
Current-portion of long term borrowings			81 443	394 590	51 638	144 614
Long-term borrowings			2 520 452	2 389 095	444 510	464 222
Total current and long term borrowings			2 601 898	2 783 685	496 148	608 836

- The loan facilities 1,3,4 are secured as mortgage bonds over investment property (note 12) - Lot 50360 - Gaborone, Botswana
- The loan facilities 1 and 2 are secured as a mortgage bond over investment property (note 12) - Lot 50660 - Gaborone, Botswana
- The loan facilities 2 and 3 are secured as mortgage bonds over investment property (note 12) - Lot 54353, Central Business District, Gaborone, Botswana
- The RDC promissory notes are secured as mortgage bonds over investment properties (note 12) - Lots 1124 to 1130, Extension 3, Gaborone, Botswana. The Three Partner Resorts promissory notes are secured against Lot 54353, Central Business District, Gaborone, Botswana.
- The RDC promissory notes and unlisted bond are secured as mortgage bonds over investment properties (note 12) - Lots 1124 to 1130, Lots 1116, 1117, 1840, Extension 3 Gaborone, Botswana, as well as, Lease Area No. 4 - AO, Kasane
- The Stanbic Revolving Credit Facility is secured over investment property (note 12) - Lot 758, Gaborone Botswana
- The term loan is secured by mortgage bonds over Lots 2558, 3761, 5422, 5423, 21306, 22017, 22018, 50668, 80055, Gaborone, Botswana and guarantees from RDC Properties Limited, RDC Mauritius, RDC Properties International, Lucky Bean Property Investments and Tower Property Fund. The shares and related rights of the borrower's investments in subsidiaries – Lucky Bean Property Investments, Tower Property Fund and RDC Properties International (Pty) Ltd are pledged and ceded to Investec.
- The loan is secured by a mortgage bond over erf 232, Johannesburg, South Africa
- The loans are secured by mortgage bonds over erven 491, 1158, 39227, 13047, 39224, 38794, 39215, 39651, 39037, 8132, 178287, 23831, Cape Town, South Africa.
- The loans are secured by mortgage bonds over erven 14849, 11152, 14849, 170664, Cape Town, South Africa
- These loan facilities are secured by mortgage bonds over the South African domiciled Properties of the Tower Property Fund Limited Group.
- This loan facility is secured by a security cession agreement with Capitalgro (Pty) Ltd.
- The loan facility is secured by a mortgage bond over land registry file number: 25703, Zagreb, Croatia
- The loan facilities are secured by mortgage bonds over land registry file number: 1548, Dubrovnik, Croatia and land registry file number: 24671, Zagreb, Croatia

Breach of covenants

As at 31 December 2023, the Group was in breach of the following loan covenants:

- BIFM Promissory Note – the group achieved an interest cover ratio (ICR) of 1.42 in breach of the required 1.75x.
- Investec Term Loan Facility – the group achieved an interest cover ratio (ICR) of 1.42, in breach of the required 1.5x.

During the period between the reporting date and the publication of these annual financial statements, the Group has been in negotiation with the relevant banks regarding condonation of the breaches. None of the banks have recalled the loans nor implemented penalties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

24. Long term borrowings (continued)

*Interest-rate derivatives

As at year end, the Group had the following interest rate derivatives. The percentage of total bank debt hedged by interest-rate derivatives was 26% (2022: 42%) at the end of the year. The fair-value measurement of the interest rate derivatives gave rise to fair-value losses for the period of P16,040,000 (2022: P39,001,000 gain).

Consist of the following contracts:	Base currency	Nominal value P'000	Fixed/capped rate of derivative	Expiry
Interest Rate Swap Contract 1 - Standard Bank Limited SA	ZAR	217 454	7.30%	August 2024
Interest Rate Cap Contract 2 - Standard Bank Limited SA	ZAR	72 485	8.33%	August 2024
Interest Rate Cap Contract 3 - Standard Bank Limited SA	ZAR	72 485	8.21%	November 2024
Interest Rate Swap Contract 4 - Erste & Steiermarkische Bank	EUR	201 144	-0.20%	February 2025
Interest Rate Swap Contract 5 - Erste & Steiermarkische Bank	EUR	51 204	-0.20%	February 2025
		<u>614 772</u>		

Mortgages with bankers, against which no obligation existed as at 31 December 2023:

Mortgages on the below mentioned properties were registered as security for loans in prior years. As at 31 December 2023, the loans were fully repaid and therefore the facilities could be cancelled.

Value of mortgages with no liability

Property	2023	2022
	P	P
Lot 443, Serowe	216 800	216 800
Lot 194, Maun	780 000	780 000
Lots 680 and 292, Serowe	2 460 000	2 460 000
Lot 914, Kasane	1 500 000	1 500 000
	<u>4 956 800</u>	<u>4 956 800</u>

25. Deferred tax liabilities

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Deferred tax liabilities				
Temporary differences arising on:				
Property, plant and equipment	594	739	594	739
Investment properties - capital allowances claimed to date	125 132	122 979	17 889	16 439
Investment properties - capital gains tax on fair value	109 873	89 068	30 591	21 104
Capital gains tax on fair value gains on financial assets through OCI	1 585	2 719	-	-
Unrealised gains	858	5 929	858	5 929
Expected credit loss allowance	(857)	(1 042)	(857)	(1 042)
Prepayments	122	24	-	-
Deferred income	(931)	(867)	(931)	(874)
Municipal provisions	-	(415)	-	-
Income received in advance	(55)	(235)	-	-
Provision for leave pay	-	(7)	-	-
Tax losses	(20 346)	(34 046)	-	-
Capitalised borrowing costs	-	-	(5 208)	(8 173)
Other	47	214	-	0
	<u>216 022</u>	<u>185 060</u>	<u>42 936</u>	<u>34 122</u>

Reconciliation of movement

Opening balance	185 060	168 956	34 122	42 805
Foreign currency translation reserve	(3 365)	1 293	-	-
Charge to profit or loss - current year (excluding capital gains tax)	5 983	20 938	(674)	6 013
Charge to profit or loss - capital gains tax on fair value of investment property	36 820	(12 964)	9 488	(14 696)
Charge to profit or loss - prior year adjustment	(8 475)	6 837	-	-
Closing balance	<u>216 022</u>	<u>185 060</u>	<u>42 936</u>	<u>34 122</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax liabilities (continued)

Tax losses

The tax losses, if utilised, will fall away as follows:

Financial year	Group	Company
	P'000	P'000
2028	24 914	23 672
	<u>24 914</u>	<u>23 672</u>
Tax losses that will not fall away:	163 643	-
Total tax losses	<u>188 557</u>	<u>23 672</u>

The Directors have evaluated the profitability trends of the Group and Company and have determined that at the current level of operations, the Group and Company will make adequate taxable profits in the future against which the assessed losses will be utilised before they expire.

26. Trade and other payables

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Trade payables	14 681	8 452	2 118	63
Accrued expenses	28 932	36 068	5 675	8 956
Security deposits	29 494	29 219	3 638	3 401
Advance rental received	13 902	18 784	4 231	4 012
VAT payable	(454)	(535)	(416)	-
Unpaid dividends and interest	8 389	3 238	698	-
Retention liability on property development	352	352	352	352
Contingent liability recognised on business combination	32 291	32 291	-	-
Other payables	13 003	14 187	(289)	5 762
Related parties:				
Itlswana Construction Company (Proprietary) Limited	4 224	-	4 224	-
David & Dorcas Magang Family Trust	-	551	-	551
Chobe Marina Lodge	164	-	165	-
Chobe Financial Corporation	-	31	-	31
	<u>144 978</u>	<u>142 638</u>	<u>20 396</u>	<u>23 128</u>

The average credit period for the Group and Company is 30 days for trade payables.

The directors believe the fair value of the trade and other payables approximate their carrying amounts. Other payables to related parties are unsecured and will be settled on a cash basis within the next 12 months.

27. Bank facilities

In addition to the loans described in note 24, the Group has the following banking facilities, secured as per note 12:

Stanbic Bank Botswana Limited				
A bank overdraft totalling P6 000 000 (2022: P6 000 000)	6 000	2 192	6 000	2 192
The unused facility is P Nil (2022: P3 808 000)				
Barclays Bank of Botswana Limited				
A bank overdraft totalling P5 000 000 (2022: P5 000 000)	2 593	3 914	-	-
The unused facility is P2 407 000 (2022: P1 086 000)				
Bank overdraft	<u>8 593</u>	<u>6 106</u>	<u>6 000</u>	<u>2 192</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

28. Related party transactions

Relationships

Subsidiaries		% 2023	% 2022
Botswana	Three Partners Resorts Limited	53.75%	53.75%
	RDC Properties International (Proprietary) Limited	100%	100%
	Lotsane Complex (Proprietary) Limited	76.67%	76.67%
	Propcorp (Proprietary) Limited	33.33%	33.33%
	Norman Kwati Matetse (Proprietary) Limited	100%	100%
South Africa	RDC Properties South Africa (Proprietary) Limited	100%	100%
	RDC Erf 232 Rosebank (Proprietary) Limited	100%	100%
	Capitalgro (Proprietary) Limited	61.11%	61.11%
	108 Albert Rd (Proprietary) Limited	50%	50%
	Lexshell 492 Investments (Proprietary) Limited	100%	100%
	Lucky Bean Property Investments (Proprietary) Limited	100%	100%
	Micawber 219 (RF) (Proprietary) Limited	100%	100%
	Tower International Treasury (Proprietary) Limited	100%	100%
Tower Property Fund (Proprietary) Limited	100%	100%	
Croatia	Sub Dubrovnik d.o.o.	74%	74%
	Tower Europe Retail d.o.o.	74%	74%
	Tower Industrial d.o.o.	74%	74%
	Tower Europe d.o.o.	59%	59%
Mauritius	RDC Mauritius	100%	100%
	TPF International Limited	74%	74%
	RDC-KMR Limited	55%	55%
	RDC Zimpeto Limited	60%	60%
Mozambique	RDC Xiquelene, Lda	100%	100%
	Xai-Xai Newco, Lda	33%	33%
	Zimpeto Shopping Centre, Lda	60%	60%
Madagascar	HMS1 Société Anonyme	50%	50%
Namibia	RDC Properties (Namibia) (Proprietary) Limited	100%	100%
	RDC Property Development (Namibia) (Proprietary) Limited	70.31%	70.31%
Zambia	David Livingstone Safari Lodge and Spa Limited	50%	0%

All related parties in addition to those listed in note 10, are companies with common shareholding and control, except for the David & Dorcas Magang Family Trust which is a related party through a director of the Company. Receivables relating to related parties are disclosed in note 15.

Payables relating to related parties are disclosed in note 26.

The following trading transactions were carried out with related parties. These transactions were made on terms equivalent to those that prevail in arm's length transactions, where such transactions can be substantiated:

	Group		Company	
	2023	2022	2023	2022
	P'000	P'000	P'000	P'000
Interest income (note 5)				
David Livingstone Safari Lodge and Spa Limited	5 499	-	-	-
RDC Properties International (Proprietary) Limited	-	-	47 106	35 148
	<u>5 499</u>	<u>-</u>	<u>47 106</u>	<u>35 148</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

28. Related party transactions (continued)

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Payments made to Property & Asset Management Limited:				
Management and administration expenses (note 4)	23 457	22 390	3 380	3 094
Lease renewal fees (note 4)	6 404	7 151	468	693
Service charges (note 4)	9 341	8 602	9 341	8 602

The property management fees are calculated as a fixed percentage of the market capitalisation of the Group and outstanding long term debt balance, on the last trading day of the month. All related party transactions are at arm's length.

Directors' emoluments (note 4)

For services as directors	2 867	3 368	1 421	1 078
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29. Operating lease arrangements

The Company and Group as lessor

Operating leases receivable by the Company as a lessor relate to the investment properties owned by the Company with lease terms between 1 and 20 years.

At the statement of financial position date, the Group had contracted with tenants for the following future minimum lease payments:

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Within one year	316 083	308 595	24 631	21 768
In the second to fifth years inclusive	653 379	647 663	22 642	25 983
After five years	113 885	171 100	6 174	7 520
	<u>1 083 348</u>	<u>1 127 358</u>	<u>63 447</u>	<u>66 271</u>

30. Capital commitments

Capital commitments

Authorised and contracted	31 623	58 602	2 115	-
Authorised but not contracted	35 901	9 129	6 529	-
	<u>67 524</u>	<u>67 731</u>	<u>8 643</u>	<u>-</u>

The Board of Directors of the Company have approved the following projects for which contracts have been signed:

- P28 million for the contract costs of the Westlake development in Cape Town
- P1.2 million for improvements and installations across the South African portfolio
- P2.4 million for improvements and installations in the Botswana portfolio

The Board of Directors of the Company have authorised the following projects for which contracts have not yet been signed:

- P4.4 million further costs related to the Westlake development
- P24.2 million further improvements and installations across the South African portfolio
- P 7.3 million Improvements to the Botswana property portfolio

These projects will be funded through cash resources and borrowings.

31. Contingent liabilities

In line with IFRS 3, in 2021, the group recognised a contingent liability arising from the business combination of Tower Property Fund Limited. The contingent liability pertains to an additional tax assessment issued by SARS to Tower International Treasury (Pty) Ltd for tax years 2019 and 2020, which is still in the process of a formal dispute. The value of the contingent liability is P32 291 445. Refer to note 26 – Trade and Other Payables.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

32. Segmental reporting

The Group's primary business activities are concentrated in the segment of property rentals and are predominantly concentrated within the geographical region of South Africa, Botswana and Croatia. The geographical segment information is outlined below:

	GROUP (P'000c)							Total	
	Botswana	South Africa	Namibia	Mozambique	USA	Croatia	Zambia		Madagascar
At 31 December 2023									
SEGMENT ASSETS									
Investments	-	-	-	-	46 753	-	-	46 753	
Long term loan receivables	23 062	-	-	-	-	-	-	23 062	
Investment properties at fair value	1 469 710	2 535 425	-	68 043	-	1 355 899	-	5 429 077	
Investments in joint ventures	-	-	-	-	-	-	73 595	28 468	
Inventories	-	159 943	-	-	-	-	-	159 943	
Investment Property held for sale	24 000	75 738	-	-	-	-	-	99 738	
Rental receivable - straight line rental adjustment	4 657	(12 166)	-	-	-	-	-	(7 509)	
Financial assets at fair value through other comprehensive I	9 201	1 220	-	-	-	-	-	10 421	
Trade and other receivables	75 846	56 383	177	4 528	-	2 052	-	139 026	
Current tax assets	166	-	-	-	-	-	-	166	
Cash and cash equivalents	7 142	42 179	12	1 605	-	30 761	-	81 699	
Property, plant and equipment	4 695	33 875	-	-	-	-	-	38 570	
Non-current assets classified as held for sale - Disposal Gr	-	85 155	-	-	-	-	-	85 155	
Total segment assets	1 618 479	2 978 782	189	74 176	48 763	1 388 762	73 595	28 488	8 207 174
Intangible asset									1 000
Consolidated total assets									8 208 174

	GROUP (P'000c)							Total	
	Botswana	South Africa	Namibia	Mozambique	USA	Croatia	Zambia		Madagascar
At 31 December 2023									
SEGMENT LIABILITIES									
Trade and other payables	(25 927)	164 437	1 052	2 549	-	2 867	-	-	144 978
Borrowings	601 025	1 598 014	-	-	-	402 856	-	-	2 601 895
Current tax liability	(185)	(334)	-	(247)	-	4 643	-	-	3 877
Deferred Tax Liabilities	83 993	23 707	-	-	-	108 322	-	-	216 022
Liabilities directly associated with non-current assets class	-	62 705	-	-	-	-	-	-	62 705
Total segment liabilities	658 808	1 848 529	1 052	2 302	-	518 688	-	-	3 029 477
Bank overdraft									8 593
Consolidated total liabilities									3 038 070

	GROUP (P'000c)							Total	
	Botswana	South Africa	Namibia	Mozambique	USA	Croatia	Madagascar		
At 31 December 2022									
SEGMENT ASSETS									
Investments	-	-	-	-	-	95 413	-	-	95 413
Investment properties	1 444 739	2 895 128	-	64 765	-	1 170 504	-	-	5 575 136
Investment in a joint venture	-	-	-	-	-	-	25 746	-	25 746
Inventories	-	161 076	-	-	-	-	-	-	161 076
Rental receivable - straight-line rental adjustment	4 798	(9 790)	-	-	-	-	-	-	(4 992)
Financial assets through other comprehensive income	9 201	1 441	-	-	-	-	-	-	10 642
Trade and other receivables	56 279	63 763	184	4 041	-	2 547	-	-	126 814
Current tax assets/(liability)	1 760	1 678	-	140	-	-	-	-	3 578
Cash and cash equivalents	3 054	44 571	12	1 326	-	37 220	-	-	86 183
Property, plant and equipment	5 525	41 565	-	-	-	-	-	-	47 090
Total segment assets	1 626 368	3 199 432	186	70 272	86 413	1 210 271	25 746	-	6 128 888
Intangible asset									1 000
Consolidated total assets									6 127 888

	GROUP (P'000c)							Total	
	Botswana	South Africa	Namibia	Mozambique	USA	Croatia	Madagascar		
At 31 December 2022									
SEGMENT LIABILITIES									
Trade and other payables	(26 919)	166 771	-	560	-	2 226	-	-	142 638
Borrowings	614 151	1 787 363	-	-	-	362 171	-	-	2 763 685
Deferred tax liabilities	69 662	33 856	-	-	-	81 542	-	-	185 060
Total segment liabilities	656 894	1 987 990	-	560	-	445 939	-	-	3 091 383
Bank overdraft									6 106
Consolidated total liabilities									3 097 489

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

32. Segmental reporting (continued)

At 31 December 2023	Botswana	South Africa	Namibia	Mozambique	USA	Croatia	Zambia	Madagascar	Total
SEGMENT REVENUES AND RESULTS									
Contractual lease rental revenue	109 503	358 489	-	-	-	93 298	-	-	561 290
Operating expenses	(47 414)	(208 848)	(36)	(1 507)	-	(10 453)	-	-	(268 258)
Income/(loss) arising from joint venture (net of forex gains)	-	-	-	-	-	-	(599)	1 135	536
Other foreign exchange gains/(losses)	(3 214)	(677)	(182)	3 151	-	-	-	-	(922)
Other operating income	5 316	4 680	-	383	-	-	-	-	10 379
Inventory Adjustment	-	6 145	-	-	-	-	-	-	6 145
Loss arising on fair value of investments	-	-	-	-	(19 712)	-	-	-	(19 712)
Loss arising on fair value of interest rate derivatives	-	(7 812)	-	-	-	(8 228)	-	-	(16 040)
Gain/(loss) arising on revaluation of properties	49 983	(17 898)	-	(891)	-	75 745	-	-	106 921
Sales revenue	-	2 485	-	-	-	-	-	-	2 485
Cost of sales	-	(2 398)	-	-	-	-	-	-	(2 398)
Investment income	10 695	4 946	-	-	-	12	(1 605)	-	14 048
Finance costs	(52 882)	(166 319)	-	(1 539)	-	(20 897)	-	-	(241 617)
Bargain Purchase Gain	-	-	-	-	-	-	26 797	-	26 797
Profit/(loss) before tax	71 987	(27 226)	(218)	(403)	(19 712)	129 477	24 593	1 136	179 634
Income tax income/(expense)	(25 032)	6 158	-	-	-	(27 414)	-	-	(46 288)
Profit/(loss) for the year from continuing operations	46 956	(21 067)	(218)	(403)	(19 712)	102 063	24 593	1 136	133 346
Loss for the year from discontinued operations	-	(4 146)	-	-	-	-	-	-	(4 146)
Profit/(loss) for the year	46 956	(25 213)	(218)	(403)	(19 712)	102 063	24 593	1 136	129 200

At 31 December 2022	Botswana	South Africa	Namibia	Mozambique	USA	Croatia	Madagascar	Total
SEGMENT REVENUES AND RESULTS								
Contractual lease rental revenue	89 342	356 198	-	-	-	79 665	-	525 205
Operating expenses	(48 029)	(211 304)	(46)	(630)	-	(9 022)	-	(269 031)
Income arising from joint venture (net of forex gains)	-	-	-	-	-	-	310	310
Other foreign exchange gains/(losses)	1 062	3 643	98	(284)	-	(2 260)	-	2 259
Other operating income	11 589	2 901	-	1 051	-	-	-	15 541
Gain arising on fair value of investments	-	-	-	-	1 765	-	-	1 765
Gain arising on fair value of interest rate derivatives	-	23 585	-	-	-	15 416	-	39 001
Gain arising on revaluation of properties	16 415	41 063	-	-	-	40 038	-	97 516
Sales revenue	-	77 483	-	-	-	-	-	77 483
Cost of sales	-	(77 648)	-	-	-	-	-	(77 648)
Investment income	4 945	3 846	-	-	-	-	-	8 791
Finance costs	(50 966)	(146 592)	-	(774)	-	(13 896)	-	(212 229)
Profit/(loss) before tax	24 368	73 175	52	(887)	1 785	106 641	810	208 914
Income tax income/(expense)	(5 987)	(22 736)	-	-	-	(19 003)	-	(24 726)
Profit/(loss) for the year	40 345	50 439	52	(887)	1 785	81 638	810	184 188

33. Financial risk management

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt which includes the long-term borrowings disclosed in note 24, cash and cash equivalents and equity attributable to equity holders of the parent, which comprises stated capital, debentures and accumulated profits as disclosed in notes 19, 20 and 21 respectively.

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised below. The main types of risks are currency risk, credit risk, liquidity risk and interest rate risk.

The Group's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

33. Financial risk management (continued)

Risk management objectives and policies

The Group does not actively engage in the trading of financial assets for speculative purposes, nor does it write options.

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Categories of financial instruments				
Financial assets				
Fair value through profit and loss investments*	46 753	95 413	-	-
Ordinary shares in listed companies	10 421	10 642	9 201	9 201
Long term loan receivables	23 062	-	652 291	658 878
Trade and other receivables	128 129	120 458	127 916	106 433
Cash and cash equivalents	81 699	86 183	3 739	1 474
Financial liabilities at amortised cost				
Long term borrowings - at floating interest rate	1 888 545	2 064 785	124 609	131 710
Long term borrowings - at fixed interest rate	713 350	698 900	370 539	378 225
Trade and other payables	131 530	123 854	16 581	19 116
Bank overdraft	8 593	6 106	6 000	2 192
	2 742 018	2 898 646	617 728	631 243

*Please note that the prior year disclosure of financial assets at the company level has been corrected to exclude the investments in subsidiaries as per note 10 – these do not meet the definition of financial assets.

Currency risk

The Group undertakes transactions denominated in the following foreign currencies: South African Rand, Mozambican Metical, Malagasy Ariary, Euro, Croatian Kuna, and US dollar. Consequently, exposure to exchange rate fluctuations arise. Financial instruments that are sensitive to currency risks are mainly trade receivables, group loans to foreign operations, cash and cash equivalents and foreign currency-related debt.

To mitigate the Group's exposure to foreign currency risk, non-Pula cash flows are monitored in accordance with the Group's risk management policies. The Group's risk management procedures distinguish short-term foreign currency cash flows (due within six months) from longer-term cash flows (due after six months). The amounts to be paid and received in a specific currency are expected to largely offset one another, and no further hedging activity is undertaken.

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and 10% decrease in the Pula against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to the board and represents the board's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items (including trade and other receivables, trade and other payables and long term loan receivable and payables) and adjusts their translation at the period-end for a 10% change in foreign currency rates. The sensitivity analysis includes receivables from tenants who are billed in a currency other than the functional currency of the Group.

A 10% strengthening of the Pula would decrease the profit and equity and a 10% weakening of the Pula would have an equal but opposite effect on the profit and equity.

	Group's Net Exposure Asset/(Liability) P'000	IAS21 Exchange Rate (Foreign Currency:Pula) P'000	10% strengthening of P'000
2023			
United States Dollar (USD)	46 713	13.4228	(4 671)
South Africa Rand (ZAR)	(1 725 040)	0.7248	172 504
Namibian Dollar (NAD)	(863)	0.7248	86
Mozambican Metical (MZN)	3 831	0.2122	(383)
Euro (EUR)	(377 513)	14.8588	37 751
2022			
United States Dollar (USD)	68 708	12.7714	(6 871)
South Africa Rand (ZAR)	(1 844 086)	0.7530	184 409
Namibian Dollar (NAD)	196	0.7530	(20)
Mozambican Metical (MZN)	4 947	0.1992	(495)
Euro (EUR)	(362 221)	13.6054	36 222
Croatian Kuna (HRK)	33 631	1.8150	(3 363)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

33. Financial risk management (continued)

Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with creditworthy counterparties. The amounts presented in the statements of financial position are net of allowances for lifetime expected credit losses estimated by management based on the expected credit loss model. Refer to note 15.

The Group has no significant concentration of credit risk, with exposure spread over a large number of customers.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, management of the Group aims to maintain flexibility in funding by keeping committed credit lines available.

Maturity analysis for financial liabilities:

Group 2023	Within one year	In the second to fifth years Inclusive	After five years
	P'000	P'000	P'000
Trade and other payables	131 530	-	-
Bank overdraft	8 593	-	-
Current portion of long term borrowings	81 443	-	-
Non-current portion of long term borrowings	-	2 048 568	471 884
	<u>221 566</u>	<u>2 048 568</u>	<u>471 884</u>

2022	Within one year	In the second to fifth years Inclusive	After five years
	P'000	P'000	P'000
Trade and other payables*	123 854	-	-
Bank overdraft	6 106	-	-
Current portion of long term borrowings	394 590	-	-
Non-current portion of long term borrowings	-	1 847 149	521 946
	<u>524 550</u>	<u>1 847 149</u>	<u>521 946</u>

*Please note that prior year disclosure has been restated to exclude advance rental received.

Company 2023	Within one year	In the second to fifth years Inclusive	After five years
	P'000	P'000	P'000
Trade and other payables	16 581	-	-
Bank overdraft	6 000	-	-
Current portion of long term borrowings	51 638	-	-
Non-current portion of long term borrowings	-	182 820	260 690
	<u>74 219</u>	<u>182 820</u>	<u>260 690</u>

2022	Within one year	In the second to fifth years Inclusive	After five years
	P'000	P'000	P'000
Trade and other payables*	19 116	-	-
Bank overdraft	2 192	-	-
Current portion of long term borrowings	144 614	-	-
Non-current portion of long term borrowings	-	63 017	302 304
	<u>165 922</u>	<u>63 017</u>	<u>302 304</u>

*Please note that prior year disclosure has been restated to exclude advance rental received.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

33. Financial risk management (continued)

Interest rate risk

Interest rate risk is the possible loss in the value resulting from an unexpected and adverse movement in interest rates. Entities in the Group are exposed to interest rate risk because they borrow funds at both fixed and floating interest rates. The Group entities manage interest rate risk by maintaining an appropriate mix between fixed and floating rate borrowings and by basing the interest rate on financial assets and liabilities around the prime lending rate. Financial instruments that are sensitive to interest rate risks comprise bank balances, loans and advances, related party balances and long-term borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both financial assets and liabilities at the end of the reporting period. For the floating interest rate financial assets and liabilities, the analysis is prepared assuming the amount of the asset or liability outstanding at the end of the reporting period was outstanding for the whole year. A 50-basis point increase or decrease is used by the directors when reporting interest rate risk management, as it represents a reasonable possible change in the interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the effect of the profit for the year for the Group and Company, would have been as follows:

Group	Amount of asset/(liability) P'000	Change in interest rate %	(Decrease)/increase in profit before tax P'000
31 December 2023			
<i>Financial assets</i>			
Cash and cash equivalents	81 699	0.5%	408
<i>Financial liabilities</i>			
Long term borrowings - at floating interest rate	(1 888 545)	0.5%	(9 443)
Bank overdraft	(8 593)	0.5%	(43)
			<u>(9 078)</u>
31 December 2022			
<i>Financial assets</i>			
Cash and cash equivalents	86 183	0.5%	431
<i>Financial liabilities</i>			
Long term borrowings - at floating interest rate	(2 064 785)	0.5%	(10 324)
Bank overdraft	(5 106)	0.5%	(31)
			<u>(9 924)</u>
Company			
31 December 2023			
<i>Financial assets</i>			
Cash and bank balances	3 739	0.5%	19
<i>Financial liabilities</i>			
Long term borrowings - at floating interest rate	(124 609)	0.5%	(623)
Bank overdraft	(5 000)	0.5%	(30)
			<u>(634)</u>
31 December 2022			
<i>Financial assets</i>			
Cash and bank balances	1 474	0.5%	7
<i>Financial liabilities</i>			
Long term borrowings - at floating interest rate	(131 710)	0.5%	(659)
Bank overdraft	(2 192)	0.5%	(11)
			<u>(663)</u>

Price Risk

The Group and Company are exposed to equity securities and government bond price risk because of investments held and classified on the consolidated statement of financial position as financial assets through other comprehensive income (OCI).

The Group and Company are not exposed to commodity price risk. To manage its price risk arising from investments in equity securities and government bonds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group and Company.

Price sensitivity analysis

If the base prices of the equity securities and government bonds held (refer to note 13) increased by 10%, other comprehensive income and equity for the Group and Company would increase by P1,042,00 million and P920,000 (2022: P1,100,000 and P900,000), respectively. If the base prices of the equity securities and government bonds decreased by 10%, this would have an equal but opposite effect on the other comprehensive income and equity.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

34. Fair value measurement

Assets measured at fair value

Some of the Group's financial assets are measured at fair value at the end of each reporting period. Below is the summarised information about how fair values of financial assets are determined (in particular, the valuation techniques and inputs used). For further detail on the fair valuation of Investment Property, refer note 11.

Recurring measurement at the end of the reporting period

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Recurring measurement at the end of the reporting period				
Investment properties	5 429 077	5 575 136	850 264	833 777
Investment properties held for sale	99 738	-	24 000	-
Investment properties within Disposal Group	83 585	-	-	-
USA Private Placement Insurance Policy	46 753	95 413	-	-
	<u>5 659 153</u>	<u>5 670 549</u>	<u>874 264</u>	<u>833 777</u>

Reconciliation of fair value measurements categorised within Level 3 of fair value hierarchy

Investment properties				
Opening value	5 575 136	5 535 902	833 777	819 804
Total gains for the period included in profit or loss (after straight line adjustment)	106 921	97 516	39 242	12 881
Additions, acquisitions and transfers	(69 657)	(58 282)	1 245	1 092
Closing balance	<u>5 612 400</u>	<u>5 675 136</u>	<u>874 264</u>	<u>833 777</u>

Gains and losses arising from the fair valuation of investment properties are shown as a separate line in the statement of comprehensive income as follows:

Total gains for the period included in profit or loss (after straight line adjustment)	<u>106 921</u>	<u>97 516</u>	<u>39 242</u>	<u>12 881</u>
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USA Private Placement Insurance policy

Opening value	95 413	89 340	-	-
Distributions	(32 709)	(1 271)	-	-
Foreign currency translation	3 761	5 579	-	-
Total fair-value gains for the period included in profit or loss	<u>(19 712)</u>	<u>1 765</u>	<u>-</u>	<u>-</u>
Closing balance	<u>46 753</u>	<u>95 413</u>	<u>-</u>	<u>-</u>

Total gains for the period included in profit or loss	<u>(19 712)</u>	<u>1 765</u>	<u>-</u>	<u>-</u>
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Financial assets through OCI	<u>10 421</u>	<u>10 642</u>	<u>9 201</u>	<u>9 201</u>
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Reconciliation of fair value measurements categorised within Level 1 of fair value hierarchy

Financial Assets through OCI				
Opening value	10 642	14 129	9 201	10 305
Disposals	-	(2 025)	-	-
Total losses for the year included in other comprehensive income	-	(1 104)	-	(1 104)
Foreign exchange movements	(221)	(358)	-	-
Closing balance	<u>10 421</u>	<u>10 642</u>	<u>9 201</u>	<u>9 201</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

34. Fair value measurement (continued)

Quantitative information about fair value measurements using the key inputs

2023:							
Group	Fair value at 31 December 2023	Fair value hierarchy	Valuation technique	Key inputs	Range	Sensitivity to +1% of key input	Sensitivity to -1% of key input
Investment properties	1 427 993	Level 3	Direct capitalisation	Capitalisation rate	5.50% - 8.50%	(176 150)	229 775
	4 001 084	Level 3	Discounted Cashflow	Discount rate	12.50% - 15.00%	(417 468)	525 000
				Growth rate	3.80% - 5.20%	659 897	(524 343)
	<u>5 429 077</u>						
Investment properties held for sale	99 738	Level 1	Market price	Price comparison		997	(997)
Investment properties within Disposal Group	83 585	Level 1	Market price	Price comparison		836	(836)
Financial assets through OCI	10 421	Level 1	Quoted prices	Quoted prices in active markets		104	(104)
USA Private Placement Insurance Policy	46 753	Level 1	Cost			468	(468)
Company							
Investment properties	874 264	Level 3	Direct capitalisation	Capitalisation rate	5.5% - 8.5%	(53 276)	71 466
Financial assets through OCI	9 201	Level 1	Quoted prices	Quoted prices in active markets		92	(92)
2022:							
Group	Fair value at 31 December 2022	Fair value hierarchy	Valuation technique	Key inputs	Range	Sensitivity to +1% of key input	Sensitivity to -1% of key input
Investment properties	4 191 662	Level 3	Direct capitalisation	Capitalisation rate	7%-11%	(476 524)	624 550
	1 272 004	Level 3	Discounted Cashflow	Discount rate	13%-16%	(136 212)	172 975
		Level 1	Market price	Price comparison	4%-5%	208 923	(164 392)
	<u>111 470</u>				-	1 115	(1 115)
	<u>5 575 136</u>						
Financial assets through OCI	10 542	Level 1	Quoted prices	Quoted prices in active markets		-	
USA Private Placement Insurance Policy	95 413	Level 3	Direct capitalisation	Capitalisation rate	7% - 8%	9 234	12 197
Company							
Investment properties	833 777	Level 3	Direct capitalisation	Capitalisation rate	6%-11%	(95 505)	125 077
Financial assets through OCI	9 201	Level 1	Quoted prices	Quoted prices in active markets		-	

Information about the sensitivity to changes in unobservable inputs

The significant unobservable inputs used in the fair value measurement of investment properties are the capitalisation rates, discount rates and growth rates. Significant increases/decreases in these rates would result in significantly lower/higher fair value measurement. The changes to these rates are dependent on various market factors including location of properties, interest rates, length of leases and quality of tenants.

35. Tax paid

	Group		Company	
	2023 P'000	2022 P'000	2023 P'000	2022 P'000
Opening balance	(3 578)	(3 893)	(1 746)	(1 827)
Current tax expense	11 961	9 940	-	-
Amount written off as not receivable	(1 751)	-	(1 751)	-
Closing balance of tax payable/(receivable)	<u>(155)</u>	<u>(3 578)</u>	<u>(284)</u>	<u>(1 745)</u>
Tax (paid)/received	<u>(8 788)</u>	<u>(8 826)</u>	<u>3 213</u>	<u>81</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

36. Disposal group held for sale – 108 Albert Road

In August 2023, management entered a sale of shares and claims agreement and committed to a plan to sell its 50% shareholding in the operating subsidiary 108 Albert Road (Pty) Ltd. Accordingly, the assets and liabilities of 108 Albert Road, as consolidated, is presented as a disposal group held for sale. Efforts to effect the disposal are underway and the sale is expected to be completed in March 2024.

A. Impairment losses relating to the disposal group:

There were no impairment losses recognised on the disposal group's assets and liabilities as the carrying amount exceeds the fair-value less costs to sell.

B. Assets and liabilities of the disposal group classified as held for sale

At 31 December 2023, the disposal group was stated at its carrying amount and comprised the following assets and liabilities:

	Group 2023 P'000
<i>Stated in thousands of Botswana Pula:</i>	
Investment Property	83 585
Trade and other receivables	986
Cash and cash equivalents	594
Assets held for sale	85 165
<i>Stated in thousands of Botswana Pula:</i>	
Long term borrowings	58 772
Trade and other payables	3 933
Liabilities held for sale	62 706

C. Profit and loss from discontinued operations disclosed in the income statement:

At 31 December, the disposal group had the following amounts recognised in the income statement which have been disclosed as net loss from discontinued operations:

<i>Stated in thousands of Botswana Pula:</i>	
Contractual Lease Rental Revenue	9 186
Straight line rental adjustment	467
Operating Expenses	(9 593)
Other Operating Income	2 054
Fair-value adjustments on investment property	(2 028)
Investment income	415
Finance costs	(6 675)
Assets held for sale	(8 174)

There are no cumulative income or expenses included in OCI relating to the disposal group.

37. Events after the reporting period

During the period between the reporting date and the date of approval of these financial statements:

- On 1 February 2024, the Kuit Street property, which was held for sale as at 31 December 2023, transferred to the buyer for its book value of P26 million.
- On 18 March 2024, the sale of RDC Properties Limited's 50% stake in 108 Albert Road (Pty) Ltd was successfully concluded and executed, with the counterparty, The Castle Group (Pty) Ltd. The total consideration agreed upon is P39.6 million. On 18 March 2024, RDC Properties Limited received a total of P14.5 million which represents the first payment of the sale agreement. RDC Properties also received 2,102,699 linked units in Capitalgro (Pty) Ltd which were held by The Castle Group (Pty) Ltd. The shares are valued at P10 million.
RDC Properties Limited will receive the remaining consideration, being approximately P15.1 million over the course of the 2024 financial year. The receipt of shares in Capitalgro (Pty) Ltd, has increased the Group's shareholding in this subsidiary from 61.11% to 64.42%.

38. Going concern assessment

The annual financial statements for the Group and the Company have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

ANNEXURE 3: PARTICULARS OF PRINCIPAL ESTABLISHMENTS WHICH ACCOUNT FOR MORE THAN 10% OF THE NET TURNOVER OF THE GROUP, AS AT LAST PRACTICABLE DATE (30 OCTOBER 2024)

DESCRIPTION OF THE PROPERTY	USE	SIZE	TENURE FREEHOLD / LEASEHOLD	LENGTH OF LEASE YEARS	NET TURNOVER <i>P 000's</i>
Masa Square	Mixed Use	25,485	Leasehold	8.57	13,474
Standard House	Office	6,644	Freehold	7.65	8,283
The Edge	Office	11,219	Freehold	4.59	19,151
Voortrekker Road	Office	11,417	Freehold	2.56	9,030

ANNEXURE 4: LIST OF OTHER DIRECTORSHIPS, OF DIRECTORS OF THE ISSUER

ANDREW JOHN GAWITH BRADLEY			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
Chrome Global Wealth Solutions	165696 GBC	Mauritius	Investment Management
Prime Focus Global	159566/C2/GBL	Mauritius	Property Investment
Chrome Wealth Holdings (Pty) Ltd	2017/102097/07	South Africa	Holding Company
Chrome Wealth Strategy Solutions (Pty) Ltd	2007/035633/07	South Africa	Investment Management
Fiscal Private Clients (Pty) Ltd	1963/000032/07	South Africa	Financial Planning
Prime Focus CC	CK97/26364	South Africa	Investment Holding Company
Property and Asset Management Limited	BW00000967145	South Africa	Property and Asset Management Company
Prime Focus USA	804456747	USA	Business Consulting
Finlink Trust (Pty) Ltd	2016/210630/07	South Africa	Financial Planning
GARY MORTON FISHER			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
Capitalgro Atlantic Malta Limited	C94687	Malta	Property Investment
Capitalgro (Pty) Ltd	2010/003039/07	South Africa	Property Investment
Capitalgro Asset Management (Pty) Ltd	2010/003537/07	South Africa	Asset Management
Capitalgro Atlantic 3 (Pty) Ltd	2019/342155/07	South Africa	Property Investment
Capitalgro Developments (Pty) Ltd	2014/075414/07	South Africa	Property Development
Capitalgro Property Management (Pty) Ltd	2015/164748/07	South Africa	Property Management
Hometown Spaces (Pty) Ltd	2020/511996/07	South Africa	Property Investment
Lexshell 492 Investments (Pty) Ltd	2000/023292/07	South Africa	Property Investment
Lucky Bean Property Investments (Pty) Ltd	2007/032243/07	South Africa	Property Investment
Micawber 219 (RF) Pty) Ltd	2001/007499/07	South Africa	Property Investment
Morningtide Share Block (Pty) Ltd	2006/017840/04	South Africa	Investment in Immovable Property
Notwane Asset Management (Pty) Ltd	2021/713359/07	South Africa	Property Investment
Pillar Principles (Pty) Ltd	2016/321051/07	South Africa	Property Investment
Realfish (Pty) Ltd	2016/054180/07	South Africa	Property Investment
Sunnybrae Investments (Pty) Ltd	2016/029032/07	South Africa	Property Investment
The Property Foundation of Southern Africa	2009/021965/07	South Africa	Property Investment
Tower International Treasury (Pty) Ltd	2018/092955/07	South Africa	Property Investment
Tower Property Fund (Pty) Ltd	2012/066457/07	South Africa	Property Investment
Capitalgro Atlantic 3,LLC	19084747	USA	Property Investment
Capitalgro Atlantic Asset Management LDA	16070098	USA	Asset Management
Capitalgro Atlantic Management LDA	516089340	USA	Property Investment
FEDERICA EMILIE COSTANZA GIACHETTI			

Other Directorships	Company Number	Country of Incorporation	Nature Of Business
NO OTHER DIRECTORSHIPS			
GUIDO RENATO GIACHETTI			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
RDC Properties South Africa (Pty) Ltd	2015/346512/07	South Africa	Property Investment
Rosebank Red Hotel (Pty) Ltd	2019/10526/07	South Africa	Hotel Operating Company
RDC Erf 232 Rosebank (Pty) Ltd	2019/071376/07	South Africa	Property Investment
Notwane Asset Management (Pty) Ltd	2021/713359/07	South Africa	Asset Management
Equanimity Wellness (Pty) Ltd	2022/550904/07	South Africa	Mental Health Clinic
RDC Properties International (Pty) Ltd	BW00000877351	Botswana	Property Investment
Lotsane Complex (Pty) Ltd	BW00000851206	Botswana	Property Investment
Property & Asset Management Ltd	BW00000967145	Botswana	Property and Asset Management
Italswana Construction Company (Pty) Ltd	BW00000876196	Botswana	Construction
Kgadi Phofu (Pty) Ltd	BW00000875767	Botswana	Property Company
Natural Mystik (Pty) Ltd	BW00000876627	Botswana	Holding Company
Yuagong (Pty) Ltd	BW00000861663	Botswana	Hotel Operating Company
Chobe Marina Lodge (Pty) Ltd	BW00000876258	Botswana	Hotel Operating Company
Antya Investments	BW00000875844	Botswana	Property
Scenic Adventures (Pty) Ltd	BW00000877330	Botswana	Casino
Windy Coves (Pty) Ltd	BW00000876857	Botswana	Investment Company
Sunnyside (Pty) Ltd	BW00000967158	Botswana	Farm Owner
Dirwe (Pty) Ltd	BW00000876188	Botswana	Hanger and Aircraft
Propcorp (Pty) Ltd	BW00000877045	Botswana	Parking Lot Management
Bophelong (Pty) Ltd	BW00000876784	Botswana	Property Investment
RDC Properties (Namibia) (Pty) Ltd	2016/1125	Namibia	Asset Holding
RDC Developments (Namibia) (Pty) Ltd	2016/1434	Namibia	Property Development
RDC Mauritius	162885 GB	Mauritius	Asset Holding
RDC KMR	146338 C1/GBL	Mauritius	Asset Holding
RDC Zimpeto	146188 C1/ GBL	Mauritius	Asset Holding
TPF International Ltd	155631 C1/GBL	Mauritius	Asset Holding
Aspera Holdings Ltd	51938	Gibraltar	Investment Company
David Livingstone Safari Lodge	120010048546	Zambia	Hotel Operating Company
GIORGIO GIACHETTI			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
RDC Properties International (Pty) Ltd	BW00000877351	Botswana	Property Investment

Property & Asset Management Ltd	BW00000967145	Botswana	Property & Asset Management
Italtswana Construction Company (Pty) Ltd	BW00000876196	Botswana	Construction
Chobe Marina Lodge (Pty) Ltd	BW00000876258	Botswana	Hotel Operating Company
RDC Properties (Namibia) (Pty) Ltd	2016/1125	Namibia	Property Investment
RDC Property Development (Pty) Ltd	2016/1434	Namibia	Asset Holding
RDC Mauritius	162885 GB	Mauritius	Asset Holding
RDC KMR	146338 C1/GBL	Mauritius	Asset Holding
RDC Zimpeto	146188 C1/GBL	Mauritius	Asset Holding
Chobe Investments Ltd	185397	Mauritius	Real Estate
HMS1 SA	1000022303	Madagascar	Hotel Owner
HMS SA	3001476201	Madagascar	Hotel Operating Company
SITHABILE PAULINE MATHE			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
Moralo Designs (Pty) Ltd	BW00000135101	Botswana	Consulting
Motlhala Media (Pty) Ltd	BW00000151331	Botswana	Property Holding
Sesadi Leisure (Pty) Ltd	BW00003256124	Botswana	Investment Group
Moralo Media (Pty) Ltd	BW00000134738	Botswana	Property Holding
Ayiwepiwin (Pty) Ltd	BW00002984078	Botswana	Property Holding
CATHERINE KATE MAPHAGE			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
Botswana Life Insurance Ltd	BW00000719883	Botswana	Insurance
Solarone (Pty) Ltd	BW00001264162	Botswana	Solar Energy
Difference Marker (Pty) Ltd	BW0000121434	Botswana	Transport, Travel & Tourism
Botswana Insurance Holdings Ltd	BW00000798601	Botswana	Insurance
Tig Services (Pty) Ltd	BW00000128787	Botswana	Investment Company
Horse Ventures (Pty) Ltd	BW00000503071	Botswana	Investment Company
FC Logistics (Pty) Ltd	BW00005613070	Botswana	Logistics Company
NICOLE ROBYN MILNE			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
Apex Fund and Corporate Services Holdings SA (Pty) Ltd	2015/426949/07	South Africa	Financial Services - Investment Admin
Apex Group Custody RF (Pty) Ltd	2009/025175/07	South Africa	Financial Services - Custodial Services
JACOPO PARI			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
RDC Properties South Africa (Pty) Ltd	2015/34651/07	South Africa	Property Development
Rosebank Red Hotel (Pty) Ltd	2019/105206/07	South Africa	Hotel Operating Company
RDC ERF 232 Rosebank (Pty) Ltd	2019/071376/07	South Africa	Property Development

Notwane Asset Management (Pty) Ltd	2021/713359/07	South Africa	Asset Management
RDC Properties International (Pty) Ltd	BW00000877351	Botswana	Property Development
Property and Asset Management (Pty) Ltd	BW00000967145	Botswana	Asset Management
Italswana Construction Company (Pty) Ltd	BW00000876196	Botswana	Construction
Three Partners Resorts (Pty) Ltd	BW00000900318	Botswana	Hotel Operating Company
Natural Mystik (Pty) Ltd	BW00000876627	Botswana	Holding Company
Yuagong (Pty) Ltd	BW00000861663	Botswana	Hotel Operating Company
Chobe Marina Lodge (Pty) Ltd	BW00000876258	Botswana	Hotel Operating Company
Windy Coves (Pty) Ltd	BW00000876857	Botswana	Investment Company
Dirwe (Pty) Ltd	BW00000876188	Botswana	Hanger and Aircraft Owner
Scenic Adventures (Pty) Ltd	BW00000877330	Botswana	Gambling Investment
PropCorp (Pty) Ltd	BW00000877045	Botswana	Parking Lot Management
Sunnyside (Pty) Ltd	BW00000967158	Botswana	Farm Owner
Bophlong Senior Living (Pty) Ltd	BW00000876784	Botswana	Property Development
Kgadi Phofu (Pty) Ltd	BW00000875767	Botswana	Property Development
Antya Investments (Pty) Ltd	BW00000875844	Botswana	Casino
Lotsane Complex (Pty) Ltd	BW00000851206	Botswana	Property Investment
RDC Property Development (Namibia) (Pty) Ltd	2016/1434	Namibia	Property Development
RDC Properties (Namibia) (Pty) Ltd	2016/1125	Namibia	Asset Holding Company
RDC Mauritius	162885 GB	Mauritius	Asset Holding Company
RDC KMR	146338 C1/GBL	Mauritius	Asset Holding Company
RDC Zimpeto	146188 C1/GBL	Mauritius	Asset Holding Company
David Livingstone Safari Lodge	120010048546	Zambia	Hotel Operating Company
RGM Investments Ltd	115801	Gibraltar	Investments and Consulting
SIMON NORMAN SUSMAN			
Other Directorships	Company Number	Country of Incorporation	Nature Of Business
Versim Investments (Pty) Ltd	2015/346512/07	South Africa	Private Investment
Smalblaar River Farm (Pty) Ltd	2001/023507/07	South Africa	Private Investment
Intercontinental Group of Department Stores		Switzerland	Other
Capstone Assets (Pty) Ltd	2011/010876/07	South Africa	Unlisted Private
Capstone Asset Management (Pty) Ltd	2011/011910/07	South Africa	Unlisted Private
Virgin Active Group Limited	2021/713359/07	South Africa	Gym
Conservation International (South Africa)	2010/00325/08	South Africa	Conservation
Meat Naturally (Pty) Ltd	2016/089496/07	South Africa	Private Investment
TSIBA University		South Africa	Other
AL Tayer, Dubai		Dubai	Retail

Youth Employment Service (RF) (“Yes 4 Youth”)	2017/267641/08	South Africa	Other
Polymateria London, UK		United Kingdom	Private
Lower Keurbooms Catchment Area	K2022851579	South Africa	Other

DETAILS OF PREVIOUS DIRECTORSHIPS OF THE DIRECTORS (LAST FIVE YEARS)

ANDREW JOHN GAWITH BRADLEY				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
Capitalgro (Pty) Ltd	2010/003039/07	South Africa	Property Investments	30 May 2022
GARY MORTON FISHER				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
Rosebank Red Hotel (Pty) Ltd	2019/105206/07	South Africa	Asset Management	25 March 2021
Tower Asset Managers (Pty) Ltd	2008/012316/07	South Africa	Property Owning	01 January 2023
Tower International Treasury (Pty) Ltd	2018/092955/07	South Africa	Property Owning	01 January 2023
Link Hills Shopping Centre (Pty) Ltd	2015/173572/07	South Africa	Property Owning	01 January 2023
City Square Trading 522 (Pty) Ltd	2005/018491/07	South Africa	Property Owning	01 January 2023
De Ville Shopping Centre (Pty) Ltd	2006/000556/07	South Africa	Property Owning	01 January 2023
Plenty Properties (Pty) Ltd	2008/024547/07	South Africa	Property Owning	01 January 2023
Cross Atlantic Properties 162 (Pty) Ltd	2008/027875/07	South Africa	Property Owning	01 January 2023
The Cape Quarter Property Company (Pty) Ltd	2001/006412/07	South Africa	Property Owning	01 January 2023
HTP Holdings	2015/006412/07	South Africa	Property Owning	01 January 2023
Turquoise Moon Trading 258 (Pty) Ltd	2005/010038/07	South Africa	Property Owning	01 January 2023
108 Albert Road (Pty) Ltd	2019/105291/07	South Africa	Property Investments	5 March 2024
FEDERICA EMILIE COSTANZA GIACHETTI				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
NOT APPLICABLE				
GUIDO RENATO GIACHETTI				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
RGM Investments Ltd	115801	Gibraltar	Property Investments and Consulting	20 April 2021
Kali International DMCC	SR5106126	Dubai		23 November 2021
Capitalgro (Pty) Ltd	2010/003039/07	South Africa	Property Investments	30 May 2022
108 Albert Road (Pty) Ltd	2019/105291/07	South Africa	Property Investments	5 March 2024
GIORGIO GIACHETTI				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
NOT APPLICABLE				

SITHABILE PAULINE MATHE				
Other Directorships	Company Number		Nature Of Business	Date of Resignation
NOT APPLICABLE				
CATHERINE KATE MAPHAGE				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
NOT APPLICABLE				
NICOLA ROBYN MILNE				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
Tower Property Fund (Pty) Ltd	2012/066457/06	South Africa	Property Investments	03 February 2022
JACOPO PARI				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
108 Albert Road (Pty) Ltd	2019/105291/07	South Africa	Property Investments	5 March 2024
SIMON NORMAN SUSMAN				
Other Directorships	Company Number	Country of Incorporation	Nature Of Business	Date of Resignation
Business Against Crime South Africa	1996/06714/08	South Africa	Other	16 September 2021
Capitalgro (Pty) Ltd	2010/003039/07	South Africa	Property Investments	30 May 2022

ANNEXURE 5: APPLICATION FORM



APPLICATION FORM
BWP 500 000 000 MEDIUM TERM NOTE PROGRAMME –
[] TRANCHE BWP50 000 000

RDC Properties Limited
 (incorporated in Botswana)
 (Registration number BW00000877423)
 (“**RDC Properties**”)
 ISIN NO []
 STOCK CODE NO []

I/We, the undersigned hereby apply to purchase the amount specified below of Notes (the “**Notes**”) to be issued by RDC Properties upon the terms and conditions set out in this application form.

(please tick the appropriate box)

NOTES

Applications must be made in accordance with the instructions set out in this document. Care must be taken to follow these instructions as applications that do not comply may be rejected. If there is any doubt, please consult the Arrangers.

Please complete all relevant sections of this form using BLOCK LETTERS where applicable		
PARTICIPANT STATUS (Please tick)	DATE (Dd/mm/yyyy)	CONTROL NO. (REGISTRARS’ USE ONLY)
<input type="checkbox"/> Resident	DECLARATION (PLEASE TICK) 1.1.2I/We note that the Issuer and the Arranger are entitled in their absolute discretion to accept or reject this application. 1.1.3I/We confirm that I/we have read the Supplementary Memorandum dated 8 November 2023 and that my/our application(s) is/are made on the terms set therein. 1.1.4I/We agree to accept the nominal amount as may be allocated to me/us subject to the terms in this Application. 1.1.5I/We authorise you to enter my/our name on the Register of Noteholders of the Notes that may be allotted to me/us and to register my/our address as given below. 1.1.6I/we hereby irrevocably undertake and confirm my/our application(s) for notes is on the terms outlined in the Applicable Pricing Supplement to be dated the 28 November 2023 . 1.1.7	
<input type="checkbox"/> Non-Resident		
<input type="checkbox"/> Tax Exempt (attach Certificate)		
<input type="checkbox"/> Taxable		
PARTICIPANT TYPE (Please tick)		
<input type="checkbox"/> Pension Fund		
<input type="checkbox"/> Pension Fund Manager		
<input type="checkbox"/> Unit Trust		
<input type="checkbox"/> Insurance Company		
<input type="checkbox"/> Corporate		
<input type="checkbox"/> Bank		
<input type="checkbox"/> Individual		
<input type="checkbox"/> Other		
1.1.19 1.1.20 1.1.21 1.1.22 PARTICIPANT DETAILS (INDIVIDUALS/CORPORATE/JOINT)		

(Please use one box for one alphabet leaving one box blank between first word and second)

SURNAME / CORPORATE NAME

--	--	--	--	--	--	--	--	--	--	--	--	--	--

FIRST NAME (FOR INDIVIDUALS ONLY)

OTHER NAMES (FOR INDIVIDUALS ONLY)

--	--	--	--	--	--	--	--	--	--	--	--	--	--

JOINT APPLICANT'S FIRST NAME (IF APPLICABLE)

OTHER NAMES (FOR JOINT APPLICANT ONLY)

--	--	--	--	--	--	--	--	--	--	--	--	--	--

CONTACT PERSON (FOR CORPORATE APPLICANT)/NEXT OF KIN (FOR INDIVIDUAL APPLICATION)

--	--	--	--	--	--	--	--	--	--	--	--	--	--

PHYSICAL ADDRESS IN FULL

POSTAL ADDRESS ALONE IS NOT SUFFICIENT

EMAIL ADDRESS:	
TELEPHONE:	

PARTICIPATION AND ALLOTMENT DETAILS

Please credit my/our CSDB Account as detailed below to the extent of the Notes are allotted:

PARTICIPANT'S

CSDB ACCOUNT NO:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

BANK DETAILS FOR INTEREST AND REDEMPTION PAYMENTS																		
BANK NAME														BRANCH		1.1.36		
ACCOUNT NO														CITY		1.1.50		
SIGNATURES																		
SIGNATURE							SIGNATURE (SECOND/JOINT)							OFFICIAL STAMP				
NAME OF AUTHORISED SIGNATORY (Corporate only)							NAME OF AUTHORISED SIGNATORY (Corporate/joint)											
DESIGNATION (Corporate only)							DESIGNATION (Corporate only)											

All applications must be for a minimum amount of BWP100,000 and in multiples of BWP100,000 thereafter

BIDS																					
BID VALUE:		BWP																			
FIXED/FLOATING**:																					
														TENOR (YEARS)*							
														BID RATE (%)							

**Tenors accepted will be either xx or xx year tenors
 **Floating rate will be linked to XX*

SPECIAL CONDITIONS REQUESTED																		

1 Completing the form

This completed form should be e-mailed to the Arranger at the following Address:

Stanbic Bank Botswana Limited

- The deadline of accepting applications will be 12h00 on the 9th December 2024.
- All alterations to this application form must be authenticated by full signature. All applications must be made without any conditions stated by applicants.
- Under no circumstances whatsoever may the name of the applicant be changed and if this is done then the application form will be invalid.
- Applications are made subject to the provisions of the Supplementary Programme Memorandum to which

this form is attached.

- Applications are irrevocable and may not be withdrawn or amended without the written consent of the Issuer.
- Individual applicants must be over 18 years of age or older.

2. Acceptance

By signing an application form the applicant undertakes to pay the Issuer on the Issue Date. The Notes allotted to the bidder shall be in accordance with the provisions of the Trust Deed.

3. Settlement procedure

Payment of the purchase price for the Notes may be made:

- Payments to be made by successful applicants must be made into the following account:-

Account Name :RDC PROPERTIES NOTE PROGRAMME

Bank :

Account Number :

Branch Code :

Swift Code :

Account Type : Current (BWP)

- No application for amount below BWP 100,000 will be accepted.

4. General

The Programme and any contracts resulting from an acceptance of an application for the Notes shall be governed and construed in accordance with Botswana law.

5. Accepted Offer

All successful applicants will be furnished with a signed Applicable Pricing Supplement on the 10th December 2024. Further information regarding the date of allocation and listing of the Notes will be provided on the BSE X News therefore applicants are advised to keep abreast of any developments that may occur on the BSE X News platform which is available on the Botswana Stock Exchange website.