RDC Properties Limited

INTEGRATED ANNUAL REPORT 2024

FOR THE YEAR ENDED
31 DECEMBER 2024

MASA CENTRE, CBD,
GABORONE, BOTSWANA

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INTRODUCING THE INTEGRATED ANNUAL REPORT

RDC Properties Limited ("RDC" or "the Group") is pleased to present our Integrated Annual Report for the financial year ended 31 December 2024. This report provides a comprehensive overview of our financial performance, as well as progress in achieving our environmental, social and governance (ESG) objectives.

REPORTING APPROACH

In this report we outline our strategy, which is focused on investing in income-generating properties across a range of sectors and locations while ensuring that we operate in a responsible and sustainable manner. The report also provides detailed information on financial performance, including revenue, profit and cash flow, as well as capital management and investment activities.

We report on all the entities in our portfolio, which are located in Africa, the United States of America (USA) and the European Union (EU), as described on page 4.

The following reporting frameworks and governance requirements were considered in compiling this report:

- Botswana amended companies act in 2022 (Act 7 of 2022);
- Botswana Stock Exchange (BSE) Equity Listings Requirements;
- King Report on Corporate Governance for South Africa* (King III); and
- International Integrated Reporting <IR> Framework.

This report aims to satisfy the information needs of all the Group's key stakeholders.

TIMEFRAMES

Timeframe references in this report are defined as follows:

- Short term: One year.
- Medium term: Two to five years.
- Long term: More than five years.

REPORT APPROVAL

The Board of Directors is responsible for overseeing the integrity and completeness of this report. The Board is comfortable that the report presents stakeholders with a comprehensive understanding of our business, performance and commitment to sustainability.

The Group is committed to transparency and accountability in all aspects of our operations. Our independent auditor, Grant Thornton, has expressed an unmodified audit opinion with respect to the Annual Financial Statements, providing assurance of the highest level of governance and internal controls.

We have also integrated ESG considerations into our reporting and performance management systems.

The report was approved by the Board on 12 May 2025 and signed on its behalf by:

Guido R. Giachetti
Executive Vice Chair

Jacopo Pari
Chief Executive Officer

Andrew Bradley
Independent Chair

FORWARD-LOOKING STATEMENT

Certain sections of this report contain forward-looking statements, which may be affected by factors beyond our control. This could result in the actual results, performance, objectives or achievements of RDC Properties, differing materially from the anticipated outcomes expressed or implied in these statements. The performance of the Group is influenced by changes in the economic environment and market conditions, and stakeholders should consider this when reading this report.

FEEDBACK

The Group is committed to continually improve the quality and relevance of our reporting. Please email suggestions for improvement to rdc@rdc.bw.

BROADHURST BUSINESS CENTRE, GABORONE, BOTSWANA

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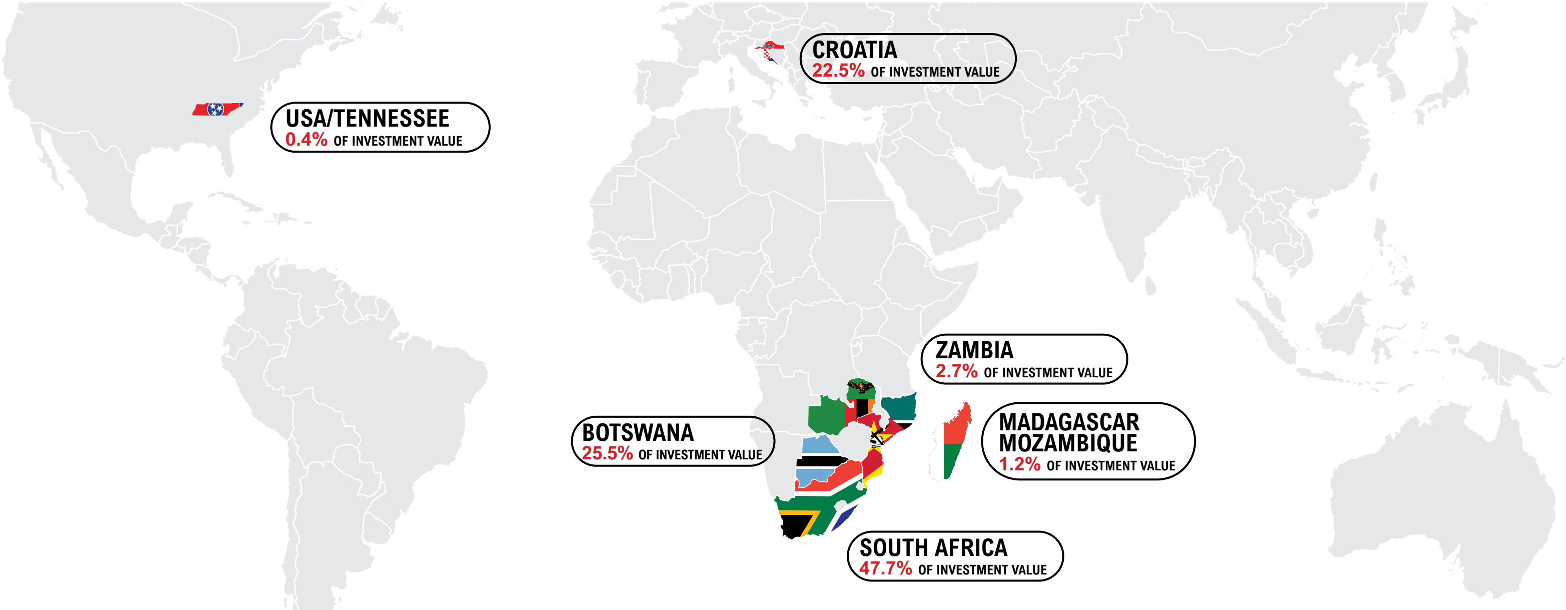
OVERVIEW

RDC AT A GLANCE

Founded in 1992, RDC is a diversified real estate investment, management and development company headquartered in Botswana. We are a publicly quoted company listed on the BSE with a portfolio valued at P6 billion, of which 74% is outside of the country.

RDC is a leading player in Botswana's commercial and retail property market. Our comprehensive portfolio encompasses office buildings, retail centres, industrial parks, hotels and residential developments in South Africa, Mozambique, Zambia, Madagascar, the USA and Croatia.



Our strength lies in our diverse team of experienced professionals with extensive expertise in asset and property management, development and project management, and finance. We are known for our successful track record in delivering high-quality properties that cater to the specific needs of our tenants and customers.

OUR PURPOSE

To grow shareholder value by owning and managing strategic property assets that enrich the stakeholders and communities we serve.

OUR VISION

To be the leading real estate company in Botswana, known for its international reach, expertise, innovation, sustainability, integrity and client-centric approach.

OUR VALUE SYSTEM

- INCLUSIVITY
- COMPETENCY
- RESPECT & EMPATHY
- ACCOUNTABILITY
- ENTREPRENEURSHIP
- INTEGRITY

We believe that sustainable business practices are key to delivering value to stakeholders and building a resilient business that can adapt to changing market conditions. We are strongly committed to sustainable and responsible practices, and integrate ESG considerations into our operations, strategy and decision-making processes.

By investing in our people, our communities and our properties, we can build a sustainable and profitable business that delivers long-term value to our linked unit holders while contributing to the economic and social development of Botswana and the wider region.

GROUP STRATEGY

RDC's strategy guides us in realising our purpose and vision. Following a formal strategy review in 2023, the Board defined five key drivers of our strategy and four mid-term goals.

KEY DRIVERS OF OUR STRATEGY

GROWTH THROUGH ACQUISITION

We prioritise strategic acquisitions to expand our property portfolio and enhance shareholder value.

We actively seek high-quality assets that deliver predictable and sustainable income streams while offering long-term capital appreciation potential.

By focusing on key markets, we aim to leverage our expertise and existing footprint to maximise the success of our acquisition strategy.

GEOGRAPHIC DIVERSIFICATION

We have strategically extended our operations beyond Botswana into diverse African markets as well as the USA and Croatia.

Through this geographic diversification we aim to mitigate risk, provide a natural hedge against market fluctuations, and unlock new growth opportunities across various regions.

STRONG CORPORATE GOVERNANCE

We prioritise the highest standards of corporate governance to ensure our long-term success and the sustainability of stakeholder value.

Our Board provides diligent leadership and oversight, and we adhere to best practices in accounting, financial reporting and risk management.

DEVELOPMENT OF NEW PROPERTIES

We actively pursue organic growth through the development of new properties.

We prioritise the creation of high-quality commercial and retail spaces that cater to evolving market demands, and generate sustainable, long-term returns for our stakeholders, including linked unit holders.

This approach allows us to position the Group strategically and contribute to the development of thriving communities.

INNOVATION AND SUSTAINABILITY

We prioritise innovation and sustainability throughout our property development and management activities.

We actively incorporate cutting-edge technologies and environmentally conscious practices into our operations.

This dual focus aims to minimise our environmental impact while optimising the value proposition of our properties.

MEDIUM-TERM STRATEGIC GOALS

NET ASSET VALUE (NAV)	Grow the NAV per share by more than inflation plus 3-5% yearly compounded
LOAN TO VALUE (LTV)	Reduce LTV ratio to below 40%
REVENUE	Increase the Group's income derived from hard currency to 50% of total income
SHAREHOLDER DISTRIBUTION	Maintain a distribution to unit holders in the upper quartile of the BSE property listed peers

KEY PERFORMANCE INDICATORS

NAV	Growth in NAV per linked unit
NET DEBT TO GROSS PROPERTY ASSETS	Appropriate balance sheet structure that facilitates adequate funding to fulfil our medium- to long-term objectives while simultaneously maintaining a prudent ratio of net debt to gross property assets
RETURNS FROM INVESTMENT AND DEVELOPMENT PROJECTS	Optimise returns from the RDC property portfolio • For investment properties, this is achieved by concentrated asset management and retention of tenants to maximise rental yields. • For development properties, this is accomplished through yielding up potential tenancies for new developments and cost control.

RDC TIMELINE

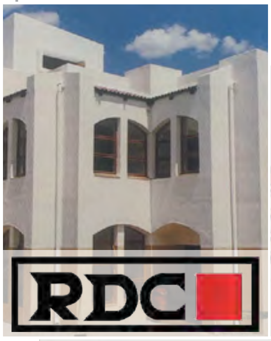
To achieve our purpose of enriching the stakeholders and communities we serve, we leverage our construction and development competencies to create efficiency and consistently drive growth.

1992

RealEstate Development Company Limited became the first publicly listed property and development fund in Botswana.

Portfolio Value:
P26 million

Portfolio Listings:
4 Properties



1994

Expansion of retail development offering to include the Boswa Centre, Diamond Centre in Jwaneng and Lotsane Complex in Palapye.

Portfolio Value:
P48 million

Portfolio Listings:
10 Properties

1997

Adoption of a portfolio improvement strategy and expansion into Antananarivo, Madagascar. Refit of Standard House. First elective capitalisation of dividends.

Portfolio Value:
P67 million

Portfolio Listings:
14 Properties

2000

Investment into the Tholo office building, and the Tana Waterfront development in Antananarivo, Madagascar.

Portfolio Value:
P95 million

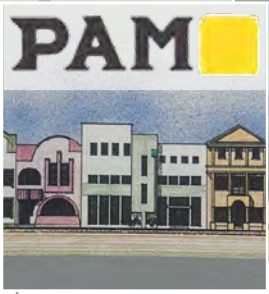
Portfolio Listings:
17 Properties

2003

RDC completes first public-private partnership with the Gaborone City Council. Acquires the EU Delegation building and enters its first Euro-denominated lease.

Portfolio Value:
P131 million

Portfolio Listings:
21 Properties



1993

RDC expands our operations to major centres in Botswana, Serowe and Maun.

Portfolio Value:
P39 million

Portfolio Listings:
7 Properties

1996

Conversion to a variable rate loan stock structure and name-change to RDC Properties Limited. Property and Asset Management (PAM) is incorporated to manage the portfolio. RDC acquires Professional House in Gaborone, Botswana.

Portfolio Value:
P67 million

Portfolio Listings:
14 Properties

1999

RDC launches RDC Properties Mauritius Limited and enters the industrial segment of the property market by investing in Phakalane industrial estate.

Portfolio Value:
P83 million

Portfolio Listings:
15 Properties

2002

Official opening of the Tana Waterfront in Madagascar as a joint venture investment. RDC invests in the Chobe Marina Lodge (hospitality) property and the lodge is launched following renovations.

Portfolio Value:
P109 million

Portfolio Listings:
19 Properties

2006

Acquisition of Isalo Rock Lodge in Isalo National Park, Madagascar. Completion of refurbishment at Standard House.

Portfolio Value:
P174 million

Portfolio Listings:
22 Properties

We own and manage strategic property assets that add value to the communities we serve.

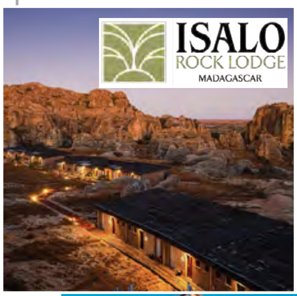
We grow shareholder value by owning and managing strategic property assets that enrich the stakeholders and communities we serve.

2010

Isalo Rock Lodge in Madagascar is opened to the public. RDC strategically disinvests in the Tana Waterfront in Antananarivo, Madagascar.

Portfolio Value:
P470 million

Portfolio Listings:
22 Properties



2015

Investment in the residential market by acquiring the ICC Flats. Expansion of portfolio in Namibia and Mozambique. Successfully raises P232.1 million from first rights issue.

Portfolio Value:
P1 104 million

Portfolio Listings:
23 Properties

2018

Capitalgro acquires The Edge Building. RDC is active in six countries with a total portfolio gross leasable area (GLA) of 104,037m² (South Africa, Botswana, Madagascar, Mozambique, Namibia and USA).

Portfolio Value:
P1 943 million

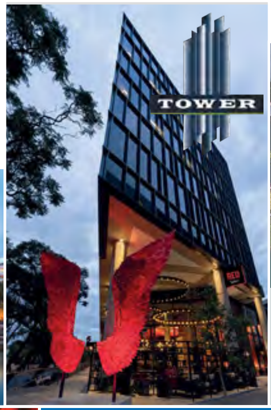
Portfolio Listings:
30 Properties

2021

Acquisition of Tower Property Fund Limited in South Africa. The Radisson RED Rosebank officially opens. Successful second rights offer of P667 million.

Portfolio Value:
P5.8 billion

Portfolio Listings:
79 Properties

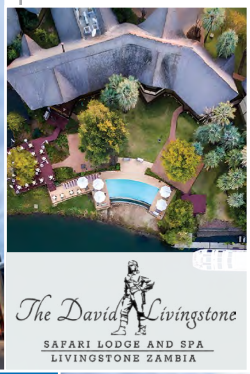


2023

Acquisition of David Livingstone Safari Lodge and Spa, Zambia.

Portfolio Value:
P6.0 billion

Portfolio Listings:
72 Properties



2012

Completion of work on Masa Centre in New Gaborone central business district. RDC completes first split of shares at 5:1.

Portfolio Value:
P750 million

Portfolio Listings:
22 Properties

2017

Acquisition of controlling stake in Capitalgro, South Africa, valued at R335 million. Investment in Nashville, Tennessee, USA.

Portfolio Value:
P1 627 million

Portfolio Listings:
29 Properties

2019

Acquisition of a turnkey development – the Radisson RED Rosebank Hotel, Johannesburg. RDC enters into franchise agreement enabling the conversion of the Masa Square Hotel to a Protea by Marriott Hotel.

Portfolio Value:
P2.02 billion

Portfolio Listings:
30 Properties

2022

RDC undergoes rebranding. Successful integration of the Tower Portfolio. Notwane Asset Management (NAM) is registered to manage the South African portfolio as a PAM subsidiary. Revenue more than tripled to P525 million.

Portfolio Value:
P5.9 billion

Portfolio Listings:
75 Properties

2024

Following the IFSC certification of RDC Properties Limited in 2023, the amalgamation of RDC Properties International (Pty) Ltd was effective from 1 July 2024. The optimisation of the portfolio continued.

Portfolio Value:
P5.9 billion

Portfolio Listings:
67 Properties

HIGHLIGHTS OF 2024 AND PORTFOLIO ANALYSIS

FINANCIAL HIGHLIGHTS

REVENUE

P571 million ↑ **2%**

(2023 – P561 million)

Revenue growth was supported by a 3.1% reduction in property vacancies and a strong 12% year-on-year increase in the hospitality sector, which helped offset the impact of non-core asset disposals.

EARNINGS PER SHARE

17.49 THEBE ↑ **23%**

(2023 – 14.23 thebe)

Solid growth in earnings per linked unit with a year on year increase due to improved cashflows and distributions.

INVESTMENT AND PROPERTY PORTFOLIO

P5.92 billion ↓ **1.2%**

(2023 – P5.99 billion)

Portfolio value has remained stable despite the sale of non-core assets during the year.

LOAN TO VALUE

41.72% ↓ **3%**

(2023 – 43.3%)

The Group was able to reduce LTV in line with its strategy.

PROFIT FROM OPERATIONS

P343 million ↑ **10.7%**

(2023 – P309 million)

Operational cost containment contributed 2% to performance, with significant gains from joint ventures (P13.3 million) and the sale of a subsidiary (P6 million), in line with the Group's strategic focus.

NET ASSET VALUE
(per linked unit)

P3.86 ↑ **3.5%**

(2023 – P3.73 per linked unit)

Net asset value per share (excluding deferred tax) is P3.86 per linked unit and represents a year-on-year increase of 3.5%.

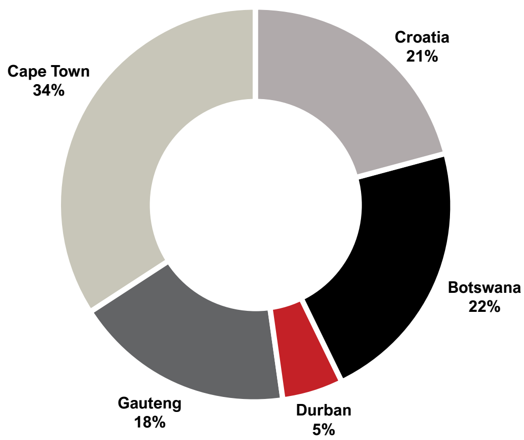
SUMMARY OF KEY METRICS

	2024 P'000	2023 P'000	2022 P'000	2021 P'000	2020 P'000
Portfolio value	**5,914,354**	5,986,283	5,910,111	5,823,921	2,299,123
Increase/(Decrease)	**(71,929)**	76,172	86,190	3,524,798	279,040
Increase/(Decrease) in value %	**(1.2)%**	1.29%	1.48%	153.31%	13.59%
Net asset value (NAV)	**2,702,743**	2,609,717	2,497,463	2,447,686	1,156,823
NAV attributable to shareholders per linked unit (Pula)	**3.56**	3.44	3.29	3.23	3.27
NAV adjusted for deferred taxation (Pula)	**3.86**	3.73	3.54	3.45	3.64
Long-term debt (net of cash and cash equivalents)	**2,469,818**	2,591,494	2,683,608	2,693,768	719,405
Total equity	**3,235,820**	3,170,104	3,030,197	2,941,015	1,453,832
Equity attributable to linked unit holders	**2,702,743**	2,609,717	2,497,463	2,447,686	1,156,823
Long-term debt to portfolio value ratio (net of cash and cash equivalents)	**41.72%**	43.29%	45.41%	46.25%	31.23%

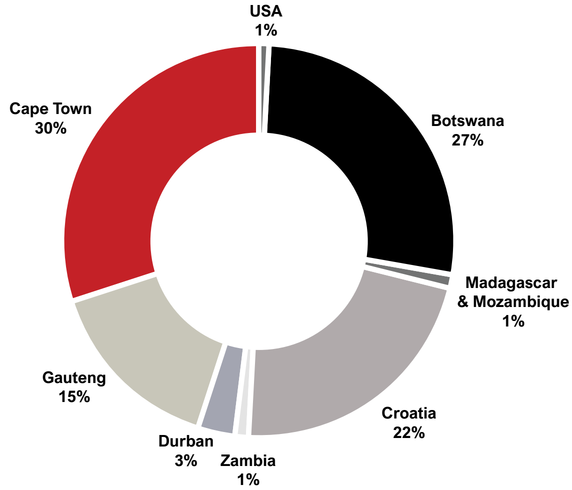
HIGHLIGHTS OF 2024 AND PORTFOLIO ANALYSIS

PORTFOLIO ANALYSIS

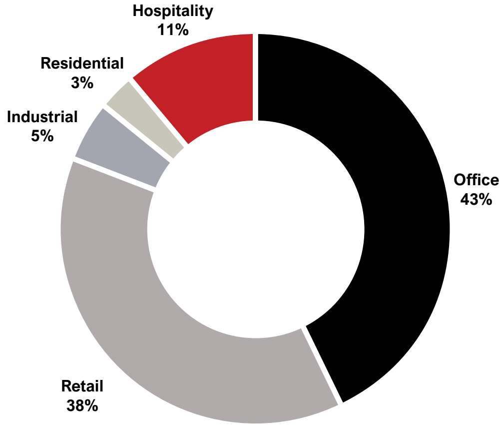
REGIONAL SPLIT BY REVENUE



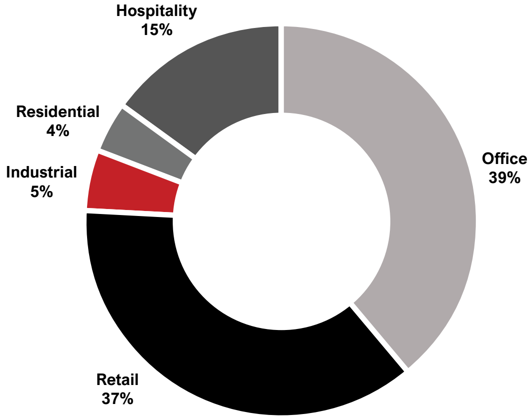
REGIONAL SPLIT BY VALUE



SECTORAL SPLIT BY REVENUE



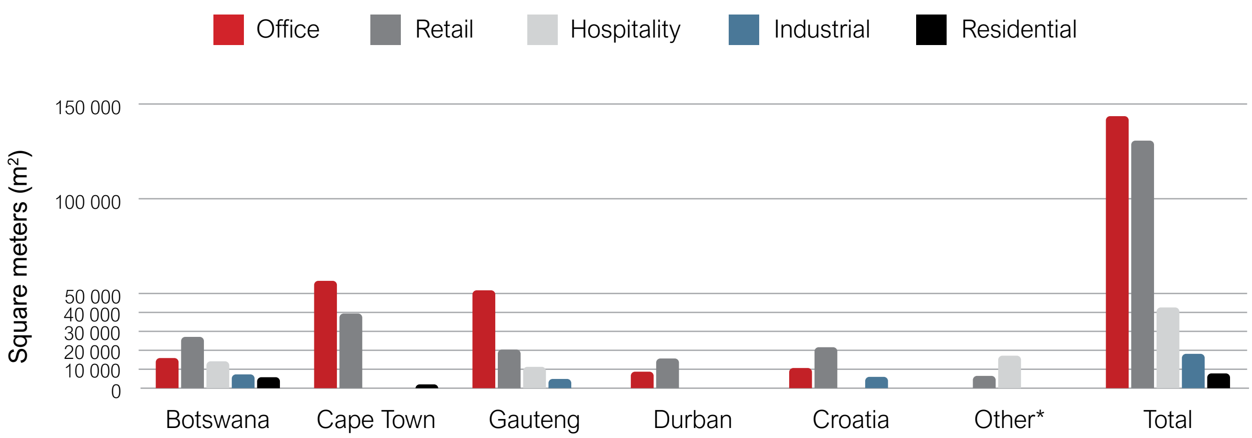
SECTORAL SPLIT BY VALUE



	2024 P'000	2023 P'000	2022 P'000	2021 P'000	2020 P'000
Revenue	**571,814**	561,290	525,205	146,562	131,594
Profit from operations before fair value adjustment	**342,380**	309,237	274,069	62,692	82,720
Profit from operations after fair value adjustment	**408,571**	380,406	412,351	115,375	64,259
Profit before tax	**174,524**	179,634	208,914	65,120	18,967
Profit attributable to owners	**123,934**	101,039	137,299	51,983	26,805
Average number of linked units in issue	**758,232,937**	758,232,937	758,232,937	391,792,630	352,644,215
Earnings per linked unit	**17.49**	14.23	18.84	16.63	7.60
Market capitalisation at year-end	**1,819,759,049**	1,819,759,049	1,683,277,120	1,630,200,815	758,185,062
Distribution yield	**3.38%**	2.88%	1.58%	4.36%	6.06%
Price-earnings ratio	**13.7**	16.9	11.8	12.9	28
Earnings yield	**7.29%**	5.93%	8.49%	7.74%	3.54%
Share price at year-end (thebe)	**240**	240	222	215	215
Total return per share (thebe) (Net asset value excluding deferred tax movement and distributions declared)	**21.29**	23.27	12.18	183.67	0.22

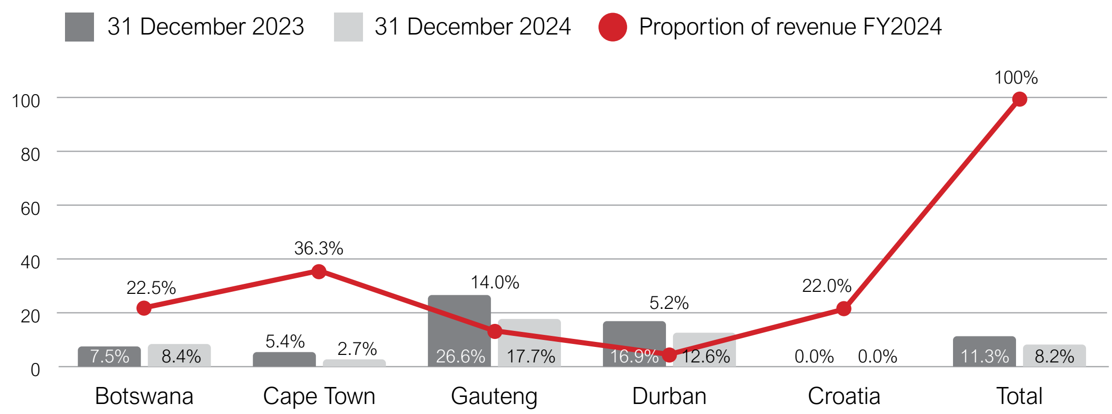
HIGHLIGHTS OF 2024 AND PORTFOLIO ANALYSIS

GROSS LETTABLE AREA (m^2) BY REGION AND SECTOR
COMBINED PORTFOLIO TOTAL OF 342,787m^2



* Includes Madagascar, Zambia and Mozambique.

VACANCY RATES PER REGION (GLA) (%)
(ILLUSTRATED AGAINST PROPORTION OF REVENUE GENERATED)



STANDARD HOUSE, GABORONE, BOTSWANA

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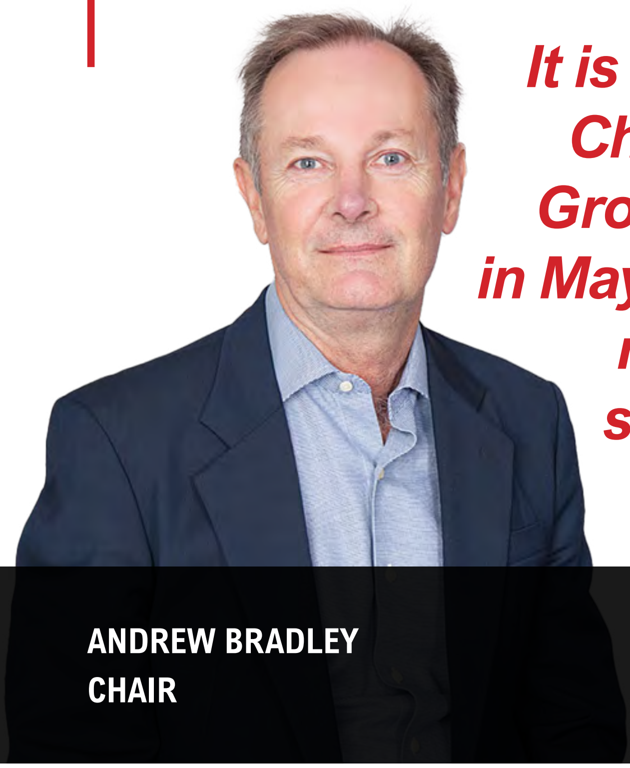
EXECUTIVE AND COMMITTEE REPORTS

CHAIR'S REPORT



It is a privilege to present my first Chair's report for RDC Property Group following my appointment in May 2024. I would like to express my gratitude to the Board and shareholders for the trust they have placed in me.

ANDREW BRADLEY
CHAIR

Dear shareholders,

It is a privilege to present my first Chair's report for RDC Property Group following my appointment in May 2024. I would like to express my gratitude to the Board and shareholders for the trust they have placed in me. On behalf of the Board, I extend our sincere appreciation to Guido Giachetti, who has fulfilled the role of Executive Chair in an exemplary and dynamic manner since 2009.

MACRO ENVIRONMENT

2024 was a year of significant change both locally and globally. According to the United Nations, it was the biggest election year in human history, marking a period of major political transitions that had an impact on global and regional markets.

In Botswana, we witnessed a seismic shift in political power, with the new government striving to manage real economic challenges while exemplifying the strength of democracy. The change in leadership is an opportunity for RDC Property Group to adapt and align with the government's diversification drive and development goals.

Meanwhile, South Africa's Government of National Unity (GNU) embraced a broader diversity of thought and experience, positively influencing the regional market. We are seeing increasing cooperation, which bodes well for the future of business in the region.

On the global stage, the election of Donald Trump in the United States has created some uncertainty and disruption, which continues to affect international relations and trade policies. Despite this, the ongoing innovation supercycle, particularly driven by advances in artificial intelligence (AI), remains a major force shaping various industries. Unfortunately, Africa may lag behind in this new race, though we continue to see significant growth opportunities for the region in other sectors.

MACROECONOMIC TRENDS

The normalisation of interest rates was a key feature throughout 2024, though the adjustment has been slower than expected, creating challenges for businesses and investors alike.

Botswana's economy faces significant strain and uncertainty, but the government's ongoing efforts to diversify the economy offer promise for long-term growth.

RDC PROPERTY GROUP'S VISION AND STRATEGY

Our purpose is clear: **to grow shareholder value by owning and managing strategic property assets that enrich the stakeholders and communities we serve.** Our vision is to be the leading real estate company in Botswana, known for our international reach, expertise, innovation, sustainability, integrity, and client-centric approach.

Our **medium-term objectives** are focused on enhancing value and delivering sustainable growth, as we strive to:

- Increase our NAV by **CPI + 5%**.
- Generate **40-50% of revenue from hard currencies**.
- Reduce our LTV ratio to **below 40%**.
- Position our distributions in the **high quartile of the Botswana Stock Exchange (BSE) property peers**.

We aim to achieve these objectives by:

- Diversifying our income streams across geographies and sectors.
- Optimising our existing portfolio through asset sales and improving the net operating income (NOI) of each property.
- Acquiring accretive property portfolios.
- Striking a balance between growth and shareholder distributions.

CHAIR'S REPORT

ACHIEVEMENTS IN 2024

Despite the challenges posed by the macroeconomic environment, RDC Property Group delivered a strong performance in 2024, with several significant achievements:

- We recorded **pleasing financial results**, with improved cash flows and balance sheet strength.
- Following the **IFSC certification** of RDC Properties Limited in 2023, we completed the amalgamation of RDC Properties International (Pty) Ltd into RDC Properties Limited, effective 1 July 2024.
- The **portfolio optimisation** continued, with the following key results:
  - » **Earnings per linked unit** increased by **23%**.
  - » We reduced the **LTV ratio** from 43.29% to 41.72%, a decrease of **1.75%**.
  - » **Distributions** to linked unit holders increased by **18%** to 8.11 thebe per linked unit.
  - » **Operating profit** increased by 11% year on year.
- In line with our commitment to sustainability, RDC Property Group achieved several environmental, social, and governance (ESG) wins:
  - » We signed **18 Power Purchase Agreements** to provide green energy to our South African assets.
  - » We integrated **environmental and social wellbeing** into our decision-making, aligning our strategy with **11 of the UN Sustainable Development Goals (SDGs)**.

STRATEGIC FOCUS

We continue to pursue a strategy of diversification and growth, with a focus on creating long-term value. Key initiatives included:

- **Acquisition of safari lodges:** We are expanding our portfolio by acquiring, redeveloping, and rebranding safari lodges in strategically located areas, enhancing revenue in hard currencies.
- **Renewable energy partnership:** We agreed on the principles of a **joint venture** with a technical partner to develop **50MW of rooftop solar photovoltaic (PV) plants in Croatia**, capitalising on the European Union's renewable energy goals and ESG targets.
- **Corporate action – Acquisition of PrimeTime Property Holdings (PrimeTime):** In 2024, we pursued the acquisition of a controlling stake in PrimeTime. Although the process was interrupted by regulatory intervention and a subsequent legal investigation, we have since received a ruling from the BSLE Regulatory Committee on 2 May 2025. The Committee found that RDC acted properly throughout the offer process and granted RDC approval to proceed with the General Offer, should it remain so inclined, subject to regulatory timelines. We are reviewing the detailed findings, the material changes from September, before determining the next steps.
- **Major events:**
  - » The **Chobe Marina Lodge fire** on 17 November led to the destruction of the main building. However, reconstruction is underway, and we anticipate reopening the lodge by Q4 2025.
  - » Solid **asset sales** were achieved, including the sale of the **Regent Building** in Sea Point, Cape Town, which exceeded the carrying book value.
  - » The **Westlake Shopping Centre redevelopment** was successfully completed.

CORPORATE GOVERNANCE

In 2024, we continued to build on and enhance our corporate governance:

- **Retirement** of Giorgio Giachetti, a founding member of the Company, and Kate Maphage, who had served for over 10 years, will be effective from the June 2025 AGM.
- **Appointment of two new independent non-executive directors,** strengthening the Board's composition, also effective from the June 2025 AGM.
- We will have **70% non-executive directors, 60% independent directors**, and **50% female representation** on the Board.
- The Company appointed an **internal auditor** and **completed comprehensive evaluations** of both the executive and non-executive directors and committees.

The Board continues to uphold the highest standards of corporate governance through ethical and effective leadership, ensuring that RDC Property Group remains on a solid footing for future success.

OUTLOOK FOR 2025 AND BEYOND

Looking forward, RDC Property Group is well-positioned to continue executing our strategy. We are optimistic about the potential for reduced interest rates, which should help drive further growth. We will continue to focus on achieving our medium-term objectives, maintaining a disciplined approach to capital allocation, and delivering value to our shareholders.

We remain committed to growing our portfolio, enhancing operational efficiency, and aligning with global sustainability trends. Our efforts to diversify income streams, reduce debt, and optimise our asset base will ensure we are well-placed for the future.

CLOSING ACKNOWLEDGEMENTS

I would like to thank my fellow Board members, the management team, and all our stakeholders for their ongoing commitment and support. Together, we are building a stronger, more sustainable future for RDC Property Group, and I look forward to updating you on our progress in the years ahead.

On behalf of the Board, I also wish to acknowledge the exceptional contributions of Giorgio Giachetti and Kate Maphage and thank them for their years of service to RDC Property Group.

Andrew Bradley
Independent Non-Executive Chair

RDC Property Group

CHIEF EXECUTIVE OFFICER'S REPORT

JACOPO PARI
CEO

***The 2024 reporting period marked a pivotal step in RDC's evolution – from post-COVID recovery to a new phase of* refinement, strategic execution, and operational discipline.**

EXECUTIVE SUMMARY

The 2024 reporting period marked a pivotal step in RDC's evolution – from post-COVID recovery to a new phase of **refinement, strategic execution, and operational discipline**.

The anticipated political risk of general elections in South Africa and Botswana was mitigated by a peaceful transition of power in both cases, reducing key uncertainties, stabilising markets and contributing to improved investor and business confidence. Croatia remained a key jurisdiction thanks to unique assets featuring zero vacancy and denominated in hard currency.

Against this backdrop, RDC delivered meaningful operational progress. The year-end valuation process reaffirmed the resilience and quality of the RDC portfolio. Over **65% of the Group's income-generating assets** were independently valued by leading regional valuation firms, ensuring objectivity and market alignment. Despite strategic disposals during the year, the **total asset base grew in value**, reflecting the underlying asset resilience. This outcome is testimony to the Group's disciplined capital allocation strategy which saw our exit from less strategic positions while enhancing and repositioning core assets. These included the strategic sale of six non-core assets and 17 residential units.

The valuation results were supported by tangible operating improvements, such as the reduction in portfolio vacancy to **8.2%** and the signing of over **91,000m² of new and renewed leases** during the year. These gains, coupled with prudent cost management and asset rotation, translated into a **reduction in the Group's LTV to 41.7%**, down from 43.3% the prior year, and a meaningful uplift in **interest cover ratio (ICR)**. As a result, lenders have responded with increased appetite and confidence, facilitating constructive refinancing discussions and improved terms.

At the same time, we accelerated internal transformation. A strategic decision was made to onboard property management services related to a legacy outsourced contract for the South African portfolio. This strategic move, which will be underpinned by investments in ITC, business intelligence tools and artificial intelligence (AI) is meant to unlock value by streamlining and optimising reporting and data analytics. These initiatives support our long-term goal of achieving seamless, real-time performance insight across all jurisdictions.

Crucially, we continued to invest in and reposition our **hospitality assets**, reinforcing our belief in the long-term potential of this segment. From the relaunch of major upgrades at Protea Masa Square Hotel in Gaborone and David Livingstone Safari Lodge on the Zambian side of Victora Falls, to the decisive response and strategic rebuild of a carefully redesigned main building at the Chobe Marina Lodge post the unfortunate fire event, the Group has prioritised asset quality and long-term earnings capacity.

While 2024 was not without its challenges, the Group has entered 2025 more streamlined and resilient, with a clear focus on delivering sustained value through operational excellence and disciplined growth.

CHIEF EXECUTIVE OFFICER'S REPORT

PORTFOLIO REVIEW

Operational performance reflected the portfolio's resilience, supported by strong leasing momentum, ongoing capital recycling, and proactive tenant engagement. A total of **91,682m² in new and renewed leases were concluded**, representing 27% of GLA, resulting in a **portfolio vacancy rate of 8.2%** at year-end. This was achieved through a targeted leasing strategy and improved alignment of lease structures to market benchmarks.

RDC successfully disposed of **six non-core assets** between Botswana and the Gauteng Province **and 17 residential inventory units** at the Old Cape Quarter in Cape in Town at or above the aspirational targets of our asset managers. These proceeds were primarily deployed to reduce debt and enhance liquidity, contributing to the Group's reduced LTV ratio of **41.7%**, down from 43.3% the previous year.

In **Gauteng** we notably reduced vacancy from 26.6% to 17.7%, driven by leasing momentum which is expected to continue thanks to a renewed focus on operational control. The full onboarding of property management services will further strengthen tenant relationships by deepening our insight into needs, trends and behaviour, as well as improving recovery ratios and escalation alignment.

The very well administered **Western Cape** continued to outperform other jurisdictions in South Africa and all indications are that it will continue on this rewarding upward trajectory, hence our dedicated focus to this market. **Vacancies are at a historic low of 2.7%**. The successful relaunch of **Westlake Shopping Centre** and the signing of a long-term lease with NYSE-listed **Telus Digital** at Voortrekker Rd are key milestones. This is a case study for a strategic turnaround, attracting a blue-chip tenant willing to commit a very significant capital investment in their accommodation. RDC also disposed of its interest in 108 Albert Rd, Woodstock 50% joint venture at a satisfactory gain on initial investment.

While **KwaZulu-Natal** still lags Gauteng and Cape Town, we are pleased to report an important overall improvement in this portfolio too, driven by the expected recovery in vacancies. Of our three assets in the region, the **Musgrave office block** has now been sold, reflecting our strategic view that KZN, while stabilising, remains less core. Under our current outlook, the balance of assets in the region will be considered for disposal.

During the reporting period, the demand for prime office space in Gaborone, Botswana increased, particularly in the CBD where our iconic Masa Square asset is located. The industrial sector continued to benefit from diversification initiatives. We are also pleased to report strong performance for our up-market residential offering. While overall vacancy remained flat at 8.4%, uptake is evident at key assets like **Standard House**.

RDC's **Croatian** portfolio remains fully let, with **0% vacancy** and strong tenant retention. A strategic lease signed for **Building B (annex to Sub City Shopping Centre) in Dubrovnik**, along with the relet of our gym space at **Meridijan Shopping Centre in Zagreb**, underpin long-term revenue and valuation stability in this highly sought after hard currency environment. The very high rating achieved by our assets in respect of the EU equivalent of the South African energy performance certificate (**EPC**) allowed us to strategically refinance the portfolio at improved terms.

FOCUS ON HOSPITALITY

Hospitality was a clear area of focus and repositioning in 2024, reinforcing its role as a strategic contributor to net operating income in hard currency, supporting sustained long-term growth.

The Radisson RED Hotel, Rosebank continued to attract high occupancies, validating its leading market position. Discussions are underway to transition from a management contract to a franchise structure, enabling greater control and a leaner cost base, which, once implemented, will translate into higher rental inflow for RDC.

The **Protea Hotel by Marriott Masa Square** outperformed competitors despite a soft and over-traded market. A **P20 million** fully financed property improvement plan is underway. With the conference centre completed and HVAC upgrades in progress, the hotel is repositioned for renewed 'MICE' (meetings, incentives, conferences and exhibitions) and business travel demand. Additional upgrades in 2025 and 2026 will include rooms, lobby, pool, and F&B (food and beverage) outlets. At the end of this project, we will be inviting our guests and patrons to enjoy a renewed offering, catering for emerging trends while retaining its location, brand and other competitive advantages.

David Livingstone Safari Lodge and Spa (DLSL) faced external headwinds in 2024, including the cancellation of high-end bookings due to geopolitical unrest in key regions and aggressive pricing from competitors. Nonetheless, occupancy held at 58% and the lodge earned accolades from **TripAdvisor (Top 10%)** and **Booking.com (8.6 rating)**. Comprehensive **refurbishment commenced in January 2025**, with completion due in six to eight months. RDC has also successfully completed the refinancing of its JV contribution. A property improvement plan, which encompasses rooms, conferencing area, the Lady Livingstone cruise boat and all our outlets, is well underway and will reposition the Lodge to where it belongs for the upcoming peak season. It is anticipated that the new product will accelerate the positive trend of double-digit growth year on year.

Chobe Marina Lodge had to close down after a fire in November 2024. This led to a strategic decision to rebuild the affected main building to cater for new trends and improved operational efficiency while still maintaining the flair which has rendered this lodge unique and highly sought after by our local, regional and international guests. The community, guests and social media response to this unfortunate event has been overwhelming and gave management a very important boost of pride and confidence to be even more laser focused on bringing this product back to market as soon as possible and even better than it was before.

The comprehensive **insurance cover** spanning building, contents and business interruption has provided a stable foundation for a well-supported reconstruction process. Thanks to the dedicated efforts of our management and claim specialist team, the insurance claim is at an advanced stage, with an initial P10 million already disbursed.

The new architectural design is now complete, and upon conclusion of the permitting phase, we will share a detailed reopening roadmap, with operations currently anticipated to resume by Q2 2026. While the incident was unfortunate, it presents a unique opportunity to reintroduce the lodge with a refreshed guest experience and enhanced positioning in the market.

Beyond existing assets, RDC is actively exploring further **hospitality expansion** opportunities in **Cape Town**, the **Okavango** jewel of Botswana and in the **Madikwe Game Reserve** on the South Africa/Botswana border. These additions are intended to complement the Group's existing leisure circuit and create synergies across its operating base.

CHIEF EXECUTIVE OFFICER'S REPORT

ESG AND SUSTAINABILITY

Sustainability remains central to RDC's operating model, investment strategy, and long-term value creation.

Energy: A total of 18 Power Purchase Agreements have been signed to date, enabling the short-term rollout of **solar PV systems across 54% of our GLA**. These systems reduce energy costs and emissions while enhancing tenant retention.

Water and waste: Water monitoring is now live on **59% of our GLA**, and waste management initiatives have been launched across key jurisdictions. Leak detection and reuse programmes are now part of the RDC management discipline.

Green certification: 17% of the portfolio is now certified under the Green Building Council of South Africa along with high rating EPC in the Croatian Portfolio. All RDC's new developments are aligned with green standards.

Social commitment: RDC continues to contribute to education and community upliftment across South Africa, Botswana, and Zambia. Notable initiatives include the Cape Town Art Fair sponsorship, school prizegiving awards, Mandela Month campaigns, and local lodge-community engagement.

The Group views ESG not as compliance but as a responsibility, an enabler of **long-term resilience**, tenant quality, and reputational strength. We will work towards strengthening our contribution to this ever more important facet of the business.

With strengthened fundamentals, reduced gearing, and a sharper operational model, RDC enters 2025 well-positioned for continued performance. Our focus remains on disciplined growth, enhancing asset quality, and unlocking long-term value through efficiency, innovation, and strategic asset rotation.

FINANCIAL REPORT

FINANCIAL PERFORMANCE

Grant Thornton, the Group's independent auditor, has audited the Group's consolidated financial statements and has expressed an unmodified audit opinion thereon.

The Group's revenue increased by 2% to P572 million (2023: P561 million), reflecting the continued strength of our portfolio. This resilience is further underscored by an 11% growth in profit from operations before fair value adjustments, rising to P342 million (2023: P309 million).

Profit before tax saw a slight decline of 3%, primarily due to a once-off gain from the acquisition of the David Livingstone Safari Lodge and Spa in 2023. However, excluding this impact, profit before tax increased by 14% year-on-year.

The Group's interest cover ratio improved by 0.04 points, reaching 1.54x in 2024 (2023: 1.50x). This was mainly driven by a decrease in interest rates across all the jurisdictions that we operate from, coupled with a strategic debt restructuring initiative. We raised debt of Euro 8.4 million in our low LTV investment (Croatia) to reduce high-cost debt in South Africa.

Despite the fair value loss mark to market (MTM) of P18.2 million on the interest rate derivatives, these instruments were fundamental in reducing finance costs for the period and saved the Group approximately P14.8 million.

Cash generated from operating activities increased by 15% to P365 million (2023: P317 million).

As of 31 December 2024, the Group has made significant strides in strengthening its balance sheet, in alignment with its strategic objectives. Through disciplined financial management, we have successfully reduced our LTV ratio from 43.3% to 41.7%, reinforcing our commitment to financial resilience and sustainable growth.

Additionally, our NAV per linked unit, net of deferred taxation, has risen by an impressive 3.5% to P3.86 per share, compared to P3.73 in 2023. This growth underscores our focus on enhancing shareholder value and optimising capital efficiency.

Our investment portfolio now stands at P5.92 billion, a slight decrease from P5.99 billion in 2023. This adjustment reflects the Group's strategic decision to dispose of non-core assets amounting to P140 million during the year. This targeted approach to portfolio management highlights our dedication to value creation, ensuring that our asset base remains well-positioned to generate sustainable long-term returns.

THE EDGE, TYGER FALLS,
WESTERN CAPE, SOUTH AFRICA

CHIEF EXECUTIVE OFFICER'S REPORT

DEBT FINANCING

During the reporting period, the Group successfully reduced its LTV ratio from 43.3% to 41.7%. This progress reflects our ongoing commitment to strengthening the Group's financial position. Management remains focused on further reducing the LTV ratio to below 40% in the short- to medium-term.

As of December 2024, the Group successfully raised P97 million through a fixed-rate corporate bond, with tenors spread over one to three years at competitive fixed rates of 8.25% and 10.16%, respectively. Additionally, the Group has received a term sheet from Botswana Insurance Fund Management (BIFM) for a P36.5 million facility, with a seven-year tenure and a fixed interest rate of 8.85%. The drawdown is expected in 2025.

Further strengthening our financial capacity, the Group secured an amortising loan of P20 million facility from ABSA Botswana, designated for the refurbishment of the Marriot at Masa Square hotel.

EXCHANGE RATE HEDGING

The Group benefits from a diversified income stream denominated in multiple currencies, providing a natural currency hedge. Additionally, RDC enhances this hedge by strategically investing and securing debt in the same countries where rental income is earned, ensuring interest expenses are paid in the same currency. The Group also maintains a lower LTV in Euros, which has positively impacted returns. Management actively monitors and tracks this position to mitigate risk and maximise returns.

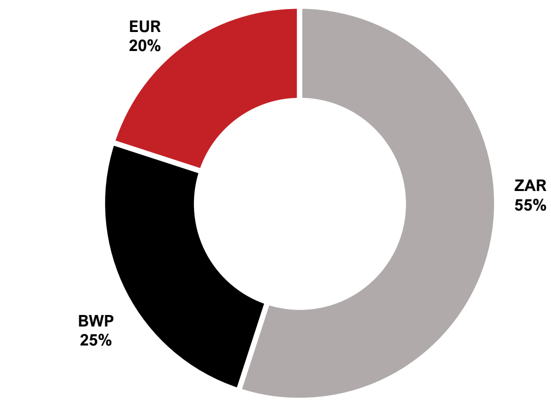
DISTRIBUTION

For the financial year ended 31 December 2024, the Board has declared a final distribution of P40 million to shareholders. The distribution will be a dividend of 0.194 thebe per ordinary share and interest of 5.081 thebe per debenture. This dividend and interest will be payable on or about 28 April 2025 to those linked unit holders registered at the close of business on 16 April 2025. The ex-dividend date is therefore 14 April 2025.

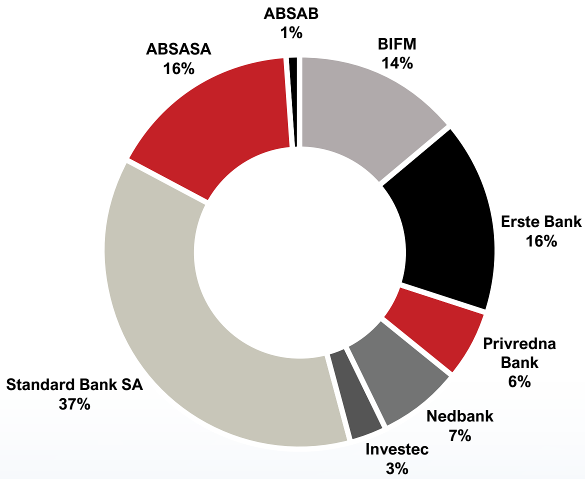
The progress achieved in 2024 underscores our steadfast commitment to prudent financial management, operational excellence, and strategic capital allocation, all of which continue to drive enhanced value for our shareholders.

Jacopo Pari
Chief Executive Officer

TOTAL DEBT PER CURRENCY



TOTAL BANK DEBT PER BANK



TOP 10 PROPERTIES BY VALUE

P573m

MASA CENTRE
GABORONE, BOTSWANA

Type: Mixed use
Size (GLA): 26,961m²

1

P410.3m

CAPE QUARTER SQUARE
GREEN POINT, WESTERN CAPE,
SOUTH AFRICA

Type: Mixed use
Size (GLA): 22,057m²

3

P407.8m

VMD KVART
ZAGREB, CROATIA

Type: Office
Size (GLA): 10,650m²

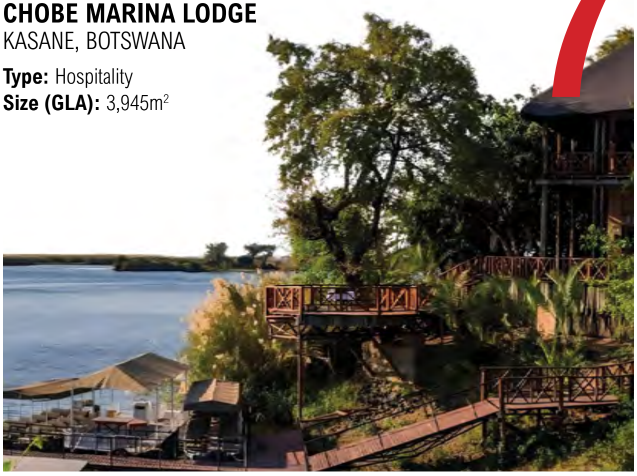
4

P278.1m

CHOBE MARINA LODGE
KASANE, BOTSWANA

Type: Hospitality
Size (GLA): 3,945m²

7



P254.0m

MERIDIJAN 16
ZAGREB, CROATIA

Type: Retail
Size (GLA): 9,362m²

8

2

P490.6m

SUB CITY CENTRE
DUBROVNIK, CROATIA

Type: Retail
Size (GLA): 12,259m^2

5

P309.6m*

RADISSON RED
ROSEBANK, GAUTENG,
SOUTH AFRICA

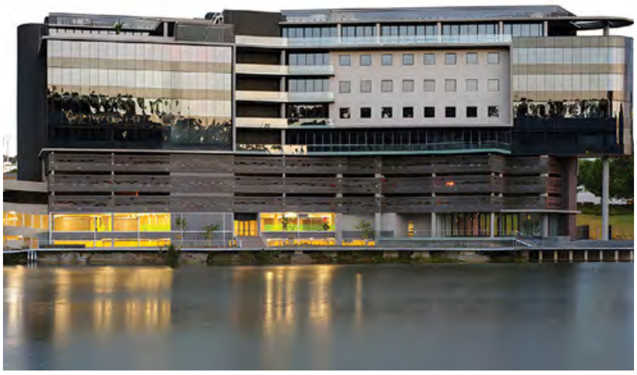
Type: Hospitality
Size (GLA): 11,266m^2
* Value including property, plant and equipment

6

P287.1m

THE EDGE
TYGER FALLS, WESTERN CAPE,
SOUTH AFRICA

Type: Office
Size (GLA): 11,133m^2



9

P228.6m

SUNCLARE
CLAREMONT, WESTERN CAPE,
SOUTH AFRICA

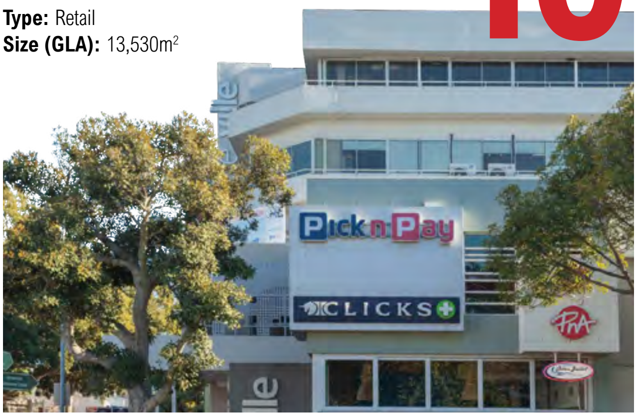
Type: Office
Size (GLA):14,704m^2

10

P191.4m

DE VILLE CENTRE
DURBANVILLE, WESTERN CAPE, SOUTH AFRICA

Type: Retail
Size (GLA): 13,530m^2



AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee oversees the risk management and audit functions within the Group and ensures that we adhere to best practice standards in accounting and auditing. The Committee also oversees the governance function, together with the ESG Committee.

The committee is constituted as a statutory committee under the Board of Directors of RDC Properties Limited. The Board reports to RDC's linked unit holders.

The committee operates within documented terms of reference that comply with all relevant legislation, regulations and governance codes.

This report is presented to linked unit holders in compliance with the Botswana Companies Act, RDC's Constitution and any other applicable laws and regulatory provisions.

The committee comprises three independent, non-executive members elected by the Board. RDC's CEO and Group Finance Director report to the Audit and Risk Committee, and other members of the Board are invited to meetings from time to time.

The committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of the senior management team. The committee has an independent role with accountability to the Board. In turn, the Board is accountable to linked unit holders.

The committee is required to meet at least three times each year, with meetings coinciding with key dates in the financial reporting and audit cycle.

RESPONSIBILITIES

The responsibilities of the committee are summarised as follows:

- Ensuring that management has designed and implemented a robust financial and operational control environment.
- Overseeing the process of identifying and managing business, financial, and other risks.
- Monitoring governance, reporting, and compliance standards.
- Overseeing annual reporting and the integrity of the Integrated Annual Report.
- Reviewing financial statements and disclosures for accuracy and compliance.
- Ensuring adherence to International Financial Reporting Standards in interim and final year end results.
- Assessing auditor independence.
- Evaluating the Group's ability to continue as a going concern, with a focus on key performance indicators, debt covenants, and cash flow.
- Overseeing IT policy effectiveness and adherence.

COMMITTEE COMPOSITION

Independent Non-Executive Directors: 3

MEMBERS

Nicola Milne (Chair)
Andrew Bradley (Retired at the September 2024 meeting)
Simon Susman
Kate Maphage (Appointed from the November 2024 meeting)

NUMBER OF MEETINGS

Three (March, September and November)

In the fulfilment of its duties as outlined in its terms of reference, the Audit and Risk Committee has access to all records and resources necessary, and its function has not been impaired in any way.

AUDIT AND RISK COMMITTEE REPORT

EXTERNAL AUDIT

The external Group auditor, Grant Thornton, was reappointed by linked unit holders at the last AGM on 23 May 2024. Grant Thornton has been the Group auditor for the last eight years. In the current and prior periods, as reported in the Annual Financial Statements, Mazars and BDO have acted as subsidiary auditors for certain entities within the Group.

The Audit and Risk Committee has reviewed and considered the inspection results by the Independent Regulatory Board for Auditors (IRBA) regarding the appointment of the external auditors, and the inspection results with regard to the designated audit partners. The committee has also considered the internal monitoring findings of Grant Thornton and the subsidiary auditors and found them satisfactory.

The committee has assessed the independence, expertise and objectivity of Grant Thornton and the subsidiary auditors, and has approved the fees paid. The committee has received confirmation from the external and subsidiary auditors that the partners and staff responsible for the audit comply with all legal and professional requirements regarding rotation and independence, including the stipulation that they should not own shares in RDC.

The committee is satisfied with the external auditors and has nominated the appointment of Grant Thornton as the Group's external audit firm for approval at the 2025 AGM. The Group audit partner, Mr Madhavan Venkatachary, was appointed in 2022.

NON-AUDIT SERVICES

RDC has a formal policy that requires Grant Thornton and the subsidiary auditors to satisfy the committee that the delivery of non-audit services does not compromise their independence. During the year under review, an amount of P229,500 was paid to the Group's external auditors relating to services provided for the proposed acquisition of 51% interest in Prime Time Property Holdings Limited. These services related to other assurance reports required under the Botswana Stock Exchange Regulations as Reporting Accountants.

INTERNAL AUDIT

In February 2024, the Group appointed Baker Tilly as the Internal Auditor. The Internal Audit function provides risk-based and objective assurance, advice and insight to assess and enhance the Group's risk management, internal controls and governance processes, as well as the integrity of financial reporting systems. The Internal Audit function presents half-yearly reports to the Audit and Risk Committee on their findings and any potential control deficiencies.

INTERNAL CONTROL

Systems of internal control are designed to assist RDC to manage risks, achieve business objectives and provide reasonable, but not absolute, assurance against misstatement or loss. No material matter has come to the attention of the Board that has caused the directors to believe that the Group's systems of internal controls and risk management is ineffective, or that internal financial controls do not form a sound basis for the preparation of reliable financial statements.

The Tower portfolio has historically employed an outsourced property management model delivered by Cape Town based company, Spire. Following investigations, it was found that the Spire CEO was defrauding the company, and this has affected some Spire clients, including RDC. Notwane Asset Management (NAM), RDC's asset manager in South Africa has immediately put in place measures to avoid any future loss. The Group is engaged in seeking indemnification of the losses sustained, estimated at P11 million since 2017. Although not deemed material to the group in any of the past financial years, it has accelerated plans to move this function previously performed by Spire to our long-term service providers, NAM, as is the case in all other RDC jurisdictions.

RISK MANAGEMENT

Risk management is integral to RDC's strategic intent of delivering sustainable and innovative real estate solutions that maximise stakeholder value while mitigating risks associated with property investments.

To ensure the effectiveness of its risk management framework, the RDC Group employs a structured, continuous improvement process. This approach enables ongoing risk identification, assessment, treatment, and monitoring, ensuring that risks and controls are consistently reviewed. The process is further strengthened by a robust feedback loop, facilitated through regular engagement with senior management and the Audit and Risk Committee.

AUDIT AND RISK COMMITTEE REPORT

RISK CATEGORIES

The principal risks and uncertainties facing the Group are as follows:

FINANCIAL RISKS	Rising/high interest rates, loan covenant breaches and cash flow pressures. • Managed through hedging strategies, strategic refinancing, covenant reviews and asset sales to reduce debt.
MACROECONOMIC AND SOVEREIGN RISKS	Economic downturns, inflation, and political instability. • Mitigated through geographic and sector diversification, management of LTV ratios, and local partnerships.
SEGMENT AND MARKET RISKS	Overexposure to specific property sectors or locations with unfavourable market conditions. • Managed through a diversified portfolio and continuous market assessments help mitigate these risks.
FOREIGN EXCHANGE RISK	Currency fluctuations affecting revenue, costs and asset valuations. • Addressed via hedging strategies, aligning currency revenues and expenses and ongoing risk monitoring.
MERGERS AND ACQUISITIONS RISKS	Inadequate due diligence processes in acquisitions. • Managed by engaging experts, thorough contracts reviews and monitoring post-merger risks.
CYBER RISKS	IT security breaches and operational failures of the IT infrastructure. • Managed through strengthened IT security measures, staff training and thorough implementation of the data protection act.

EVALUATION OF THE CFO/GROUP FINANCE DIRECTOR

Joanne Mabin resigned as the Group's Chief Financial Officer on 30 August 2024. Phillip Mothoteng was appointed to the position of Group Finance Director on 1 August 2024. The committee has satisfied itself as to the appropriateness, expertise and experience of Mr Mothoteng to fulfil this role, based on his qualifications, level of experience, continuing professional development and the Board's assessment of his financial knowledge.

APPROVAL OF THE COMMITTEE REPORT

The committee confirms that it has functioned in accordance with its terms of reference for the 2024 financial year.

Nicola Milne
Committee Chair

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITTEE REPORT

In striving for sustainable success, RDC is committed to responsibly embedding ESG considerations into our decision-making, operations, and long-term strategy.

Ngwapa Primary School learners proudly await their awards at the annual RDC-sponsored prizegiving ceremony.

COMMITTEE COMPOSITION
Non-Executive directors: 1
Independent Non-Executive Directors: 2

MEMBERS
Federica Giachetti (Chair)
Kate Maphage
Nicola Milne

MEETINGS HELD
Three meetings were conducted in May, September, and November.

MANDATE AND RESPONSIBILITIES
The ESG Committee is responsible for ensuring that RDC's ESG strategy, including the Group's environmental sustainability impacts, social responsibility initiatives and governance practices establish the company as a leader within the property industry.

THE COMMITTEE'S PRIMARY FUNCTIONS INCLUDE
- Overseeing the development and implementation of RDC's ESG Strategy.
- Reviewing and recommending environmental sustainability and social responsibility activities and investments.
- Providing oversight of ESG governance, risks and opportunities.
- Establishing ESG key performance indicators (KPIs) and targets.
- Overseeing the Corporate Social Investment (CSI) programme.
- Developing and monitoring ESG policies and codes of practice.
- Monitoring adherence to corporate citizenship principles and ethical behaviour.
- Providing guidance on sustainable investment planning, design, and management.

ESG APPROACH
RDC is committed to integrating ESG considerations into our operations, strategy, and decision-making processes to create long-term stakeholder value. The company's ESG approach is an evolutionary process, continuously monitored and aligned with global best practices.

RDC's key areas of ESG materiality include:

- Environmental action and awareness.
- Human capital development.
- Customer centricity.
- Diversity, equity, and inclusion (DE&I).
- Community upliftment.
- Ethical practice.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE REPORT

ENVIRONMENTAL SUSTAINABILITY

The Voortrekker Road solar installation has added a combined total of 396 kWp of live solar capacity across two sites significantly boosting the renewable energy footprint and future savings potential for the precinct.

RDC aims to minimise its environmental impact across the portfolio and address climate change through initiatives focused on:

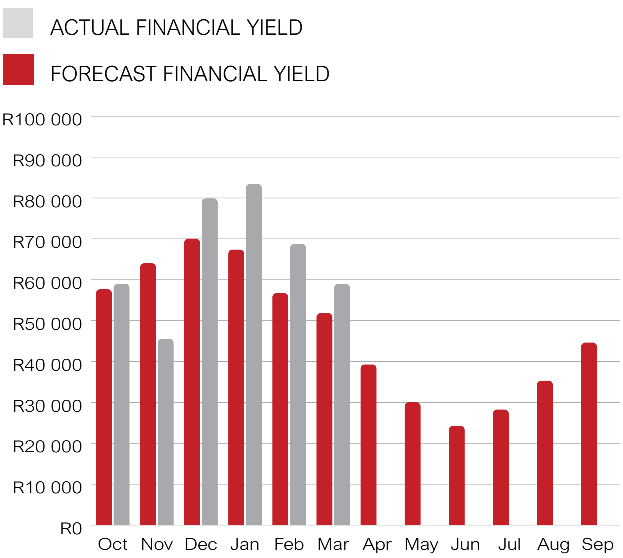
- Greenhouse gas emissions reduction.
- Energy efficiency and renewable energy adoption.
- Water resource management.
- Pollution control.
- Waste reduction and management.
- Sustainable supply chain practices.

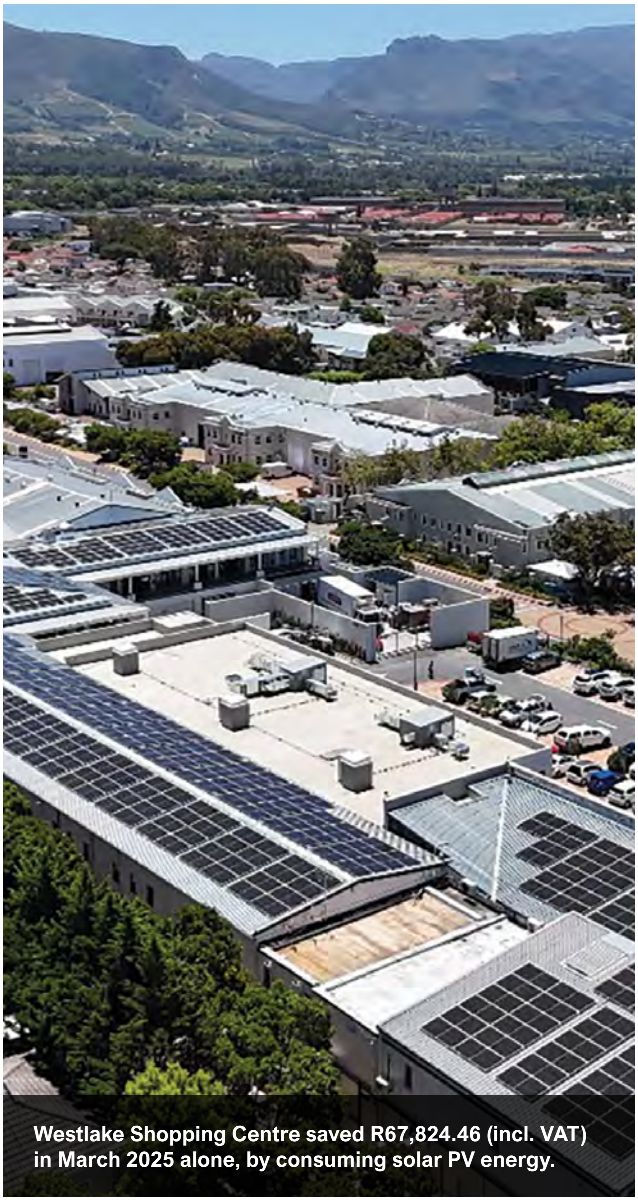
In collaboration with Amethyst Solutions, RDC has developed an ESG roadmap that includes smart metering, energy performance compliance, carbon footprint analysis, and renewable energy projects.

KEY ACHIEVEMENTS IN THE REPORTING PERIOD INCLUDE:

- Completion of a solar and sustainability audit across major assets.
- Execution of 18 Power Purchase Agreements for grid-tied solar photovoltaic (PV) systems, with five installations completed and commissioned.
- Projected annual energy cost savings of approximately P3 million.

WESTLAKE SHOPPING CENTRE SOLAR PV MONTHLY YIELD (FY24/25)





Westlake Shopping Centre saved R67,824.46 (incl. VAT) in March 2025 alone, by consuming solar PV energy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE REPORT

ENVIRONMENTAL PROGRESS INDICATORS:

17%

OF THE PORTFOLIO (BY GLA) HAS ACHIEVED GREEN STAR RATINGS FROM THE GREEN BUILDING COUNCIL SOUTH AFRICA (GBCSA)

54%

OF THE PORTFOLIO (BY GLA) HAS FITTED OR IN-PROGRESS SOLAR PV ENERGY GENERATION SYSTEMS

59%

OF THE PORTFOLIO HAS BEEN FITTED WITH WATER CONSUMPTION MONITORING TECHNOLOGY

RDC is also pursuing renewable energy initiatives in Botswana and Croatia through collaboration with the Botswana Power Corporation and a joint venture with Sunbird Solar Solutions, respectively.

The Edge's solar PV system has been producing since December 2024, with improving performance month on month. March's system availability was 99.54%, indicating minimal downtime.

In February 2025, being its first full month of operation, the Caxton Street solar PV system recorded a net saving of R17,495.52 (incl. VAT) by sourcing 11,614 kWh of solar energy at a discounted PPA rate of R1.30/kWh.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE REPORT

SOCIAL RESPONSIBILITY

RDC's Board-approved Corporate Social Investments (CSI) policy is rooted in a commitment to creating meaningful impact within the communities we serve, through strategic collaboration and focused action.

RDC presents a donation to the Mother Pontsho Foundation at the annual Carols by Candlelight event.

Our robust CSI programme encompasses substantial contributions and targeted initiatives aimed at driving positive, lasting change. Key focus areas of our CSI strategy include:

- **Artists and emerging talent upliftment** through the *Rotating Artist Initiative* at Radisson RED Hotel Rosebank and the *RDC Property Group Art Collection*, which includes contributions to the *Investec Cape Town Art Fair*.
- **Food security and relief** by hosting annual *Human Rights Day* and *Mandela Day Food Drives*.
- **Women's empowerment** and gender equality initiatives like *Queen for a Day* at Cape Quarter and De Ville Centre, and participation in Zambia's *March for Women's Empowerment*. This commitment extends across all levels of the organisation, including employee, management, and board representation of women.
- **Educational upliftment** giving support to schools and learners including initiatives at *Boitumelo, Ngwapa, Kachikau, Chobe Community Junior,* and *Chobe Junior Secondary Schools*.
- **Community relief** by providing aid during times of need through initiatives like *Cruise for a Cause* (Zambian Drought Relief), *DAW Donation Drive*, and support for *SOS Children's Villages* and the *Old Naledi Settlement*.
- **Festive season support** and holiday cheer with the annual *Carols by Candlelight* at Masa Centre (benefitting the *Mother Pontsho Foundation*) and the *Sefhare Primary Hospital donation drive*.


A Boitumelo Primary School student receives his award at the annual RDC Prize-giving.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE REPORT

GOVERNANCE

The committee oversees ethical conduct and corporate governance practices, including:

- Reviewing the corporate governance framework, business ethics, and policies.
- Monitoring adherence to the BSE Corporate Governance Code.
- Conducting formal Board performance reviews.
- Maintaining sub-committees in line with best practices.

The Committee reviewed and approved the Board Charter and Delegation of Authority Policy in September 2024. The Committee's Terms of Reference were also reviewed and amended in November 2024. The Committee collaborates with the Audit and Risk Committee and the Remuneration and Nomination Committee to ensure comprehensive governance oversight.

APPROVAL OF THE COMMITTEE REPORT

The ESG Committee confirms that it has operated in accordance with its terms of reference for the 2024 financial year.

Federica Giachetti

Committee Chair

A little one meets Santa at the Carols by Candlelight fundraiser at Masa Centre.

RDC presents care packages to the Sefhare Primary Hospital team at the annual Christmas donation drive event.

REMUNERATION AND NOMINATION COMMITTEE REPORT

The Remuneration and Nomination Committee ensures that the level, composition and remuneration of Board members is sufficient and reasonable to attract and retain talented individuals who can fulfil such roles, and that RDC has coherent remuneration policies.

RESPONSIBILITIES AND STRUCTURE

The committee's main responsibilities are to ensure that:

- The Board is well represented, cognisant of skills, gender diversity and performance of both executives and non-executives;
- The fees of the directors and asset management company (PAM, together with its 100% subsidiary NAM) are fair and aligned to market in compliance with RDC's remuneration policy;
- Succession plans are in place to maintain an appropriate balance of skills on the Board, and for the executive officers appointed by the asset management company; and
- A member of RDC's Board is appointed on the Board of directors of the asset management company and that transparency is maintained with the Board; and
- The committee's Terms of Reference are reviewed and approved annually.

RDC's Board is structured to:

- Possess a thorough understanding of the business and the competence to address both current and emerging challenges;
- Exercise independent judgement;
- Maintain an appropriately diverse composition;
- Foster enhanced company performance;
- Effectively review and challenge management's performance.

The procedure for appointing new directors is designed to ensure transparency and objectivity.

Each appointment is based on merit, with thorough and extensive searches conducted to identify suitable candidates.

COMMITTEE COMPOSITION

Independent Non-Executive Directors: 3

MEMBERS

Andrew Bradley (Chair)
Kate Maphage
Sithabile Mathe

NUMBER OF MEETINGS

Two (March and November)

The Board appointed Andrew Bradley as the Committee's Chair in September 2024, to align with the BSE's Listings Requirements, which stipulate that the Board Chair should also chair the Remuneration Committee.

SCHEDULE OF DIRECTORS' FEES

	Fees paid 2024			Fees paid 2023		
	Board*	**Committees**	**Total fees paid**	**Board**	**Committees**	**Total fees paid**
Andrew Bradley	**P155,000**	**P63,000**	**P218,000**	P110,000	P66,000	P176,000
Guido Giachetti	**P125,000**	**–**	**P125,000**	P110,000	–	P110,000
Gary Fisher	**P125,000**	**–**	**P125,000**	P110,000	–	P110,000
Federica Giachetti	**P125,000**	**P51,500**	**P176,500**	P95,000	P47,250	P142,250
Giorgio Giachetti	**P110,000**	**–**	**P110,000**	P110,000	–	P110,000
Bogolo Kenewendo	**–**	**–**	**–**	–	P13,500	P13,500
Joanne Mabin	**P80,000**	**–**	**P80,000**	P97,500	–	P97,500
Lesang Magang	**–**	**–**	**–**	P65,000	P12,500	P77,500
Kate Maphage	**P125,000**	**P39,000**	**P164,000**	P110,000	P29,500	P139,500
Sithabile Mathe	**P125,000**	**P36,000**	**P161,000**	P45,000	P19,000	P64,000
Jacopo Pari	**P125,000**	**–**	**P125,000**	P110,000	–	P110,000
Nicola Milne	**P125,000**	**P56,000**	**P181,000**	P110,000	P49,250	P159,250
Simon Susman	**P125,000**	**P30,000**	**P155,000**	P95,000	P16,500	P111,500
Totals	**P1,345,000**	**P275,500**	**P1,620,500**	P1,167,500	P253,500	P1,421,000

* *The Board held an additional meeting in July 2024 to consider the PrimeTime Holdings transaction.*

REMUNERATION AND NOMINATION COMMITTEE REPORT

The existing fee structure has been in place since May 2022 and was approved following a comprehensive benchmarking of RDC's director remuneration against its BSE-listed peers.

A total fee of P1,620,500 is proposed for approval at RDC's 2025 AGM. This represents a 14% increase from the prior year's fee of P1,421,000, primarily driven by:

- the additional Board meeting held in July 2024 to consider the PrimeTime transaction, bringing the total number of meetings to five during the year under review; and
- the increased Chair's emoluments.

Executive directors employed by the asset management company receive a retainer and sitting allowance for their roles and responsibilities as directors but are not entitled to compensation for attending committee meetings. Following Joanne Mabin's departure on 30 August 2024, the number of executive directors reduced to three.

Directors' fees are subject to approval by linked unit holders at each AGM.

KEY ACTIVITIES FOR THE YEAR

APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE CHAIR

The election of Andrew Bradley as the Board's Chair in May 2024, and the transition of Guido Giachetti into the role of Executive Vice Chair, maintaining responsibility for driving strategy and leading the executive team, is addressed within the Governance Report.

Notably, the revised Board Charter, approved in September 2024, introduces a new clause, which requires the Board to nominate an independent non-executive director to act as Chair if the Chair is unavailable. This key governance provision ensures that the roles of Chair and Vice Chair remain distinct. The Vice Chair, as an executive, does not automatically assume the Chair's responsibilities; only an independent non-executive director is authorised to step in. This critical distinction upholds the principles of best practice corporate governance.

The appointment of a non-executive Chair necessitated the committee to review the remuneration of the Chair. Following a benchmarking against BSE-listed peers, the non-executive Chair's remuneration was proposed to be a P75,000 retainer per year, with a P22,500 sitting allowance per Board meeting, which equates to a 50% premium to other non-executive directors.

For the committees, the fee paid is P3,500/hour per meeting for the chair of the committee, and P3,000/hour per meeting for non-executive members of the committee.

The fees for the directors serving on the Board and its committees are reviewed in principle every five years although the Board reserves the right to conduct a review outside the proposed period should there be a pressing need to do so, following this committee's recommendation.

INDEPENDENCE ASSESSMENT OF KATE MAPHAGE

In line with the requirement for annual independence assessments to be undertaken after the nine-year tenure limit, the committee conducted an independence assessment of Ms Maphage in November 2024. Having considered all relevant factors, including her submitted declaration of interests, the Committee confirmed its satisfaction that Ms Maphage continued to exercise objective judgement in carrying out her duties and that there was no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, would be likely to influence her decision-making.

The Board subsequently accepted the committee's recommendation that Ms Maphage should retain her position as an independent non-executive director, whilst noting that she owned 500,000 shares in PrimeTime Holdings Limited.

DIRECTOR NOMINATIONS AND SUCCESSION PLANNING

In August 2024 Joanne Mabin, Executive Director and Chief Financial Officer, left the management company and the Board.

Mr Giorgio Giachetti and Ms Kate Maphage have decided not to present themselves for re-election and will therefore retire at the 2025 AGM. The Board gratefully acknowledges the significant contributions of these long-standing members to RDC's success.

Giorgio, a founding member of RDC, has consistently supported the company by actively participating on the Board and providing crucial capital during rights issues. His longstanding contributions are deeply appreciated.

Prior to joining RDC's Board over a decade ago, Kate served as a Board member at Three Partners Resort (Pty) Ltd. RDC acknowledges her substantial role in driving the company's growth and success over the years.

A comprehensive Board self-evaluation exercise conducted in early 2024 yielded valuable insights, assisting to identify new candidates with the right skill sets and attributes to further enhance the Board's diversity and effectiveness. The committee's succession planning process is aligned with the company's overall strategy.

The Board accepted the committee's recommendation to appoint two new candidates to the board with effect from June 2025, subject to approval by linked unit holders at the 2025 AGM.

Ms Tshepiso Mganga is a seasoned marketeer with eighteen years of professional experience in the tourism and hospitality sectors. As co-founder and CEO of City & Safari International, a successful destination management company, she has demonstrated excellence in strategic marketing, destination management and business development. A dynamic entrepreneur with significant expertise in hospitality and marketing, Tshepiso is recognised for nurturing impactful engagements rooted in community development and stakeholder relationship management. Her extensive experience and alignment with RDC's core values and vision will be a valuable asset at both Board and committee levels, supporting RDC's expansion in the hospitality sector.

REMUNERATION AND NOMINATION COMMITTEE REPORT

Ms Lorato Mosetlhanyane is a Bachelor of Commerce graduate from the University of Botswana and holds an MBA from Oxford Brookes University in the United Kingdom. She is a member of the Association of Certified Chartered Accountants. Lorato is a seasoned and strategic corporate executive and her financial, risk management and governance expertise of almost three decades will add value to RDC. Her previous leadership roles include Chair of the Board at Access Bank of Botswana and Chief Finance Officer at Botswana Life Insurance Limited. In 2013, she founded Pinnalead, a leadership development organisation, where she serves as a Professional Certified Coach, developing and mentoring the next generation of business leaders.

In addition to both aligning with the skills matrix, age diversity and committee requirements, these new appointments would impact the Board as follows:

- Enhance gender diversity from 40% to 50% female
- Increase the proportion of independent directors from 50% to 60%
- The proportion of non-executive directors remains 70%

EVALUATIONS

The committee and Board are satisfied that the performance of the executive management team continues to enhance RDC's performance in the best interest of unit holders.

In November 2024, comprehensive evaluations were conducted to assess the performance of the Board, its committees, executive management, and both external and internal company secretaries. The multi-question surveys yielded very positive overall results, indicating a consensus that the Board and its committees operate efficiently and enable productive deliberations. Having facilitated the process, the committee submitted detailed ratings and feedback to the Board who acknowledged that, while the quantitative ratings were valuable, the qualitative feedback provided was particularly insightful.

ASSET MANAGEMENT COMPANY APPOINTMENTS AND REORGANISATION

The asset management company is responsible for the succession planning of the executive and management team. The current division of executive responsibilities provides a depth of management that mitigates business continuity risks for RDC in the event of leadership transitions. This resilience was demonstrated following the departure of Joanne Mabin, Executive Director and Chief Financial Officer, on 30 August 2024.

- Phillip Mothoteng was appointed as Group Finance Director and Compliance Officer, based at RDC's Gaborone Head Office. A distinguished finance expert with over fifteen years of experience, he has held key leadership roles, including Finance Manager/ Director at Unitrans Botswana and Group Financial Controller at BSE-listed Cresta Marakanelo Limited and Kgalagadi Breweries Limited. Phillip, who holds an Executive MBA, is widely respected for his expertise in financial control and corporate governance.
- Saleem Khan was appointed as Group Financial Manager, based at RDC's Cape Town Office, to oversee finance operations for the Group. With more than 20 years of experience, he has held key leadership positions, including Chief Financial Officer and Commercial Director at aha Hotels & Lodges. His extensive background in financial leadership across major hotel groups makes him a valuable member of the team in overseeing RDC's finance operations.

As RDC continues to expand beyond Botswana, these strategic appointments reinforce its commitment to strengthening leadership with professionals who bring both expertise and vision, ensuring the Group's continued financial growth and stability.

In November 2024 the Committee considered the asset management company's revised organisational reporting structure and its implications for RDC. Given that the company operates across multiple jurisdictions and manages diverse lines of business, the optimal organisational structure balances regional considerations with business line specialisation by adopting a hybrid matrix model.

The committee agreed that the new structure for the asset management company would enhance operational efficiency and the outlined shift towards a more conventional matrix structure with clearer reporting lines has the benefit of:

- balancing regional considerations with business line specialisation
- ensuring role clarity
- streamlining operations
- enhancing succession planning
- improving systems to avoid depending on individuals.

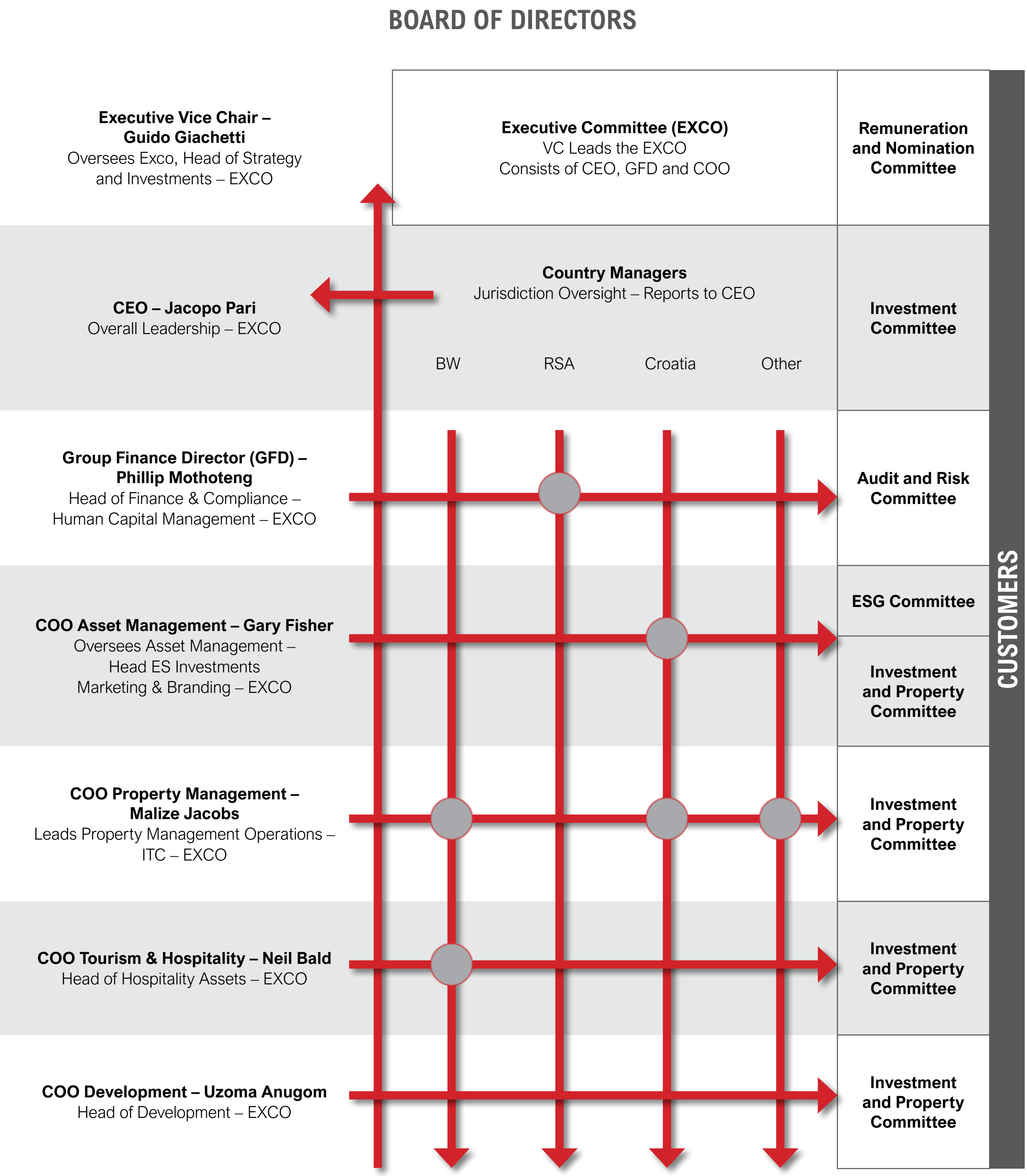
The salient organisational structure of the management company is now the following:

- RDC Vice Chair (Chair of PAM/NAM) – Guido R Giachetti
- Chief Executive Officer (CEO) – Jacopo Pari
- Functional Heads (Business Unit Head):
  - Head of Finance and Support Departments – Group Finance Director (GFD) – Phillip Mothoteng
  - Head of Asset Management and Environment and Social (COO Asset Management) – Gary Fisher
  - Head of Property Management (COO Property Management) – Malize Jacobs
  - Head of Leisure and Hospitality (COO Tourism & Hospitality) – Neil Bald
  - Head of Developments (COO Developments) – Uzoma Anugom
- Country Managers (for each jurisdiction):
  - Botswana – Letsweletse Ramokate
  - Republic of South Africa – Gary Fisher
  - Croatia – Ivan Bozac
  - Other
- Support functions – Human Resources and IT Department

This structure allows RDC to remain agile and responsive while effectively managing local specificities.

REMUNERATION AND NOMINATION COMMITTEE REPORT

PAM REPORTING TO RDC PROPERTY GROUP – ORGANISATIONAL CHART



REMUNERATION AND NOMINATION COMMITTEE REPORT

DIRECT EMPLOYMENT OF MANAGEMENT COMPANY EMPLOYEES

RDC was awarded International Financial Services Centre (IFSC) certification in 2023. As a key requirement for IFSC-registered companies is to create employment within Botswana, RDC has directly employed the six Batswana staff that deal with the offshore aspects of the business, who were previously employed by the asset management company in terms of the Management Agreement. They became RDC employees effective 1 January 2024. This transition has no cost implications for RDC as all direct costs of these staff are offset against the fees paid to the asset management company by RDC, and there were no negative implications for the employees. These staff have been seconded back to the asset management company to continue performing the functions they had performed whilst employed by the asset management company, and a training plan is being prepared, to maximise the benefits of the skills development levy that has become available for these staff.

PROPOSED INCENTIVE SCHEME

In 2024, the asset management company awarded a short-term cash incentive bonus based on achieving set individual performance criteria and KPIs. Bonuses, ranging from zero to 2x monthly salary, were paid to management and staff by the asset management company in December 2024.

The last report noted the management company's belief that it would be beneficial to propose a long-term RDC share incentive scheme, to create a long-term alignment. The first step of the exercise had taken place, namely setting the principles and parameters in accordance with best practice. This process included industry benchmarking and engagement with PricewaterhouseCoopers.

Tangible progress has been achieved during 2024. The operational framework has been created, which is being tested, to address the quantum. RDCP's involvement would be in terms of funding the quantum for exceeding the stretch targets of the short term incentive scheme, and the share incentives of the medium to long term scheme.

The medium to long term incentives are reserved for the executives and will emanate directly from the strategic targets of the company. This aspect of the incentive scheme is undergoing further testing and detail analysis.

It is likely that a proposal will be submitted for approval at the company's 2026 AGM, to apply for the 2025 financial year.

APPROVAL OF THE COMMITTEE REPORT

The committee confirms that it has functioned in accordance with its terms of reference for the 2024 financial year.

Andrew Bradley
Committee Chair

THE DAVID LIVINGSTONE SAFARI LODGE AND SPA, LIVINGSTONE, ZAMBIA

CORPORATE GOVERNANCE REPORT

RDC is governed by a Board of Directors that directs strategy and operations to build a sustainable business while considering the long-term impact on the environment, society and the economy. The Board is the custodian of corporate governance and ensures that the Group operates effectively, efficiently and in compliance with applicable laws and regulations.

BOARD CHARTER

The Board's scope of authority, responsibility and functioning are detailed in a formal Board charter. The charter also outlines directors' fiduciary duties in accordance with Section 130 of the Companies Act.

In terms of the charter, directors retain overall responsibility and accountability for:

- Formulating and monitoring implementation of the Group's long-term business strategy;
- Identifying key risks that threaten the Group's ability to achieve its strategy;
- Understanding the strategic importance of information technology (IT) and IT governance;
- Approving the Group's investment plans, budgets, forecasts and all major development contracts;
- Appointing companies that provide property, asset and project management services;
- Establishing sound accounting and financial control principles;
- Reviewing reports submitted to the Board for approval;
- Monitoring operational performance and management;
- Ensuring legislative, regulatory and governance compliance;
- Selecting, orientating and evaluating directors; and
- Managing stakeholder engagement and communication with linked unit holders.

The Board reviews the charter annually to ensure its alignment with regulatory changes and best practice corporate governance principles. Following the election of Andrew Bradley as the Board's independent non-executive Chair, a revised version of the Board Charter was approved in September 2024.

BOARD COMPOSITION

RDC has a unitary Board structure with 10 members as at 31 December 2024. Biographical details of the directors appear on page 44 and 45.

APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE CHAIR AND AN EXECUTIVE VICE CHAIR

As practised after each AGM, the Board nominates a Chair for the following year. At the Board Meeting of 23 May 2024, Andrew Bradley was elected as independent non-executive Chair, previously fulfilling the role of Lead Independent Director. Guido Giachetti was appointed as Executive Vice Chair, maintaining responsibility for driving strategy and performance of the asset management company.

This transition successfully resolved the sole outstanding finding of the corporate governance review conducted by the Botswana Accountancy Oversight Authority's (BAOA), that the Chair was not an independent non-executive director. This prompted a review of Board Charter, Delegation of Authority, and numerous other policies and procedures. From a governance perspective, it is important to note that Board Charter was updated to include a new clause which requires the Board to nominate an independent non-executive director to act as Chair, should the Chair be unavailable. This governance distinction between the roles of the Chair and Vice Chair is a key point.

EXECUTIVE AND NON-EXECUTIVE DIRECTORS

The procedure for appointing new directors is designed to ensure maximum transparency and objectivity, with each appointment being based on merit.

Non-executive directors are invited to join the Board for a three-year period, subject to re-election by unit holders as provided for in RDC's Constitution. Directors are required to maintain high standards of ethics, integrity and values, and exercise their powers and discharge their duties honestly, in good faith and in the best interests of the Group. Directors are accountable to RDC's stakeholders.

We promote ethical business practices in all aspects of our operations by upholding the principles of integrity, transparency, accountability, fairness and intensive communication with stakeholders.

CORPORATE GOVERNANCE REPORT

The Board maintains that directors who have served an extended period may be able to contribute unique skills, knowledge and experience to the Board. Such members may be re-elected, subject to an independence assessment.

The following individuals have been directors of RDC for more than nine years:

- Guido Giachetti: Executive Vice Chair
- Jacopo Pari: CEO
- Giorgio Giachetti: Non-Executive Director; and
- Kate Maphage: Independent Non-Executive Director.

The independence of all independent non-executive directors serving for more than nine years has been assessed by the Remuneration and Nomination Committee for recommendation to the Board, to ensure that they discharge their duties effectively and in a consistently independent manner; that there is no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, would be likely to influence their decision-making; and that they constructively and appropriately challenge the executive management team and the Board.

A declaration of interests is completed by each Board member and updated at each Board meeting. The interests of executive directors are clearly detailed in the declaration. The independent Chair represents the company on the Board of the asset management company, whose minutes are available for oversight by any director of the company.

The Board is satisfied that all directors bring independent judgement to bear during the performance of their duties and have declared any interests as required. The Board is satisfied with the composition of its Board.

The non-executive directors meet at least once a year, preferably after each Board meeting, to discuss any matters they deem necessary, without the executive management team responsible for the day-to-day operations.

EXECUTIVE MANAGEMENT TEAM

The Board is supported by an executive management team that is accountable for RDC's overall performance and day-to-day management, as well as implementing the Group's strategy. This division of responsibilities ensures a balance of authority and power, with no individual having unrestricted decision-making powers.

The executive management team comprises:

- CEO: Chief Executive Officer
- GFD: Group Finance Director
- COO Asset Management, Environment and Social
- COO Property Management
- COO Tourism & Hospitality
- COO Developments

The executive management team is employed by PAM (and NAM, its 100% subsidiary) and their staff costs are offset against the fees paid to PAM as part of a full-service contract.

RDC was awarded International Financial Services Centre (IFSC) certification in 2023. As a key requirement for IFSC-registered companies is to create employment within Botswana, RDC directly employed the six Batswana staff that deal with the offshore aspects of the business, effective 1 January 2024. These staff were then seconded back to PAM to continue performing the functions they had performed whilst employed by PAM. This transition has no cost implications for RDC as all direct costs of these staff are offset against the fees paid to the asset management company by RDC, and there were no negative implications for the employees.

BOARD COMMITTEES

The Board is assisted by four Board committees that operate according to Board-approved terms of reference. These are the:

- Audit and Risk Committee;
- ESG Committee;
- Investment and Property Committee; and
- Remuneration and Nomination Committee.

The Board is responsible for the implementation of tasks delegated to the committees. The directors confirm that the committees have functioned according to their terms of reference, and each committee is satisfied that it has fulfilled its responsibilities during the year.

CORPORATE GOVERNANCE REPORT

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

	Board	Audit and Risk Committee	Investment and Property Committee	Environmental, Social and Governance Committee	Remuneration and Nomination Committee
Andrew Bradley	5/5	2/3	4/4	–	2/2
Gary Fisher	5/5	3/3	4/4	3/3	–
Federica Giachetti	5/5	–	4/4	3/3	–
Giorgio Giachetti	4/5	–	–	–	–
Guido R Giachetti	5/5	3/3	4/4	3/3	2/2
Joanne Mabin*	2/2	1/1	2/2	–	1/1
Kate Maphage**	5/5	1/1	–	3/3	2/2
Sithabile Mathe	5/5	–	4/4	–	2/2
Nicola Milne	5/5	3/3	–	3/3	–
Jacopo Pari	5/5	4/4	4/4	2/3	2/2
Simon Susman	5/5	3/3	–	–	–

* *Joanne Mabin was a director of the company for the March and May 2024 meeting cycles only.*

** *Kate Maphage was appointed to the Audit and Risk Committee from the November 2024 meeting cycle.*

BOARD PROFILE

The Board's profile in terms of independence, gender diversity, age and tenure is detailed on page 50.

BOARD SKILLS

The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence. Non-executive directors contribute a wide range of industry knowledge and experience to the Board and are not involved in the daily operations of the Group. All non-executive directors have unrestricted access to the executive management team.

	Andrew Bradley	Federica Giachetti	Giorgio Giachetti	Kate Maphage	Sithabile Mathe	Nicola Milne	Simon Susman
Real Estate Industry (Investments/Developments)	X	X	X	X	X	X	X
Hospitality Industry			X		X		
Strategy	X	X	X	X		X	X
Finance and Risk	X	X		X		X	X
Regulatory and Compliance and Legal	X			X	X	X	X
Sustainability		X	X		X	X	X
Organisation and Operations	X			X		X	X
New Technology and AI/Digital Transformation		X	X				
Sales and Marketing	X		X	X	X		

BOARD EVALUATION AND TRAINING

The Board leads the value creation process by appreciating the inseparable nature of strategy, risks, opportunities, performance and sustainable development.

In November 2024, comprehensive evaluations were conducted to assess the performance of the Board, its committees, executive management, and both external and internal company secretaries, as outlined on page 30.

The Board is satisfied that the evaluation process is improving Board performance and effectiveness.

The induction and ongoing training of directors is conducted by means of formal processes.

CORPORATE GOVERNANCE REPORT

COMPANY SECRETARY

The company secretarial function is outsourced to PricewaterhouseCoopers (Pty) Ltd (PwC). Saumendu Sinha from PwC is responsible for this function.

Saumendu is a Fellow Member of the Botswana Institute of Chartered Accountants with over 30 years' relevant experience in both the listed and unlisted sectors, as well as extensive knowledge and understanding of the compliance environment (both the Companies and Intellectual Property Authority and BSE).

The company secretary plays a critical role in the Group's corporate governance, advising the Board on corporate governance best practices, legal and statutory amendments, and the effective execution of directors' responsibilities and fiduciary duties. The company secretary also assists the Board and its committees in their self-assessment process. Directors have unrestricted access to the company secretary's advice and services.

In reviewing the company secretary's performance for the year, items considered included the quality and timely completion of specific engagements, as well as the response time to queries or clarifications sought by stakeholders. The Board is satisfied with the performance of the company secretary and that he possesses the desired qualifications, experience, skills and competence to fulfil this role.

The company secretary is assisted by the internal company secretary, Lucy Caplan. Having undertaken tertiary studies through the London Chamber of Commerce and Industry and the Chartered Governance Institute of Southern Africa, Lucy brings over 30 years' corporate secretarial experience to the Group. As a team, Saumendu and Lucy ensure that RDC adheres to best practice corporate governance standards in all aspects of our operations.

On 1 March 2024, RDC formally announced the change in its Nominated Transfer Secretary, in accordance with the Botswana Stock Exchange Equity Listings Requirements. RDC appointed the Central Securities Depository Botswana ("CSDB"), a subsidiary of the Botswana Stock Exchange, as its new Transfer Secretary in line with the provisions of the Securities Act of 2014, following the resignation of PwC who had previously been fulfilling this function. Since this transition the CSDB has been paid P78,000 for their services. RDC further resolved to manage ad hoc corporate actions and related investor processes internally.

SERVICE CONTRACTS

RDC's management agreement with PAM is subject to review every five years to assess competitiveness and service quality. It was last reviewed in November 2023, when an exercise to benchmark RDCP against its BSE-listed peers confirmed that the remuneration paid to PAM (0.5% of market cap plus debt) is fair, reasonable and in line with the market.

In terms of the management agreement PAM is to provide to RDC and its subsidiaries ("companies") the following services:

- Manage the companies owned by the companies or acquired by the companies, from time to time (hereinafter referred to as the "Property Portfolio");
- The management and secretarial work for the companies and all subcommittees of the Board.

The Board confirms that the relationship between the Board and the company secretary remains at arm's length. The Board reviews the relationship annually and ensures that the company secretary does not take on any management or executive duties for the Board.

- Prepare recommendations for future developments and strategies of RDC and carry out investigations in respect of acquisitions, developments, refurbishments, expansions and disposals of property.
- Carry out the letting of Property Portfolio including the preparation of leases, collection of rentals and other income.
- Payment of expenses relative to the Property Portfolio.
- Supervise all employees employed in respect of the Property Portfolio.
- Effect, on behalf of the companies, adequate and proper insurance of the Property Portfolio.
- Maintain books and records in respect of the properties in the Property Portfolio and the companies.
- Prepare financial reports and budgets of the properties in the Property Portfolio and the companies.
- Report to the board of RDC quarterly.
- Within 3 months of the beginning of each financial year prepare a budget in respect of the Property Portfolio and the companies, for approval by the board of RDC.
- Obtain independent open market valuations of the properties in the Property Portfolio from time to time.

In terms of the management agreement PAM is entitled to the following recurring fees:

- A monthly service charge of one 24th of 1% of the aggregate market value of RDC at the end of each month, determined by multiplying the total number of linked units in issue by the weighted average price of the linked units on each of the preceding 30 days, plus the amount of debt (excluding debt in respect of debentures forming part of the linked units)

- A fee of 3% of all monies collected by tenants of the Property Portfolio in respect of management of the portfolio.
- A fee equivalent to 0.5% of all monies collected from tenants of the Property Portfolio for administration and secretarial work and all subcommittees of the Board.
- A fee of 5% of the costs of all repairs and renovation to a property in the Property Portfolio.

DIRECTORS' INTERESTS IN CONTRACTS

Andrew Bradley, Guido Giachetti, Giorgio Giachetti, Gary Fisher and Jacopo Pari are directors of PAM and/or its subsidiaries, which provide asset management, property management, accounting and secretarial services to RDC.

Giorgio Giachetti has a direct interest in RDC's investment in a joint venture company, HMS1 Société Anonyme (HMS1). The company owns the Isalo Rock Lodge in Madagascar.

Guido Giachetti, Giorgio Giachetti and Jacopo Pari are directors of Italtswana Construction Company (ICC), an engineering company that, from time to time, provides maintenance and construction services to RDC. The appointment of ICC for any construction contracts is reviewed by the Board on a case-by-case basis. The Board follows a completely transparent tender process or is assisted by an independent consulting team that manages the contractual process.

Guido Giachetti, Giorgio Giachetti and Jacopo Pari are directors in companies that have material leases of RDC, as follows:

- Lease over Chobe Marina Lodge, Kasane, Botswana;
- Lease over the Protea by Marriott, Gaborone, Botswana (located in the Masa Centre); and
- Lease over the Radisson RED Hotel, Rosebank, Johannesburg.

Gary Fisher has a direct interest in Capitalgro Property Management, which provides property management services to the Capitalgro portfolio in South Africa.

ACCOUNTABILITY AND COMPLIANCE

ANNUAL GENERAL MEETING

RDC's annual general meeting (AGM) affords individual unit holders the opportunity to question the independent, non-executive chair and members of the Board. Notice of the AGM is sent to unit holders at least 21 calendar days before the meeting. At the meeting, after each resolution has been dealt with, details are provided on the number of proxies lodged, together with details of votes cast for and against each resolution.

Our AGM was held on 23 May 2024 at which total voting rights represented were 715,415,146 of the company's total 758,232,937 issued linked units, being 94.35% representation. Each of the six ordinary resolutions were passed by the requisite majorities.

RISK MANAGEMENT

The Board is responsible for overseeing the risk management process and is assisted in this regard by the Audit and Risk Committee. Risks are managed according to a Board-approved risk management policy that provides guidance on how risks are to be identified, assessed, managed and monitored. See the Audit and Risk Committee Report on page 21 and 22 for more information.

Appropriate insurance cover is taken for all material risks. This cover is reviewed annually against claims and other events affecting the Group.

INTERNAL CONTROLS

RDC has implemented systems of internal control aimed at:

- Safeguarding assets and reducing the risk of loss, error, fraud and other irregularities;
- Ensuring the accuracy and completeness of accounting records and reporting;
- Preparing timely and reliable financial statements and information in compliance with relevant legislation;
- Complying with accounting policies and practices in accordance with International Financial Reporting Standards (IFRS); and
- Increasing the probability of anticipating unpredictable risk.

The Audit and Risk Committee appointed Baker Tilly as the internal auditor in February 2024 with the objective of ensuring a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. Internal auditing is aimed at ensuring the:

- Effectiveness and efficiency of all operations;
- Reliability and integrity of operational and financial information;
- Compliance with applicable laws, regulations, contracts, policies and procedures; and
- Safeguarding of assets.

During the review period, the internal audit function conducted a risk-based audit of the property management process, policies, and risk management framework. The objective was to identify and report control inefficiencies to the Audit and Risk Committee, ensuring enhanced governance and risk mitigation.

INFORMATION TECHNOLOGY GOVERNANCE

The Board actively oversees the management and strategic investment in Information Technology (IT), with particular focus on information privacy, cybersecurity, data integrity, and the effectiveness of systems that support timely, accurate, and relevant reporting to stakeholders. The Audit and Risk Committee supports the Board in fulfilling its IT governance responsibilities, drawing on the expertise of external IT specialists as required to ensure robust oversight and industry best practices.

To strengthen IT governance across the organisation, an enterprise-wide IT Governance Framework is currently being formalised. This framework will guide the effective management of RDC's information assets, align IT initiatives with business objectives, and ensure compliance with applicable regulatory and security requirements. Key components include the development of a comprehensive IT Strategy and supporting policies that addresses key governance areas such as cybersecurity, data protection, disaster recovery, system access controls, and vendor management.

This structured approach will enhance RDC's ability to manage technology-related risks, support digital innovation, and safeguard stakeholder interests in an increasingly complex digital environment.

CORPORATE GOVERNANCE REPORT

LEGISLATIVE COMPLIANCE

RDC maintains a robust compliance framework overseen by the company secretary, which includes regular monitoring, reporting, and updates on legislative and regulatory obligations. The Board ensures adherence through scheduled compliance reviews, internal audits, and by fostering a culture of accountability and transparency. This framework supports proactive risk management and ensures ongoing alignment with the requirements of a listed entity.

DEALINGS IN COMPANY SECURITIES

Directors, management and staff are not permitted to transact in RDC shares in any way during closed periods and when they possess unpublished price-sensitive information related to the Group.

Directors and members of the executive management team are mandated to declare to the company secretary all personal dealings in RDC securities, and this information is disclosed to linked unit holders. All share transactions are disclosed within the prescribed time on X-news, the BSE's information portal.

CORPORATE GOVERNANCE

We adopted the King Report on Corporate Governance for South Africa (King III) as our framework for corporate governance. RDC has applied the guidelines as entrenched in the revised BSE listing rules in so far as appropriate and practical for a company of our size. The implications of the King IV guidelines have also been considered by the directors as we believe that King IV promotes transparency and considers the challenges and realities of today's business environment.

OUTCOME: C = Compliant P = Partially compliant U = Under review N = Non-compliant N/A = Not applicable

	PRINCIPLE	OPERATION	
1.	**ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP**		
1.1	The Board should provide effective leadership based on an ethical foundation.	The Board has adopted the requirements of King III and considers best corporate governance practices to be critical in the delivery of its mandate.	C
1.2	The Board should ensure that the Company is and is seen to be a responsible corporate citizen.	The Board has adopted a holistic approach to economic, social and environmental issues in the business strategy.	C
1.3	The Board should ensure that the Company's ethics are managed effectively.	Covered in the Code of Ethics.	C
2.	**BOARDS AND DIRECTORS**		
2.1	The Board should act as the focal point for and custodian of corporate governance.	Refer to principle 1.1 and 1.2.	C
2.2	The Board should appreciate that strategy, risk performance and sustainability are inseparable.	The Board has risk and sustainability policies in place.	C
2.3	The Board should provide effective leadership based on an ethical foundation.	Refer to principle 1.1.	C
2.4	The Board should ensure that the company is and is seen to be a responsible corporate citizen.	Refer to principle 1.2.	C
2.5	The Board should ensure that the company's ethics are managed effectively.	Refer to principle 1.3.	C
2.6	The Board should ensure that the company has an effective and independent Audit Committee.	The Audit and Risk Committee comprises three independent directors. Executive directors and external auditors only attend by invitation.	C
2.7	The Board should be responsible for the governance of risk.	The Audit and Risk Committee monitors the adequacy and effectiveness of the risk management process and reports to the Board.	C

CORPORATE GOVERNANCE REPORT

PRINCIPLE		OPERATION	
2.	**BOARDS AND DIRECTORS continued**		
2.8	The Board should be responsible for IT governance.	The Audit and Risk Committee monitors the adequacy and effectiveness of IT governance and reports to the Board.	C
2.9	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	The Finance Director is also the compliance officer and manages compliance with applicable laws and legislation.	C
2.10	The Board should ensure that there is an effective risk-based internal audit.	The Audit and Risk Committee has appointed Baker Tilly to perform the internal audit function.	C
2.11	The Board should appreciate that stakeholders' perceptions affect the company's reputation.	Refer to principle 1.1, 1.2 and 1.3.	C
2.12	The Board should ensure the integrity of the company's Integrated Annual Report.	The Integrated Annual Report is enhanced continuously in response to the changing nature of the Group and best practice. Processes to ensure integrity are in place.	C
2.13	The Board should report on the effectiveness of the company's system of internal controls.	Executive management and external auditors report on the effectiveness of internal controls to the Audit and Risk Committee, which then reports to the Board. The internal auditors report to the Audit and Risk Committee on the effectiveness of internal controls.	C
2.14	The Board and its directors should act in the best interest of the company.	Board members understand their fiduciary duty to act in the best interest of the Group. Declarations of interests and dealings are conducted at every Board and committee meeting.	C
2.15	The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Act.	The Board is aware of this requirement.	C
2.16	The Board should elect a Chair of the Board who is an independent non-executive director. The CEO of the company should not also fulfil the role of Chair of the Board.	The Board appointed an independent non-executive Chair on 23 May 2024. Neither the Vice Chair nor CEO fulfil the role of Chair.	C
2.17	The Board should appoint the CEO and establish a framework for the delegation of authority.	A CEO has been appointed and a delegation of authority is in place.	C
2.18	The Board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	The Board comprises ten directors, seven of whom are non-executive and five of whom are independent.	C
2.19	Directors should be appointed through a formal process.	Directors are appointed through a process that is formalised in the Board charter.	C
2.20	The induction of and ongoing training and development of directors should be conducted through formal processes.	Induction of and ongoing training and development of directors is conducted through a process that is formalised in the Board charter.	C
2.21	The Board should be assisted by a competent, suitably qualified and experienced company secretary.	The Board has appointed a qualified and experienced company secretary.	C
2.22	The evaluation of the Board, its committees and individual directors should be performed every year.	A formal evaluation process of the Board, committees and individual directors was undertaken in November 2024.	C
2.23	The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	The four committees report directly to the Board and are guided by their respective terms of reference.	C

CORPORATE GOVERNANCE REPORT

PRINCIPLE		OPERATION	
2.	**BOARDS AND DIRECTORS continued**		
2.24	A governance framework should be agreed between the Group and its subsidiary boards.	Covered in the Board charter.	C
2.25	Companies should remunerate directors and executives fairly and responsibly.	The Remuneration and Nomination Committee makes recommendations to the Board. Fees for non-executive directors are determined by the Board and are reviewed every five years.	C
2.26	Companies should disclose the remuneration of each individual director and prescribed officer.	Directors' fees are disclosed in the Remuneration and Nomination Committee Report on page 28.	C
2.27	Shareholders (linked unit holders) should approve the company's remuneration policy.	A remuneration policy is in place that is reviewed and monitored by the Remuneration and Nomination Committee.	C
3.	**AUDIT COMMITTEES**		
3.1	The Board should ensure that the company has an effective and independent Audit Committee.	The Audit and Risk Committee comprises three independent non-executive directors.	C
3.2	Audit Committee members should be suitably skilled and experienced independent non-executive directors.	The Audit and Risk Committee comprises three suitably skilled and experienced independent non-executive directors.	C
3.3	The Audit Committee should be chaired by an independent non-executive director.	The Chair is an independent non-executive director.	C
3.4	The Audit Committee should oversee integrated reporting.	The Audit and Risk Committee oversees integrated reporting.	C
3.5	The Audit Committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	The external auditors report directly to the Audit and Risk Committee.	C
3.6	The Audit Committee should satisfy itself of the expertise, resources and experience of the company's finance function.	The Audit and Risk Committee reviews the suitability and expertise of the Finance Director, and the adequacy of the finance department, on an annual basis.	C
3.7	The Audit Committee should be responsible for overseeing of internal audit.	Refer to principle 2.10.	C
3.8	The Audit Committee should be an integral component of the risk management process.	The Audit and Risk Committee oversees the risk management process.	C
3.9	The Audit Committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	The Audit and Risk Committee recommends the appointment of the external auditors to the Board.	C
3.10	The Audit Committee should report to the Board and shareholders on how it has discharged its duties.	The Audit and Risk Committee reports to the Board. It also reports to linked unit holders through the Integrated Annual Report and at the AGM.	C
4.	**THE GOVERNANCE OF RISK**		
4.1	The Board should be responsible for the governance of risk.	Refer to principle 2.7 and 3.8.	C
4.2	The Board should determine the level of risk tolerance.	Refer to principle 2.7 and 3.8.	C
4.3	The Risk Committee or Audit Committee should assist the Board in carrying out its risk responsibility.	Refer to principle 2.7 and 3.8.	C

CORPORATE GOVERNANCE REPORT

PRINCIPLE		OPERATION	
4.	**THE GOVERNANCE OF RISK continued**		
4.4	The Board should delegate to management the responsibility to design, implement and monitor the risk management plan.	Management designs, implements and monitors the risk management plan. The Audit and Risk Committee evaluates the risk analysis performed and advises the Board.	C
4.5	The Board should ensure that risk assessments are performed on a continual basis.	Refer to principle 4.4.	C
4.6	The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks.	Refer to principle 4.4.	C
4.7	The Board should ensure that management considers and implements appropriate risk responses.	Refer to principle 4.4.	C
4.8	The Board should ensure continual risk monitoring by management.	Refer to principle 4.4.	C
4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	Refer to principle 4.4.	C
4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders is in place.	Summary risk categories and mitigations are included on page 22.	C
5.	**THE GOVERNANCE OF INFORMATION TECHNOLOGY**		
5.1	The Board should be responsible for IT governance.	The Audit and Risk Committee monitors the adequacy and effectiveness of IT governance and reports to Board.	C
5.2	IT should be aligned with the performance and sustainability objectives of the company.	A formal IT policy has been approved.	C
5.3	The Board should delegate to management the responsibility for the implementation of an IT governance framework.	Refer to principle 5.2. It is addressed in the IT policy.	C
5.4	The Board should monitor and evaluate significant IT investments and expenditure.	Refer to principle 5.2.	C
5.5	IT should form an integral part of the company's risk management.	Refer to principle 5.2.	C
5.6	The Board should ensure that information assets are managed effectively.	Refer to principle 5.2.	C
5.7	A Risk Committee and Audit Committee should assist the Board in carrying out its IT responsibilities.	The Audit and Risk Committee oversees IT governance and reports to Board.	C
6.	**COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS**		
6.1	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Refer to principle 1.2 and 2.9.	C
6.2	The Board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business.	The Board comprises of competent and experienced individuals. The Board also consults with the company secretary and other independent consultants where necessary.	C

CORPORATE GOVERNANCE REPORT

	PRINCIPLE	OPERATION	
6.	**COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS continued**		
6.3	Compliance risk should form an integral part of the company's risk management process.	Refer to principle 3.5.	C
6.4	The Board should delegate to management the implementation of an effective compliance framework and processes.	Management designs, implements and monitors the compliance framework as part of the risk management plan. The Audit and Risk Committee evaluates and advises the Board.	C
7.	**INTERNAL AUDIT**		
7.1	The Board should ensure that there is an effective risk-based internal audit.	Refer to principle 2.10.	C
7.2	Internal audit should follow a risk-based approach to its plan.	Refer to principle 2.10.	C
7.3	Internal audit should produce a written assessment of the effectiveness of the company's system of internal control and risk management.	The internal auditor produces a written report of the effectiveness of the Group's system of control and risk management that is presented to the Audit and Risk Committee bi-annually.	C
7.4	The Audit Committee should be responsible for overseeing internal audit.	Refer to principle 2.10.	C
7.5	Internal audit should be strategically positioned to achieve its objectives.	Refer to principle 2.10.	C
8.	**GOVERNING STAKEHOLDER RELATIONS**		
8.1	The Board should appreciate that stakeholder' perceptions affect a company's reputation.	Formal stakeholder management and communications policies are in place.	C
8.2	The Board should delegate to management to proactively deal with stakeholder relationships.	Refer to principle 8.1.	C
8.3	The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the interests of the company.	Refer to principle 8.1.	C
8.4	Companies should ensure the equitable treatment of shareholders.	Refer to principle 2.1, 2.3, 2.4 and 2.5.	C
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	Refer to principle 1.2.	C
8.6	The Board should ensure that disputes are resolved as effectively, efficiently and expeditiously as possible.	The Board is kept informed of any disputes and ensures they are resolved expeditiously.	C
9.	**INTEGRATED REPORTING AND DISCLOSURE**		
9.1	The Board should ensure the integrity of the company's Integrated Annual Report.	The Board ensures the integrity of the Integrated Annual Report through the Audit and Risk Committee.	C
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting.	The Board has established an ESG Committee that is responsible for enhancing and delivering meaningful sustainability reporting.	C
9.3	Sustainability reporting and disclosure should be independently assured.	The ESG Committee oversees the assurance of sustainability reporting.	C

OLD CAPE QUARTER, DE WATERKANT,
WESTERN CAPE, SOUTH AFRICA

3

BOARD OF DIRECTORS AND ASSET MANAGEMENT TEAM

BOARD OF DIRECTORS

RDC is governed by a diverse Board of Directors with expertise ranging from sectoral and regional experience to company strategy and financial knowledge. The Board maintains a healthy and robust governance environment in which the Group's values guide all decisions and functions.

INDEPENDENT BOARD CHAIR

Andrew Bradley
Independent Non-Executive Chair

Appointed to the Board: 26 May 2016

Andrew (62) holds BCom and LLB degrees and has completed Harvard Business School's Advanced Management Programme. He is the CEO of Fiscal Private Clients and previously served as CEO of Old Mutual Wealth. Before joining Old Mutual, Andrew was the founding CEO of Acsis South Africa Group, an independent asset consulting and financial planning company later acquired by Old Mutual. He is an Advocate of the Supreme Court of South Africa, a Certified Financial Planner and has co-authored several publications in the financial services industry. Andrew has served on various boards, including the South African Savings Institute, the Financial Planning Institute of South Africa and the Nelson Mandela Metropolitan University Business School. He was elected as Chair of RDC's board on 23 May 2024, previously fulfilling the role of Lead Independent Director.

EXECUTIVE DIRECTORS

Guido R. Giachetti
Executive Vice Chair

Appointed to the Board: 02 May 1996

Guido (62) has a civil engineering master's degree in business management and transport and has completed Harvard Business School's Advanced Management Programme and INSEAD Business School's International Executive Programme. He is a member of several alumni associations, including EPFL, Harvard Business School and INSEAD. He has been involved in property development and investments for 34 years. Guido has been awarded the Order of Merit by the King of Spain and the "Commendatore" (2023) and the "Cavaliere" (2016) of the Order of the Star of Italy by the President. In 2023, he was named Businessman of the Year by the Italian-South African Chamber of Commerce. Guido is the Honorary Consul of Italy in Botswana, a Paul Harris Fellow, an art collector and is actively engaged in philanthropic initiatives across the region. He was Chair of RDC's board until 23 May 2024.

Jacopo Pari
Chief Executive Officer

Appointed to the Board: 12 September 2013

Jacopo (51) has a civil engineering master's degree and completed Harvard Business School's Senior Executive Program Africa in 2024. He started his career at Accenture, the strategy and management consulting firm, gaining wide exposure to large and complex corporate environments both in the EU and USA. A few years later he joined the family construction company in Italy. This work experience, both technical and managerial, was conducive to his appointment as Group General Manager for the Realestate Group of Companies in 2009. Since then, he has been involved in construction, property development, operations and investment in Botswana. Jacopo was appointed as RDC Properties Group CEO in January 2025 having covered the role of CEO Operations and Developments after the acquisition of Tower Property Fund.

Gary Fisher
COO: Asset Management

Appointed to the Board: 22 March 2022

Gary (59) is a University of Cape Town graduate who brings over three decades of property asset management experience to his role as a member of RDC's executive team. He was a founding member of Johannesburg Stock Exchange-listed CBS Property Group in 1994. Subsequently he launched British Capital, a Guernsey-based property investment company, and founded The Property Foundation, a non-profit property development organisation. Gary also served a term with the Western Cape Government as the Premier's special advisor before assisting to establish Capitalgro Properties in 2014, a business that has since become a subsidiary of RDC.

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS

Federica Giachetti

Appointed to the Board: 22 March 2022

Federica, 30, is a Summa Cum Laude graduate from Boston University and earned an MBA from INSEAD Business School during 2024. She has completed training through the Institute of Directors in South Africa and earned a certificate in Real Estate Finance and Economics from the London School of Economics. Her professional experience includes roles in Washington, D.C., and Milan with a renewable energy developer before transferring to Cape Town five years ago to join its subsidiary, Red Rocket South Africa. There, she led the company's solar project developments. Federica has joined Boston Consulting Group in Nairobi, Kenya.

Giorgio Giachetti

Appointed to the Board: 02 May 1996

Giorgio (82) has a civil engineering master's degree and on-site experience in construction since 1968. In 1970 he started investing in Botswana and developed properties, some of which now form part of RDC's property portfolio. He is a director of many companies in Botswana and internationally.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Kate Maphage

Appointed to the Board: 13 November 2012

Kate (63) is an entrepreneur with interests in the property, energy, transport and tourism industries. She holds BCom and MBL degrees and has 36 years of leadership experience in various industries as an executive or board member. In 1998, she joined mobile network Mascom Wireless, as part of its founding shareholders, and then joined its executive to establish the human resource division. In 2002, she moved on to lead the company's commercial division, a position held until her retirement from formal employment in 2007. Kate is currently focused on adding value to the companies in which she is invested. She also serves on the boards and committees of Botswana Insurance Holdings Limited and Botswana Life.

Sithabile Mathe

Appointed to the Board: 24 May 2023

Sithabile (51) holds a post-graduate degree in architecture from Glasgow, Scotland, and has 25 years of international experience in the built environment. In 2006, she established Moralo Designs, an Architectural practice that now offers Urban, Architectural, Landscape and Interior Design services, alongside Project Management. Sithabile is registered with four professional bodies. She is the former Chairperson of the Architect's Registration Council of Botswana and the Botswana Housing Corporation Board, and the former Treasurer of the Architects Association of Botswana Executive Committee. Additionally, she was a Council Member for the Commonwealth Association of Architects (CAA) as Vice President for the Africa Region, and also served as Chair of CAA Validation.

Nicola Milne

Appointed to the Board: 22 March 2022

Nicola (50) holds a Bachelor of Commerce degree from the University of Cape Town and qualified as a Chartered Accountant (CA(SA)). Her early career included finance roles in New York and London before joining Old Mutual Investment Group's Property Investment team. During her tenure, she specialised in retail property development and management, including overseeing the company's joint venture business in India. Nicola was the founding CEO of the Green Building Council of South Africa (GBCSA), a non-governmental organisation focused on transforming South Africa's property industry towards greater sustainability. She has since provided consulting services to both the GBCSA and the World Green Building Council and currently serves as an Independent Non-Executive Director on a number of boards.

Simon Susman

Appointed to the Board: 22 March 2022

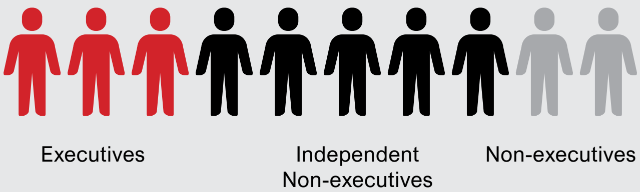
Simon (75) is the Honorary President of Woolworths Holdings Limited, having joined Woolworths in 1982. Prior to his retirement, Simon served as the Chief Executive Officer of Woolworths Holdings and then Chair over a twenty year period until 2019. He has been appointed Honorary Professor of Entrepreneurship at Stellenbosch University Business School, and currently chairs several local and international businesses and NGOs.

Joanne Mabin departed as RDC's Chief Financial Officer and an Executive Director on 30 August 2024. Having joined the Board in 2021, her significant contribution to the Tower portfolio's smooth integration into RDC is gratefully acknowledged.

The asset management company appointed two highly accomplished finance professionals to strengthen the Group's financial leadership and cover Ms Mabin's duties and responsibilities, both of whom commenced during August 2024.

BOARD COMPOSITION

BOARD INDEPENDENCE

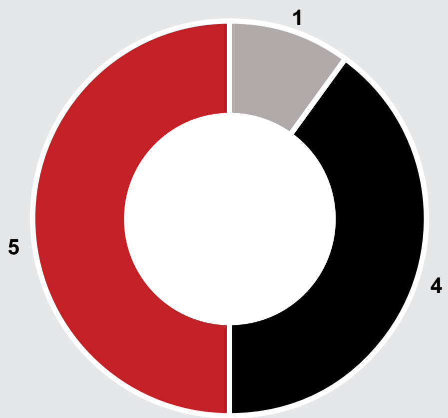


BOARD GENDER DIVERSITY

6 MALE 60%

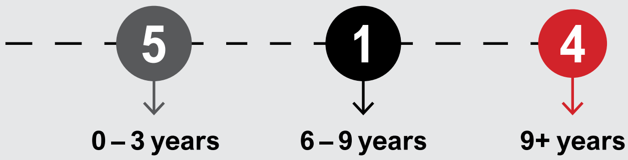
4 FEMALE 40%

AGE BREAKDOWN



0 – 40 years:	1
41 – 50 years:	0
51 – 60 years:	4
61+ years:	5

BOARD TENURE



RDC PROPERTY GROUP GABORONE OFFICES, MASA CENTRE, GABORONE, BOTSWANA

EXECUTIVE AND SENIOR MANAGEMENT TEAM

Asset management services for the RDC Group are provided by Property and Asset Management Pty Ltd (PAM) in Botswana, Notwane Asset Management Pty Ltd (NAM) in South Africa and TPF International Ltd in Croatia, broadly referred as "the Manager". The majority of the RDC staff are employed by one or the other of these entities, including the executive directors. This contractual arrangement was approved by RDC unit holders during the EGM held in September 2021.

The RDC hospitality team is employed by the relevant operating company responsible for the operations and management of our hotel enterprises, being Radisson RED, Masa Protea Marriott, Chobe Marina Lodge, David Livingstone Safari Lodge and HMS (Isalo Rock Lodge). In addition, where required, centre and building managers are employed directly by the respective rental enterprise.

The asset manager appoints the property manager within each region. In Botswana, property management services are also the responsibility of PAM, in line with the Company's hands-on approach to property management. The Capitalgro portfolio in Cape Town is managed by Capitalgro Property Management. The former Tower portfolio in South Africa continues to be managed by Spire Property Solutions, under revised terms and direct supervision by NAM.

RDC PROPERTY GROUP
CAPE TOWN OFFICES,
SUNCLARE, CLAREMONT,
WESTERN CAPE, SOUTH AFRICA

EXECUTIVE AND SENIOR MANAGEMENT TEAM

CHANGE OF PAM'S REPORTING STRUCTURE, AND EFFECT ON RDC PROPERTY GROUP

A revised organisational structure was adopted by the asset management company from 1 January 2025, as reported in the Remuneration and Nomination Committee Report. The most effective way for the asset management company to effectively balance regional considerations with business line specialisation, is to operate is in terms of the new hybrid matrix model.

The Executive Vice Chair continues to drive the Group's strategy and vision, oversee the effectiveness and performance of the asset management company, chair the executive committee and be the point of contact for the Board and shareholders.

EXECUTIVE VICE CHAIR

GUIDO R GIACHETTI

CEO

JACOPO PARI

GROUP FINANCE DIRECTOR

PHILLIP MOTHOTENG

COO ASSET MANAGEMENT; ENVIRONMENT & SOCIAL

GARY FISHER

COO PROPERTY MANAGEMENT

MALIZE JACOBS

COO TOURISM & HOSPITALITY

NEIL BALD

COO DEVELOPMENTS

UZOMA ANUGOM

COUNTRY MANAGER BOTSWANA

LETSWELETSE RAMOKATE

COUNTRY MANAGER SOUTH AFRICA

GARY FISHER

COUNTRY MANAGER CROATIA

IVAN BOZAC

SUCCESSION PLANNING, RESOURCE PROFILE AND CAPACITY

It is a priority of the Executive team to develop a strong talent pool which will ensure the effective succession planning for key leadership roles, considering the size of the business and the asset management company's affordability. The recently adopted organisational structure is expected to facilitate a more comprehensive approach to succession planning, candidate profiling and capacity building. We remain committed to diversity and inclusion, with a particular focus on gender balance, national representation and local market knowledge. This is reflected in the appointment of a Botswana Finance Director, highlighting the value placed on contextual understanding and localisation within the leadership team.

DIRECTORS' REPORT

The directors present their report to linked unit holders, together with the audited Annual Financial Statements, for the year ended 31 December 2024.

GUIDO R GIACHETTI
EXECUTIVE VICE CHAIR

JACOPO PARI
CHIEF EXECUTIVE OFFICER

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

At RDC, we grow shareholders value by owning and managing strategic property assets that enrich the stakeholders and communities we serve. The vision of the Company is to be the leading real estate company in Botswana, known for its international reach, expertise, innovation, sustainability, integrity, and client-centric approach.

The portfolio was built up through property developments and acquisitions. RDC is a variable loan stock company incorporated in Botswana and quoted publicly on the BSE.

RDC operates primarily in Botswana, South Africa and Croatia, with smaller investments in Zambia, the USA, Mozambique and Madagascar. RDC is focused on deriving revenue from the rental of investment properties and identifying development and investment opportunities.

The operating results and statement of financial position of the Group are set out in the accompanying financial statements.

RESULTS FOR THE YEAR

Details of the results for the year ended 31 December 2024 are set out in the statement of comprehensive income of the financial statements on pages 53 to 104.

STATED CAPITAL

At the reporting date, RDC had 758 232 937 linked units in issue (2023: 758 232 937). Stated capital 1 058 199 in 2024, (2023: 1 058 199).

BORROWING LIMITATIONS

In terms of article 20.1 of RDC's Constitution, the directors may exercise all the powers of the Company to borrow money, as they consider appropriate. The borrowing powers of the Directors is however limited to 55% of the value of the fixed assets of the Company.

DISTRIBUTION TO UNIT HOLDERS AND DISTRIBUTION POLICY

Distributions to linked unit holders are primarily in the form of debenture interest. The distribution is made bi-annually and varies depending on the Company's (or Group's) performance.

DISTRIBUTION TO UNIT HOLDERS (THEBE)

	Interest	Dividend	Total
2024			
Interim	2.71	0.13	2.84
Final (Declared)	5.08	0.19	5.27
	7.79	0.32	8.11
2023			
Interim	4.13	0.14	4.27
Final (Declared)	2.51	0.13	2.64
	6.64	0.27	6.91

DIRECTORS' REPORT

DIRECTORS

The following changes to the Board's composition took place during 2024:

Directors	Date resigned	Date appointed
Executive directors		
Guido R. Giachetti (Executive Vice Chair)		02 May 1996
Jacopo Pari (CEO)		12 September 2013
Gary Fisher (COO: Asset Management)		22 March 2022
Joanne Mabin (CFO)	30 August 2024	21 September 2022
Non-executive directors		
Andrew Bradley (Independent Chair)		26 May 2016
Giorgio Giachetti		2 May 1996
Kate Maphage		13 November 2012
Federica Giachetti		22 March 2022
Nicole Milne		22 March 2022
Simon Susman		22 March 2022
Sithabile Mathe		24 May 2023

The election of Andrew Bradley as the Board's Chair on 23 May 2024, and the transition of Guido Giachetti into the role of Executive Vice Chair, maintaining responsibility for driving strategy and leading the executive team, is addressed within the Governance Report.

The asset management company's revised organisational reporting structure, effective 1 January 2025, is addressed within the Remuneration and Nomination Committee's report. This resulted in Jacopo Pari being appointed as the company's sole CEO (moving away from the dual CEO approach that was adopted in 2022), and Gary Fisher being appointed as the COO: Asset Management.

COMPANY SECRETARY

The company secretary is PwC, assisted by the internal company secretary, Lucy Caplan.

INTERESTS OF DIRECTORS AND SECRETARY

The directors and secretary who held office as at 31 December 2024 had no interest, other than those shown below, in the linked units of the Company.

	Held directly	Held indirectly
Guido R. Giachetti		86,448,622
Giorgio Giachetti	75,476,750	
Jacopo Pari	1,850,000	
Simon Susman	2,462,006	
Federica Giachetti	348,973	

No financial assistance was provided by the Company for the acquisition of shares by directors.

There have been no changes in the directors' shareholding occurring between the end of the financial year and the date of the approved Annual Financial Statements.

SUBSTANTIAL HOLDINGS

The directors have been notified of the following significant interests in the ordinary share capital of the Company as at 31 December 2024:

Top 10 Unit Holders	Linked Units	%
FNBB NOMINEES (PTY) LTD RE: MOTOR VEHICLE FUND	21,635,865	2.85
STANBIC NOMINEES BOTSWANA RE: BOTSWANA PUBLIC OFFICERS PENSION FUND	22,799,208	3.01
STANBIC NOMINEES BOTSWANA RE: DEBSWANA PENSION FUND DEBSWANA PENSION FUND	23,416,241	3.09
ASPERA HOLDINGS LIMITED	31,057,081	4.10
FNBB NOMINEES (PTY) LTD RE: BPOPF MORULA ACT MEM DEP EQ	36,035,233	4.75
FNBB NOMINEES (PTY) LTD RE: BOTSWANA PUBLIC PENSION FUND VUNANI	36,035,234	4.75
FNB BOTSWANA NOMINEES RE: BIFM – ACT MEM & DP EQ	44,097,944	5.82
GIORGIO GIACHETTI	75,476,750	9.95
REALESTATE FINANCIERE SA	169,797,025	22.39
SCBN (PTY) LTD RE: BOTSWANA PUBLIC OFFICERS PENSION FUND	200,541,548	26.45
Totals	660,892,129	87.16

Linked Unit Band	Linked Units	%	Holders	%
0 – 1,999	208,840	0.03	270	46.39
2,000 – 4,999	216,068	0.03	70	12.03
5,000 – 9,999	446,484	0.06	66	11.34
10,000 – 49,999	1,773,848	0.23	74	12.71
50,000 – 99,999	1,264,078	0.17	18	3.09
100,000 – 499,999	8,873,489	1.17	39	6.36
500,000 and above	745,450,130	98.31	45	7.73
Totals	758,232,937	100.00	582	100.00

Linked Unit Holders	Linked Units	%	Holders	%
Non-public	281,694,948	37.16	9	1.54
Public	476,537,989	62.84	573	98.45

DIRECTORS' INTERESTS IN CONTRACTS

Directors' interests in contracts are described in the Corporate Governance Report on page 37.

DIRECTORS' REPORT

KEY PERFORMANCE INDICATORS

The following are considered critical indicators of the Group's underlying performance and are discussed on pages 5 and 13:

- Net asset value: target growth that exceeds the Botswana CPI by 5%
- Net debt to gross property assets: aim to reduce this ratio to below 40%.
- Returns from investment and development projects.
- Interest and dividend distributions to linked unit holders: balancing growth and increasing distributions year on year.
- Hard currency revenue: increasing the proportion of revenue generated from hard currencies.

FINANCIAL RISK MANAGEMENT

The Group's activities expose us to a variety of financial risks, including interest rate, foreign currency, funding and credit risks. These risks are managed by the Board and reviewed by the Audit and Risk Committee, as described in Note 33 to the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Group are described on page 22 (in the ARC Report).

GOING CONCERN

The directors are of the opinion that the Group has adequate resources to continue operating for the foreseeable future, and that it is appropriate to adopt the going concern basis in preparing the Group's Annual Financial Statements.

The consolidated Annual Financial Statements 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, liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Management has been able to continue to operate and successfully execute growth plans and is in a liquid position, holding enough cash to fund operational expenses in the immediate future. The directors have satisfied themselves that the Group is in a sound financial position and has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

AUDITOR

In accordance with relevant section of the Companies Act, the auditor, Grant Thornton, will continue in service.

The Audit and Risk Committee will evaluate the services of Grant Thornton in 2025. Grant Thornton has completed seven years as RDC's auditor. The audit partner was rotated in the 2022 financial year to comply with the requirements of ethical policies that govern the audit profession.

SUBSIDIARIES AND EQUITY ACCOUNTED INVESTEES

Information on the Group's significant subsidiaries and equity accounted investees is set out in Note 28 to the financial statements.

RESPONSIBILITY STATEMENT

To the best of our knowledge, we confirm that:

- The financial statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the undertakings included in the consolidation taken as a whole; and
- The chair's statement, operating and financial review, principal risks and uncertainties, and Directors' Report include a fair review of the Company's development, performance and position, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

ANNUAL GENERAL MEETING

Notice of the 2025 AGM and the Form of Proxy for use at the AGM accompany this Integrated Annual Report.

On behalf of the Board:

Guido R Giachetti
Executive Vice Chair

Jacopo Pari
Chief Executive Office

DIRECTORS' REPORT

ACRONYMS AND ABBREVIATIONS

AGM	Annual general meeting
Asset management company	PAM (Botswana) and its 100% subsidiary NAM (South Africa)
Board	Board of Directors of RDC Properties Limited
BSE	Botswana Stock Exchange
BWP	Botswana Pula
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
FD	Finance Director
ESG	Environmental, social and governance
EU	European Union
EUR	Euro
GBCSA	Green Building Council of South Africa
GLA	Gross leasable area
ICC	Italtswana Construction Company
IFRS	International Financial Reporting Standards
IR	Integrated Reporting
IRBA	Independent Regulatory Board for Auditors
IT	Information technology
King	King Report on Corporate Governance for South Africa*
LTV	Loan to value
NAM	Notwane Asset Management (Pty) Ltd
NAV	Net asset value
PAM	Property and Asset Management Ltd
PV	Photovoltaic
PwC	PricewaterhouseCoopers (Pty) Ltd
RDC or the Group	RDC Properties Limited
USA	United States of America
ZAR	South African Rand

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WESTLAKE SHOPPING CENTRE, CAPE TOWN, SOUTH AFRICA

THE EDGE, TYGER FALLS, WESTERN CAPE, SOUTH AFRICA

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ANNUAL FINANCIAL STATEMENTS

DIRECTORS’ RESPONSIBILITY STATEMENT AND APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of the annual financial statements of RDC Properties Limited, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (“IFRS”).

The directors are required by the Companies Act of Botswana (CH 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Company and Group as at the end of the financial year and the results of their operations and cash flows for the year then ended, in conformity with IFRS. The external auditors are engaged to express an independent opinion on the Group consolidated annual financial statements and separate annual financial statements.

The directors’ responsibilities include: designing, implementing and maintaining internal control as is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The annual financial statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. The directors’ responsibilities also include maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these annual financial statements.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors have assessed the Group and Company’s ability to continue as a going concern and there is no reason to believe the business will not be a going concern in the year ahead, based on forecasts available and cash resources. The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for independently auditing and reporting on the annual financial statements, which were examined by the external auditors and their unmodified report is presented on pages 55 to 57.

Approval of the annual financial statements

The annual financial statements set out on pages 53 to 104, which have been prepared on the going concern basis, were approved by the board on 14 April 2025 and were signed on its behalf by:

A. Bradley
Chair

G.R. Giachetti
Vice Chair

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of RDC Properties Limited

Opinion

We have audited the consolidated and separate annual financial statements of RDC Properties Limited set out on pages 53 to 104, which comprise the consolidated and separate statement of financial position as at 31 December 2024, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the annual financial statements, including material accounting policy information.

In our opinion, the consolidated and separate annual financial statements give a true and fair view of, the consolidated and separate financial position of RDC Properties Limited as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the annual financial statements section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinions on those key audit matters.

Key audit matter	How the matter was addressed in our audit
Valuation of the investment property The Group owns a portfolio of retail, residential and commercial property valued P5.45 billion, disclosed under note 12 of the consolidated annual financial statements. The valuation of these property portfolios requires significant judgement and is underpinned by assumptions including estimated future rentals and yields. The values of these properties are determined using valuation experts in the field of real estate valuations. For the purpose of our audit, we identified the valuation of investment property as a key audit matter due to the significance of the balance to the separate and consolidated financial statements as a whole and the estimates and judgements associated with determining the fair value. Disclosures on the investment properties are under note 12 of the consolidated annual financial statements.	We met with the experts engaged by management to discuss and understand the method of valuation, estimates and criteria used in arriving at the values. We evaluated the appropriateness of the valuation methods used, by comparison to valuation methods used by other similar companies with property portfolio. We found the models (discounted cashflow and net income model) to be appropriate and the capitalisation rates were comparable to market rates and those used in the prior year. On a sample basis, we tested data inputs underpinning the investment property valuation, including rental income, tenancy schedules and capitalisation rates, against appropriate supporting documentation, to assess the accuracy, reliability and completeness thereof. We also performed an independent assessment of property values using discounted cash flows, net income, comparable market values and determination of cap rates for few properties and compared it against what was determined by the management experts. The values arrived at by the management experts were deemed reasonable as it was with the range of acceptable variations. We assessed the competence, independence and integrity of the management experts both, external and internal who were involved in the valuations. Wherever applicable, the audit engagement teams discussed and reviewed the terms of engagement with external valuers to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approaches they used are consistent with IFRS and industry norms. We have assessed the reasonability of net income used in the valuation model by reviewing of the budgets for the succeeding 12 months budgets and testing the reasonableness of assumptions made to consider. From our independent audit, the property values recorded appear to be reasonable and supported by appropriate judgements and estimates.

INDEPENDENT AUDITOR'S REPORT

Other Information

The directors are responsible for the other information. The other information comprises the directors' responsibility and approval of the annual financial statements, as required by the Companies Act (CAP 42:01), which we obtained prior to the date of this auditor's report and the Integrated Annual Report which is expected to be made available to us after the date of this report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Consolidated and Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate annual financial Statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated and Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and /or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the subsidiaries or business activities within the Group to express an opinion on the consolidated and separate annual financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated and separate annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton

Grant Thornton
Firm of Certified Auditors
Practicing member: Madhavan Venkatachary (CAP 0017 2025)

14 April 2025
Gaborone

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Notes	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
Continuing Operations:					
Revenue					
Contractual lease rental revenue	2	**582,960**	563,807	**70,260**	64,695
Straight-line rental adjustment		**(11,146)**	(2,517)	**(1,286)**	828
		571,814	561,290	**68,974**	65,523
Net property operating expenses		**(214,973)**	(216,560)	**(15,405)**	(14,326)
Net Property Income		**356,841**	344,730	**53,569**	51,197
Revenue from the sale of inventory	2	**56,375**	2,465	**–**	–
Cost of sales	16	**(57,097)**	(2,398)	**–**	–
Gross Profit from operations		**356,119**	344,797	**53,569**	51,197
Other operating expenses		**(48,251)**	(51,698)	**(24,319)**	(23,352)
Gains from joint venture	3	**13,269**	536	**–**	–
Other foreign exchange gains/(losses)		**7,419**	(922)	**8,616**	(12,517)
Other operating income		**7,863**	10,379	**8,219**	94
Profit on the sale of subsidiary	36	**5,961**	–	**–**	–
Inventory Adjustment	16	**–**	6,145	**–**	–
Profit from operations before fair value adjustments		**342,380**	309,237	**46,085**	15,422
(Loss)/gain arising on fair valuation of investments	10	**(24,118)**	(19,712)	**(24,118)**	–
(Loss)/gain arising on fair valuation of interest rate derivatives	24	**(18,166)**	(16,040)	**–**	–
Gain arising on revaluation of investment properties	12	**108,475**	106,921	**26,904**	40,082
Net valuation		**97,329**	104,404	**25,618**	40,910
Adjusted for straight line rental adjustment		**11,146**	2,517	**1,286**	(828)
Profit from operations	4	**408,571**	380,406	**48,871**	55,504
Investment income	5	**5,580**	14,048	**194,831**	89,973
Finance costs	6	**(239,627)**	(241,617)	**(47,278)**	(44,980)
Bargain purchase gain	7	**–**	26,797	**–**	–
Profit before tax		**174,524**	179,634	**196,424**	100,497
Income tax expense	8	**(19,767)**	(46,288)	**(10,938)**	(15,699)
Profit for the year from continuing operations		**154,757**	133,346	**185,486**	84,798
Discontinued Operations:					
Profit/Loss for the year from discontinued operations	36	**816**	(4,146)	**–**	–
Profit for the year		**155,573**	129,200	**185,486**	84,798
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of foreign operations		**(3,112)**	28,659	**–**	–
Share of Joint venture OCI for the year	3	**10,043**	25,780	**–**	–
Net fair value losses on financial assets at fair value		**(736)**	–	**(736)**	–
Gross fair value losses on financial assets at fair value	13	**(736)**	–	**(736)**	–
Other comprehensive income/(loss) for the year		**6,195**	54,439	**(736)**	–
Total comprehensive income for the year		**161,768**	183,639	**184,750**	84,798
Profit attributable to:					
Owners of the company		**123,934**	101,039	**185,486**	84,798
Non-controlling interests		**31,639**	28,161	**–**	–
		155,573	129,200	**185,486**	84,798
Total comprehensive income attributable to:					
Owners of the company		**130,129**	155,478	**184,750**	84,798
Non-controlling interests		**31,639**	28,161	**–**	–
		161,768	183,639	**184,750**	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)		**17.49**	14.23		
Dilutive earnings per linked unit (thebe)		**17.49**	14.23		
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:		**132,640**	107,925		
Distribution per linked unit					
Distribution per linked unit (thebe)		**8.11**	6.90		
Interest per linked unit (thebe)		**7.79**	6.64		
Dividend per linked unit (thebe)		**0.32**	0.27		
Distribution per linked unit is calculated on the number of linked units in issue at date of distribution.					
Other information					
Interest to dividend ratio		**24.00**	25.00		

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2024

	Notes	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
ASSETS					
Non-current Assets					
Property, plant and equipment	9	**28,264**	38,570	**1,584**	3,225
Investments	10	**24,305**	46,753	**957,664**	595,802
Investments in joint ventures	3	**127,821**	102,063	**–**	–
Long-term loan receivables	11	**30,236**	23,062	**536,442**	652,291
Investment properties	12	**5,453,249**	5,429,077	**878,804**	850,264
At fair value		**5,434,594**	5,421,568	**881,182**	853,928
Rental receivable – straight-line rental adjustment		**18,655**	7,509	**(2,378)**	(3,664)
Financial assets at fair value through other comprehensive income	13	**9,698**	10,421	**8,465**	9,201
Intangible asset	14	**1,000**	1,000	**–**	–
Trade and other receivables	15	**26,343**	26,340	**–**	–
Rental receivable – straight line rental adjustment		**(18,655)**	(7,509)	**2,378**	3,664
		5,682,261	5,669,777	**2,385,337**	2,114,447
Current Assets					
Trade and other receivables	15	**122,009**	112,686	**151,038**	127,578
Current tax assets		**–**	166	**–**	284
Inventories	16	**110,835**	158,943	**–**	–
Investment property held for sale	17	**154,406**	99,738	**–**	24,000
Cash and cash equivalents	18	**116,297**	81,699	**2,175**	3,739
Non-current assets classified as held for sale – Disposal Group	36	**–**	85,165	**–**	–
		503,547	538,397	**153,213**	155,601
Total Assets		**6,185,808**	6,208,174	**2,538,550**	2,270,048
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	**242,635**	242,634
Accumulated profits	21	**1,360,574**	1,269,448	**633,423**	410,485
Debenture interest and dividend reserve	22	**–**	–	**–**	–
Investments revaluation reserve		**5,679**	6,415	**(6,486)**	(5,750)
Joint Venture Share of OCI Reserve		**35,823**	25,780	**–**	–
Foreign currency translation reserve		**4,129**	7,241	**–**	–
Equity attributable to owners of the parent		**2,707,038**	2,609,717	**1,927,771**	1,705,568
Non-controlling interests	23	**528,782**	560,387	**–**	–
Total equity		**3,235,820**	3,170,104	**1,927,771**	1,705,568
Non-current Liabilities					
Long-term borrowings	24	**1,196,535**	2,520,452	**462,721**	443,510
Deferred tax liabilities	25	**218,581**	216,022	**44,661**	42,936
		1,415,116	2,736,474	**507,382**	486,446
Current Liabilities					
Trade and other payables	26	**143,725**	144,978	**13,304**	20,396
Bank overdraft	27	**1,761**	8,593	**1,763**	6,000
Current tax liabilities		**1,567**	3,877	**85**	–
Current portion of long-term borrowings	24	**1,387,819**	81,443	**88,245**	51,638
Liabilities directly associated with non-current assets classified as held for sale	36	**–**	62,705	**–**	–
		1,534,872	301,596	**103,398**	78,034
Total Equity and Liabilities		**6,185,808**	6,208,174	**2,538,550**	2,270,048

STATEMENTS OF CHANGES IN EQUITY

as at 31 December 2024

	Notes	Stated capital P'000	Debentures P'000	Accumulated profits P'000
GROUP				
Balance at 1 January 2023		1,058,199	242,634	1,193,847
Profit for the year				101,039
Other comprehensive income for the year		–	–	–
Total comprehensive income for the year		–	–	101,039
Debenture interest declared and proposed		–	–	(31,300)
Reclassification on equity		–	–	–
Taxation attributable to debenture interest		–	–	6,886
Debenture interest paid		–	–	–
Dividends declared and proposed		–	–	(1,024)
Dividends paid		–	–	–
Balance as at 31 December 2023		**1,058,199**	**242,634**	**1,269,448**
Profit for the year		**–**	**–**	**123,934**
Other comprehensive income for the year		**–**	**–**	**–**
Total comprehensive income for the year		**–**	**–**	**123,934**
Increase in controlling shareholding of subsidiary		**–**	**–**	**–**
Sale of subsidiary		**–**	**–**	**–**
Debenture interest declared and proposed		**–**	**–**	**(39,572)**
Taxation attributable to debenture interest		**–**	**–**	**8,706**
Debenture interest paid		**–**	**–**	**–**
Dividends declared and proposed		**–**	**–**	**(1,941)**
Dividends paid		**–**	**–**	**–**
Balance as at 31 December 2024		**1,058,199**	**242,634**	**1,360,574**
COMPANY				
Balance at 1 January 2023		1,058,199	242,634	351,125
Profit for the year		–	–	84,798
Other comprehensive income for the year		–	–	–
Total comprehensive income for the year		–	–	84,798
Debenture interest declared and proposed		–	–	(31,300)
Taxation attributable to debenture interest		–	–	6,886
Debenture interest paid		–	–	–
Dividends declared and proposed		–	–	(1,024)
Dividends paid		–	–	–
Balance as at 31 December 2023		**1,058,199**	**242,634**	**410,485**
Profit for the year		**–**	**–**	**185,486**
Other comprehensive income for the year		**–**	**–**	**–**
Total comprehensive income for the year		**–**	**–**	**185,486**
Debenture interest declared and proposed		**–**	**–**	**(39,572)**
Taxation attributable to debenture interest		**–**	**–**	**8,706**
Debenture interest paid		**–**	**–**	**–**
Amalgamation Accounting		**–**	**–**	**70,259**
Dividends declared and proposed		**–**	**–**	**(1,941)**
Dividends paid		**–**	**–**	**–**
Balance as at 31 December 2024		**1,058,199**	**242,634**	**633,423**

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
6,415	–	–	(3,632)	2,497,463	532,734	3,030,197
–	–	–	–	101,039	28,161	129,200
–	25,780	–	28,659	54,439	–	54,439
–	25,780	–	28,659	155,478	28,161	183,639
–	–	31,300	–	–	–	–
–	–	–	(17,786)	(17,786)	17,786	–
–	–	–	–	6,886	–	6,886
–	–	(31,300)	–	(31,300)	–	(31,300)
–	–	1,024	–	–	–	–
–	–	(1,024)	–	(1,024)	(18,294)	(19,318)
6,415	**25,780**	**–**	**7,241**	**2,609,717**	**560,387**	**3,170,104**
–	**–**	**–**	**–**	**123,934**	**31,639**	**155,573**
(736)	**10,043**	**–**	**(3,112)**	**6,195**	**–**	**6,195**
(736)	**10,043**	**–**	**(3,112)**	**130,129**	**31,639**	**161,768**
–	**–**	**–**	**–**	**–**	**(9,895)**	**(9,895)**
–	**–**	**–**	**–**	**–**	**(1,526)**	**(1,526)**
–	**–**	**39,572**	**–**	**–**	**–**	**–**
–	**–**	**–**	**–**	**8,706**	**–**	**8,706**
–	**–**	**(39,572)**	**–**	**(39,572)**	**–**	**(39,572)**
–	**–**	**1,941**	**–**	**–**	**–**	**–**
–	**–**	**(1,941)**	**–**	**(1,941)**	**(51,824)**	**(53,765)**
5,679	**35,823**	**–**	**4,129**	**2,707,038**	**528,781**	**3,235,819**
(5,750)	–	–	–	1,646,208	–	1,646,208
–	–	–	–	84,798	–	84,798
–	–	–	–	–	–	–
–	–	–	–	84,798	–	84,798
–	–	31,300	–	–	–	–
–	–	–	–	6,886	–	6,886
–	–	(31,300)	–	(31,300)	–	(31,300)
–	–	1,024	–	–	–	–
–	–	(1,024)	–	(1,024)	–	(1,024)
(5,750)	**–**	**–**	**–**	**1,705,568**	**–**	**1,705,568**
–	**–**	**–**	**–**	**185,486**	**–**	**185,486**
(736)	**–**	**–**	**–**	**(736)**	**–**	**(736)**
(736)	**–**	**–**	**–**	**184,750**	**–**	**184,750**
–	**–**	**39,572**	**–**	**–**	**–**	**–**
–	**–**	**–**	**–**	**8,706**	**–**	**8,706**
–	**–**	**(39,572)**	**–**	**(39,572)**	**–**	**(39,572)**
–	**–**	**–**	**–**	**70,259**	**–**	**70,259**
–	**–**	**1,941**	**–**	**–**	**–**	**–**
–	**–**	**(1,941)**	**–**	**(1,941)**	**–**	**(1,941)**
(6,486)	**–**	**–**	**–**	**1,927,770**	**–**	**1,927,770**

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024

		Group		Company	
	Notes	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Cash flows from operating activities					
Profit from operations		**408,571**	380,406	**48,871**	55,504
Share of income in a joint venture, net of foreign exchange differences		**(13,269)**	(536)	**–**	–
Depreciation		**6,505**	7,165	**1,270**	509
(Surplus)/Deficit from adjustment to net realisable value – inventory		**–**	(6,145)	**–**	–
Loss/(gain) arising on fair valuation of interest rate derivatives		**18,166**	16,040	**–**	–
(Loss)/gain arising on fair valuation of investments		**24,118**	19,712	**24,118**	
Sales of inventory	2	**56,375**	2,374		
Gain arising on revaluation of investment properties		**(108,475)**	(106,921)	**(26,904)**	(40,082)
Operating income before working capital changes		**391,991**	312,095	**47,355**	15,931
Changes in working capital:					
- (Increase)/decrease in trade and other receivables		**(9,326)**	12,212	**13,298**	(22,977)
- Decrease in trade and other payables		**(12,399)**	(177)	**(7,446)**	5,823
Taxation recovered/(paid)	35	**(5,262)**	(6,798)	**–**	3,213
Net cash generated from/(utilised in) operating activities		**365,004**	317,332	**53,207**	1,990
Cash flows from investing activities					
Purchase of property, plant and equipment		**(1,022)**	(976)	**371**	(170)
Acquisition of interest in a joint venture		**–**	(1,362)	**–**	–
Investment property additions	12	**(47,726)**	(29,659)	**(1,636)**	(1,245)
Investment income		**5,521**	12,902	**55,704**	49,297
Dividend income	5	**59**	1,146	**139,127**	40,676
Long term loan receivable given during the year		**(6,451)**	6,107	**(235,127)**	–
Disposals of investment property not held for sale	12	**–**	102,633	**–**	–
Sale of investment properties previously held for sale		**99,738**	–	**24,000**	–
Net cash generated from investing activities		**50,119**	90,791	**(17,561)**	88,558
Cash flows from financing activities					
Dividends paid		**(1,941)**	(1,024)	**(1,941)**	(1,024)
Debenture interest paid		**(39,572)**	(31,300)	**(39,572)**	(31,300)
Dividends paid to non-controlling interest		**(51,823)**	(18,294)	**–**	–
Finance costs	6	**(239,627)**	(241,617)	**(47,278)**	(44,980)
Long-term loans raised		**237,239**	274,830	**97,365**	118,611
Long-term loans repaid		**(254,780)**	(377,848)	**(41,547)**	(133,398)
Net cash utilised in financing activities		**(350,504)**	(395,253)	**(32,973)**	(92,091)
Net movement in cash and cash equivalents		**64,619**	12,870	**2,673**	(1,543)
Cash and cash equivalents at beginning of year		**73,106**	80,077	**(2,261)**	(718)
Effects of exchange rates		**(23,355)**	(19,841)	**–**	–
Cash and cash equivalents at end of year		**114,370**	73,106	**412**	(2,261)
Consisting of:					
Cash and bank balances		**116,297**	81,699	**2,175**	3,739
Bank overdraft		**(1,761)**	(8,593)	**(1,763)**	(6,000)
Cash and cash equivalents at end of year		**114,536**	73,106	**412**	(2,261)

MATERIAL ACCOUNTING POLICIES
for the year ended 31 December 2024

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:

- Classification of liabilities as current or non-current liabilities with covenants (Amendment to IAS1)
- Supplier finance arrangements – amendments to IAS 7 and IFRS 7
- Non-current liabilities with covenants – amendments to IAS 1
- Lease Liability in a sale and leaseback

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

Standard/Interpretation:	Effective Date: Annual reporting periods beginning on or after:
Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)	1 January 2025
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice (IASB)
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards	1 January 2026
Amendments to IFRS 7 Financial Instruments: Disclosures	1 January 2026
Amendments to IFRS 9 Financial Instruments	1 January 2026
Amendments to IAS 10 Statement of Cash flows	1 January 2026
Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 10 Consolidated Financial Statements	1 January 2026

The Group and Company expect to adopt the above for the first time in the 2025 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 material 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. In the separate financial statements, the Company discloses its investments in subsidiaries, joint ventures and joint operations at cost, and is assessed for impairment annually.

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.

1.5. Basis of consolidation continued

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. Revenue recognition continued

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.

1.10.2. 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. Financial instruments continued

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 assets measured at fair value through profit or loss are subsequently measured at fair value at the reporting date, with changes in fair value recognised 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 recognised in the statement of profit or loss in the period in which they occur. These gains and losses include both realised and unrealised 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.

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.

MATERIAL ACCOUNTING POLICIES
for the year ended 31 December 2024

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.

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.

MATERIAL ACCOUNTING POLICIES
for the year ended 31 December 2024

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. 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.

1.20. 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.

1.21. 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.

1.22. 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.

1.22.1. 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.

1.23. 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.

1.24. 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.

MATERIAL ACCOUNTING POLICIES
for the year ended 31 December 2024

1.25. 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.

1.26. 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:

1.26.1. 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.

1.26.2. 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.

1.26.3. 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.

1.26.4. 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.

1.26.5. 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.

1.26.6. Recoverability of intangible asset

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

1.26.7. Related party transactions

Related parties are defined as those parties that:

- directly, or indirectly through one or more intermediaries:
  - (i) control, are controlled by, or are under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries).
  - (ii) 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.

MATERIAL ACCOUNTING POLICIES
for the year ended 31 December 2024

1.26. Critical accounting judgements and key sources of estimation uncertainty continued

1.26.8. 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.

1.26.9. 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.

1.26.10. 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.

1.26.11. Uncertainty over tax treatments

Management assesses whether there is uncertainty over tax treatments of transactions and events of the Group and Company. Where there is uncertainty over tax treatments, management would disclose the information about the assumptions, judgement and estimates made in determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Where the management concludes that it is probable that a taxation authority will accept an uncertain tax treatment, management will disclose the potential effect of the uncertainty as a tax-related contingency applying paragraph 88 of IAS 12.

2. Revenue

	Group		Company	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Contractual lease rental revenue comprises:				
Rental income	**464,316**	442,640	**67,112**	61,677
Service charges recovered	**118,644**	121,167	**3,148**	3,018
	582,960	563,807	**70,260**	64,695

Variable lease income, not dependent on an index or rate, of P55.2 million is included in the rental income above (2023: P47.0 million).

Other Revenue comprises:

Revenue from the sale of inventory	**56,375**	2,465	**–**	–

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, 17 units was sold for total proceeds of P56,375,000 (2023: 1 unit for P2,465,451).

Revenue recognised at a point in time:				
Service charges recovered	**118,644**	121,167	**3,148**	3,018
Revenue from the sale of inventory	**56,375**	2,465	**–**	–

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

3. Investments in joint ventures

Details of the Group's investments in joint ventures at the end of the reporting period are as follows:

Name of joint venture	Principal activity	Place of incorporation	Proportion of ownership interest and voting rights held by the Group	
			2024	2023
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%**	50%

The above joint venture is accounted for using the equity method in these 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 venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS. (adjusted by the Group for equity accounting purposes).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2024

3. Investments in joint ventures continued

HMS1 Societe Anonyme (HMS1) – Financial Information

	2024 P'000	2023 P'000
Summarised statement of financial position		
Current		
Cash and cash equivalents	**12**	25
Financial assets (excluding cash)	**18,144**	13,853
Total current assets	**18,156**	13,878
Other current liabilities (including trade and other payables)	**(8,916)**	(9,410)
Total current liabilities	**(8,916)**	(9,410)
Non-current		
Investment property	**63,796**	51,676
Deferred tax asset	**322**	2,403
Total non-current assets	**64,118**	54,079
Long-term borrowings	**(495)**	(1,611)
Total financial liabilities	**(495)**	(1,611)
Net assets	**72,862**	56,936
Summarised statement of comprehensive income		
Revenue	**4,476**	3,138
Operating costs	**(621)**	(578)
Depreciation expense	**(484)**	(298)
Fair-valuation	**10,574**	–
Profit from operations	**13,945**	2,285
Finance costs	**–**	–
Profit before taxation	**13,945**	2,285
Income tax expense	**(934)**	(17)
Profit for the year	**13,011**	2,268
Group's share of profit for the year	**6,505**	310

3. Investments in joint ventures continued

David Livingstone Safari Lodge & Spa Limited – Financial Information

	2024 P'000	2023 P'000
Current Assets		
Inventory – consumables	**1,217**	1,090
Inventory – operating equipment	**1,542**	707
Bank and cash/overdraft	**9,186**	14,176
Trade and other receivables	**9,527**	1,141
Total current assets	**21,474**	17,114
Current Liabilities		
Trade and other payables	**(9,051)**	(6,143)
Total current liabilities	**(9,051)**	(6,143)
Non-current		
Property, plant and equipment	**234,137**	182,946
Total non-current assets	**234,137**	182,946
Long-term borrowings	**(9,448)**	(46,725)
Total financial liabilities	**(9,448)**	(46,725)
Net assets	**237 114**	147 192
Summarised statement of comprehensive income		
Revenue	**51,815**	14,016
Operating costs	**(24,517)**	(9,886)
Depreciation expense	**(8,042)**	(2,146)
Net foreign exchange (loss)/gains	**–**	63
Profit/(loss) from operations	**19,257**	2,047
Finance costs	**(5,728)**	(3,246)
Profit/(loss) for the year	**13,528**	(1,199)
Other Comprehensive income		
Revaluation gain on property, plant and equipment	**20,085**	51,560
Total Comprehensive Income	**33,614**	50,362
Group's share of profit/(loss) for the year	**6,764**	(599)
Group's share of other comprehensive income	**10,043**	25,780

Reconciliation of summarised financial information

The opening carrying amount of the interest in joint ventures reconciles to the closing carrying amount as follows:

Carrying amount of the Group's interest in joint ventures

	2024 P'000	2023 P'000
Summarised financial information		
Opening net assets	**204,123**	51,492
Acquisition of Joint Venture (refer note 7)	**–**	48,833
Bargain purchase gain	**–**	53,593
Profit/(loss) for the year	**26,539**	1,069
Share of OCI	**20,085**	51,560
Foreign exchange differences	**4,893**	(2,424)
Closing net assets	**255,640**	204,123
Interest in joint ventures	**50%**	50%
Carrying amount of the Group's interest in joint ventures	**127,821**	102,063

4. Profit from operations

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

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Auditor's remuneration – audit fee	**2,227**	1,635	**579**	480
Depreciation	**6,505**	7,165	**1,270**	509
Directors' emoluments – for services as directors (note 28)	**3,125**	2,867	**1,591**	1,421
Management and administration fee paid to related company (note 28)	**24,439**	23,497	**3,814**	3,380
Acquisition cost relating to business combinations – other	**–**	557	**–**	557
Lease renewal fees paid to related company (note 28)	**7,433**	6,404	**375**	468
Movement in expected credit losses (note 15)	**6,769**	(819)	**870**	2,236
Inventory Adjustment (net realisable value)	**–**	(6,145)	**–**	–
Repairs and maintenance on investment properties	**17,678**	18,219	**1,939**	1,912
Service charges paid to related company (note 28)	**9,224**	9,341	**9,224**	9,341
Foreign exchange gains/(losses)	**7,419**	(922)	**8,616**	(12,517)
Bargain purchase gain (note 7)	**–**	26,797	**–**	–

5. Investment income

Bank balances	**1,860**	6,529	**1,564**	2,166
Money market	**101**	8	**7**	8
Overdue accounts and tenant deposits	**1,263**	866	**35**	17
Related parties and intercompany (note 28)	**2,297**	5,499	**54,098**	47,106
	5,521	12,902	**55,704**	49,297
Dividends received	**59**	1,146	**139,127**	40,676
	5,580	14,048	**194,831**	89,973

6. Finance costs

Interest payable on:				
Bank overdraft	**949**	589	**910**	500
Long-term borrowings	**226,502**	231,031	**45,205**	43,744
Other	**12,176**	9,997	**1,163**	736
	239,627	241,617	**47,278**	44,980

7. Acquisition of a 50% shareholding of David Livingstone Safari Lodge (Prior Year)

In September 2023, the Group acquired 50% of the shares and voting interest in David Livingstone Safari Lodge (Pty) Ltd.

The acquisition did not result in the acquiring 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% stakeholder), will enable the Group to further strengthen its geographical diversification, by entering the Zambian leisure industry.

The acquisition was part of a three step process – which consisted of:

1. RDC Properties International (Pty) Ltd acquiring 50% of the loan claim against David Livingstone from the Development Bank of South Africa. This was executed 04 April 2023, and did not result in joint control. The claim was acquired for USD 2,500,000, with Protea Hotels Zambia (partner) also acquiring their share.
2. RDC Properties International (Pty) Ltd acquiring 50% of a promissory note against David Livingstone held by the BOABAB Trust. This was executed on 1 September 2023 and did not result in joint control. The promissory note was acquired by both RDC Properties International (Pty) Ltd and Protea Hotels Zambia, at 50% each, totalling USD 400,000.
3. Lastly the share capital of David Livingstone was acquired on 1 September 2023, by RDC Properties International 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 USD100,000. There is further contingent consideration payable by both parties in the amount USD 200,000 each.

7. Acquisition of a 50% shareholding in David Livingstone Safari Lodge (Prior Year) continued

A. Consideration transferred

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

	Group 2023 P'000
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	**24,416**

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 included in the investee:

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

	Group 2023	
	100%	50%
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	(8,366)	(4,183)
Net identifiable assets and liabilities	**102,425**	**51,213**
Bargain purchase gain		**26,797**

8. Income tax expense

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Normal taxation				
Current year expense	**6,829**	11,530	**514**	–
Adjustments recognised in the period for current tax of prior periods	**–**	431	**–**	–
Total normal taxation	**6,829**	11,961	**514**	–
Deferred taxation				
Current year (excluding capital gains tax)	**(413)**	(903)	**3,448**	(352)
Capital gains deferred tax	**4,647**	36,820	**(1,730)**	9,071
Prior year under provision	**(4)**	(8,476)	**–**	94
	11,061	39,402	**2,232**	8,813
Income tax expense comprises:				
Charged to statement of comprehensive income	**19,767**	46,288	**10,938**	15,699
Attributable to debenture interest credited to statement of changes in equity	**(8,706)**	(6,886)	**(8,706)**	(6,886)
	11,061	39,402	**2,232**	8,813

The charge for the year can be reconciled to the profit per income statement as follows:

	%	%	**%**	%
Tax rate reconciliation:				
Tax at current rate	**22.00**	22.00	**22.00**	22.00
Taxation on debenture interest	**(4.99)**	(3.83)	**(4.43)**	(6.85)
Prior year underprovision/(overprovision)	**–**	0.22	**–**	–
Deferred tax prior year underprovision	**(0.06)**	(3.39)	**–**	0.17
Fair value adjustment on investment properties	**(4.59)**	1.44	**(0.82)**	0.62
Share of profit from joint venture	**(7.60)**	(0.07)	**–**	–
Non-taxable income	**0.07**	(4.98)	**(15.58)**	(8.90)
Non-taxable bargain purchase gain	**–**	(3.28)	**–**	–
Non-deductible expenses	**(0.04)**	2.43	**0.01**	1.73
Unutilised tax losses	**–**	8.01	**–**	–
Unrecognised assessed loss set-off in current year	**–**	(3.28)	**–**	–
Withholding taxes paid in a foreign country	**–**	1.49	**–**	–
Substantively enacted tax rate change in South Africa	**–**	–	**–**	–
Other	**0.07**	0.64	**(0.04)**	–
Effect of tax rate differentials	**1.48**	4.53	**–**	–
	6.34	21.93	**1.14**	8.77

9. Property, plant and equipment

	Leasehold buildings P'000	Furniture, equipment P'000	Aircraft & vehicles P'000	Total P'000
Group				
Cost				
At 1 January 2023	2,270	60,617	3,093	65,980
Acquisition through business combination	–	976	–	976
Additions during the year	–	–	–	–
Foreign Currency Translation Reserve	–	(1,227)	–	(1,227)
As at 31 December 2023	2,270	60,366	3,093	65,729
Additions during the year	–	1,022	–	1,022
Disposals during the year	–	(791)	–	(791)
Foreign Currency Translation Reserve	–	(6,318)	–	(6,318)
As at 31 December 2024	2,270	54,279	3,093	59,642
Accumulated depreciation				
At 1 January 2023	1,911	15,690	1,289	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
Charge for the year	111	4,796	1,598	6,505
Foreign Currency Translation Reserve	–	(2,286)	–	(2,286)
As at 31 December 2024	2,133	26,152	3,093	31,378
Net book value at 31 December 2024	**137**	**28,127**	**(0)**	**28,264**
Net book value at 31 December 2023	248	36,724	1,598	38,570

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.

	Furniture & equipment P'000	Aircraft P'000	Total P'000
Company			
Cost			
At 1 January 2023	3,181	3,093	6,274
Additions during the year	171	–	171
As at 31 December 2023	3,352	3,093	6,445
Disposals during the year	(371)	–	(371)
As at 31 December 2024	2,980	3,093	6,073
Accumulated depreciation			
At 1 January 2023	1,420	1,290	2,710
Charge for the year	303	206	509
As at 31 December 2023	1,723	1,496	3,219
Charge for the year	(327)	1,597	1,270
As at 31 December 2024	1,396	3,093	4,489
Net book value at 31 December 2024	**1,584**	**–**	**1,584**
Net book value at 31 December 2023	1,628	1,597	3,226

10. Investments

	Country of incorporation	Share holding	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
At amortised cost:						
Equity investments – Subsidiaries						
RDC Properties International (Proprietary) Limited	Botswana	100%	**–**	–	**–**	505,342
RDC Mauritius	Mauritius	100%	**–**	–	**516,228**	–
Tower Property Fund International Limited	Mauritius	100%	**–**	–	**326,671**	–
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
			–	–	**931,172**	593,615
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			**24,305**	46,753	**24,305**	–
			24,305	46,753	**24,305**	–
			24,305	46,753	**957,664**	595,802
USA Private Placement Insurance Policy						
Reconciliation of fair value						
Opening value			**46,753**	95,413	**–**	–
Amalgamation Accounting				–	**46,753**	–
Distributions			**–**	(32,709)	**–**	–
Foreign exchange gains			**1,670**	3,761	**1,670**	–
Net (decrease)/increase in fair value			**(24,118)**	(19,712)	**(24,118)**	–
Closing balance			**24,305**	46,753	**24,305**	–

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:

	2024 P'000	2023 P'000
Non-current assets	**137**	248
Current assets	**201**	186
Current liabilities	**(203)**	(206)
Income	**205**	220
Expenses	**(298)**	(315)

11. Long term loan receivables

	Country of incorporation	Share holding	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
At cost:						
RDC Properties International	Botswana	100%	**–**	–	**–**	615,915
RDC Mauritius	Mauritius	100%	**–**	–	**414,202**	–
RDC Properties Namibia	Namibia	100%	**–**	–	**4,901**	4,986
RDC-KMR Limited	Mauritius	55%	**–**	–	**16,122**	15,966
RDC Zimpeto Limited	Mauritius	60%	**–**	–	**22,218**	15,424
HMS1 Societe Anonyme (HMS1)	Madagascar	50%	**–**	–	**29,472**	–
David Livingstone Safari Lodge and Spa	Botswana	50%	**30,236**	23,062	**49,527**	–
			30,236	23,062	**536,442**	652,291

Long term loans – investments through RDC Properties Limited are unsecured. The interest rate on the these loans are agreed between the 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.

12. Investment properties

	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
Freehold land and buildings at fair value	**4,248,614**	4,239,049	**378,902**	360,097
Leasehold land and buildings at fair value	**1,185,980**	1,182,519	**502,280**	493,831
	5,434,594	5,421,568	**881,182**	853,928
Straight-line rental adjustment	**18,655**	7,509	**(2,378)**	(3,664)
	5,453,249	5,429,077	**878,804**	850,264
Reconciliation of fair value				
Opening value	**5,429,077**	5,575,136	**850,264**	833,777
At valuation	**5,421,568**	5,589,838	**853,928**	835,485
Straight-line rental adjustment	**7,509**	(14,702)	**(3,664)**	(1,708)
Transfers to available for sale	**(154,406)**	(99,738)		(24,000)
Transfers to discontinued operations	**–**	(83,585)	**–**	–
Additions during the year	**47,726**	29,659	**1,636**	1,245
Disposals during the year	**–**	(102,633)	**–**	–
Foreign currency translation reserve	**22,377**	3,317	**–**	–
Net increase in fair value	**97,329**	104,404	**25,618**	40,910
Straight-line rental adjustment included in profit or loss	**11,146**	2,517	**1,286**	(828)
Straight-line prior year adjustment	**–**	–	**–**	(840)
Closing balance	**5,453,249**	5,429,077	**878,804**	850,264

Fair value adjustments

For the year ended 31 December 2024, valuations of all properties were performed by either the directors or independent valuers and have resulted in a net upward revaluation of P97,329,000 (2023: P104,404,000).

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 P582,960,000 (2023: P563,807,000).

Direct operating expenses (including repairs and maintenance) arising from investment properties was P216,020,000 (2023: P216,560,000).

As at 31 December 2024 Investment properties with a fair value of P5.017 billion (2023: P5.397 billion) are encumbered. Refer to note 24.

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

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

	Group		Company	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Investments in financial instruments (equity and debt):	**9,698**	10,421	**8,465**	9,201
Opening balance	**10,421**	10,642	**9,201**	9,201
Acquisitions during the year	**–**	–	**–**	–
Disposals during the year	**–**	–	**–**	–
Fair value losses	**(736)**	–	**(736)**	–
Foreign currency translation reserve	**13**	(221)	**(736)**	–
Closing balance	**9,698**	10,421	**8,465**	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	**–**	–

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

	Group		Company	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Trade receivables	**80,073**	80,290	**12,139**	17,917
Allowance for doubtful debts	**(28,495)**	(21,726)	**(7,987)**	(7,117)
	51,578	58,564	**4,152**	10,800
Value added tax	**–**	336	**–**	(536)
Prepayment	**13,011**	10,561	**282**	198
Municipal deposits	**7,167**	7,386	**–**	–
Recovery accruals	**9,834**	10,061	**–**	–
Other receivables	**40,166**	25,089	**3,276**	(87)
Related parties:				
RDC Properties International (Pty) Ltd	**–**	–	**–**	83,135
RDC Mauritius	**–**	–	**105,229**	–
RDC KMR	**–**	–	**5,860**	–
RDC Zimpeto	**–**	–	**6,842**	–
Italtswana Construction Company (Proprietary) Limited	**–**	–	**–**	–
Property & Asset Management Limited	**252**	687	**252**	653
Norman Kwati Matstese (Proprietary) Limited	**–**	–	**3,010**	2,257
Chobe Marina Lodge (Proprietary) Limited	**–**	–	**–**	–
Three Partners Resorts Limited	**–**	–	**22,135**	31,150
Antya Investments (Proprietary) Limited	**2**	2	**–**	2
Yuagong (Proprietary) Limited	**26,343**	26,340	**–**	–
Propcorp (Proprietary) Limited	**–**	–	**–**	5
Lotsane Complex (Proprietary) Limited	**–**	–	**–**	1
	148,352	139,026	**151,038**	127,578
Short-term portion	**122,009**	112,686	**151,038**	127,578
Long-term portion	**26,343**	26,340	**–**	–
	148,352	139,026	**151,038**	127,578

15. Trade and other receivables continued

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.

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 2024 and 31 December 2023 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.

The Group considers a default as failure for the customer to pay within 30 days from the date of invoice. The Group considers this definition reasonable as it generally reflects the working capital cycle of its tenant/customer base. 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.

	Current	30 days	60 days	90 days	120 days and more
Group					
2024					
Expected credit loss rate	**9%**	**15%**	**38%**	**27%**	**47%**
Gross carrying amount	**14,832**	**6,987**	**2,647**	**4,112**	**51,496**
Lifetime expected credit losses	**1,278**	**1,019**	**1,006**	**1,107**	**24,085**
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
Company					
2024					
Expected credit loss rate	**26%**	**43%**	**61%**	**77%**	**77%**
Gross carrying amount	**2,077**	**723**	**524**	**524**	**8,291**
Lifetime expected credit loss	**546**	**314**	**318**	**405**	**6,404**
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

Expected credit losses reconciliation

	Group		Company	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Movement in expected credit losses				
Balance at beginning of the year	**21,726**	22,545	**7,117**	4,881
Movement in expected credit losses	**6,769**	(819)	**870**	2,236
Balance at end of the year	**28,495**	21,726	**7,987**	7,117

16. Inventories

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Inventories at cost				
Opening balance	**158,943**	161,076	**–**	–
Additions	**2,926**	24		
Sales	**(57,097)**	(2,398)	**–**	–
Adjustment to lower of cost and net realisable value	**–**	6,145	**–**	–
Foreign currency reserve adjustment	**6,063**	(5,904)	**–**	–
Closing balance	**110,835**	158,943	**–**	–

At year end, 1 unit remains unsold of the company's inventory units at 32 Napier Street. 19 units remain at the Old Cape Quarter property. The units are classified as inventory as these units are leased to tenants and actively marketed until buyers are found. At year end, there were no reversal of any write-down of inventories recognised during the period arising from an increase in 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	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Opening Balance	**99,738**	–	**24,000**	–
Sales during the period	**(99,738)**	–	**(24,000)**	–
Transfer from Investment Property	**154,406**	99,738	**–**	24,000
Closing Balance	**154,406**	99,738	**–**	24,000

At year end, the following properties were reclassified to held for sale: The Regent (P109,866,000) and Sparrow Shopping Centre (P44,540,000). All of these properties have been sold to buyers, and awaited finalisation of the transfer process at the year end date. The gain recognised for the subsequent increase in fair-value less costs to sell for the assets amounted to P9,232,475.

18. Cash and cash equivalents

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Bank balances	**98,151**	81,699	**2,102**	3,739
Money Market	**18,146**	–	**73**	–
	116,297	81,699	**2,175**	3,739

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:

Issued and fully paid				
Opening balance 758,232,937 (2023: 758,232,937) ordinary shares	**1,058,199**	1,058,199	**1,058,199**	1,058,199
Closing balance 758,232,937 (2023: 758,232,937) ordinary shares	**1,058,199**	1,058,199	**1,058,199**	1,058,199

20. Debentures

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

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Opening balance 758,233,937 (2023: 758,233,937) ordinary shares	**242,634**	242,634	**242,634**	242,634
Closing balance 758,233,937 (2023: 758,233,937) ordinary shares	**242,634**	242,634	**242,634**	242,634

21. Accumulated profits

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

Arising from operations	**536,675**	538,231	**271,024**	75,434
Bonus Share Issue	**(189,095)**	(189,095)	**(189,095)**	(189,095)
Arising from revaluation of investment properties	**1,012,994**	920,312	**551,494**	524,146
	1,360,574	1,269,448	**633,423**	410,485

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 2024 and 31 December 2023.

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

Debenture interest				
Interim paid – 2.712 (2023: 4.128) thebe	**20,563**	31,300	**20,563**	31,300
Interim declared – nil (2023: nil) thebe	**–**	–	**–**	–
	20,563	31,300	**20,563**	31,300
Final proposed – 5.144 (2023: 2.507) thebe	**38,528**	19,009	**38,528**	19,009
Total debenture interest for the year (Declared and Proposed)	**59,091**	50,309	**59,091**	50,309
Dividends:				
Interim paid – 0.126 (2023: 0.135) thebe	**955**	1,024	**955**	1,024
Interim declared – nil (2023: nil) thebe	**–**	–	**–**	–
	955	1,024	**955**	1,024
Final proposed – 0.132 (2023: 0.130) thebe	**1,472**	989	**1,472**	989
Total dividends for the year (Declared and Proposed)	**2,427**	2,013	**2,427**	2,013

23. Non-controlling interests

Opening balance	**560,387**	532,734	**–**	–
Increase in controlling shareholding of subsidiary	**(9,895)**	–	**–**	–
Sale of subsidiary	**(1,526)**	–	**–**	–
Share of profit for the year	**31,639**	28,161	**–**	–
FCTR Reclassification	**–**	17,786	**–**	–
Dividends for the year	**(51,823)**	(18,294)	**–**	–
Closing balance	**528,782**	560,387	**–**	–

24. Long term borrowings

	Interest rate at 31 December 2024	Maturity date	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
First National Bank of Botswana Limited[1]						
Loan Facility – 3	Prime Rate	January 2029	**7,254**	8,762	**7,254**	8,762
Loan Facility – 4	Prime +1.25%	March 2027	**2,580**	3,553	**2,580**	3,553
Access Bank[2]						
Loan Facility 1	Prime +1.75%	January 2025	**218**	2,723	**218**	2,723
Loan Facility 2	Prime Rate	November 2024	**–**	1,486	**–**	1,486
ABSA Bank Botswana Limited[3]						
Three Partners Resorts Loan Facility 3	Prime + 0.75%	December 2028	**10,994**	14,090	**–**	–
Three Partners Resorts Loan Facility 4	Prime +1.5%	October 2029	**20,000**	–	**–**	–
BIFM Capital Investment Fund One (Pty) Limited[4]						
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 Limited[5]						
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
Stanbic Bank of Botswana[6]						
Revolving Credit Facility	Prime + 0.75%	September 2026	**10,004**	10,006	**10,004**	10,006
Investec Bank Limited[7]						
Term Loan Facility	3 Month JIBAR + 3.5%	December 2025	**63,774**	69,705	**–**	–
Revolving Credit Facility	Prime + 0.28%	December 2025	**–**	66,899	**–**	–
Nedbank South Africa Limited[8]						
Term Loan Facility	3 Month JIBAR + 2.22%	July 2031	**146,092**	146,253	**–**	–
ABSA Bank Limited – South Africa[9]						
Mortgage bond Facility 1	Prime (RSA) – 1%	June 2025	**98,592**	96,272	**–**	–
Mortgage bond Facility A, B and C	Prime (RSA) – 1%	June 2025	**120,470**	85,513	**–**	–
Mortgage bond Facility 2	Prime (RSA) – 1%	September 2026	**121,000**	118,146	**–**	–
Mortgage bond Facility 3	Prime (RSA) – 1%	November 2025	**18,673**	18,233	**–**	–
First National Bank Limited – South Africa[10]						
Term Loan Facility	Prime (RSA) – 0.5%	November 2028	**–**	53,719	**–**	–
Standard Bank Limited – South Africa[11]						
Standard Bank Loan 1	3m JIBAR + 1.95%	May 2025	**513,736**	631,331	**–**	–
Standard Bank Loan 2	3m JIBAR + 1.95%	May 2025	**85,824**	76,124	**–**	–
Standard Bank Loan 3	3m JIBAR + 1.80%	July 2027	**219,028**	212,608	**–**	–
Standard Bank Loan 4	3m JIBAR + 2.60%	June 2026	**–**	78,542	**–**	–
Chrysalis Capital Fund[12]						
Loan Facility	Prime (RSA) – 1%	May 2025	**5,862**	5,724	**–**	–
Privredna Banka Zagreb – Croatia[13]						
Loan Facility – Euro Denominated	3m EURIBOR + 3.5%	December 2025	**132,711**	135,866	**–**	–
Erste Bank Group – Croatia[14]						
Loan Facility 1 – Euro Denominated	Fixed at 2.50%	February 2025	**196,473**	201,144	**–**	–
Loan Facility 2 – Euro Denominated	Fixed at 2.50%	February 2025	**50,015**	51,204	**–**	–
Loan Facility 3 – Euro Denominated	3m EURIBOR + 2.3%	July 2029	**120,239**	–	**–**	–
Total bank debt owed			**2,260,407**	2,404,773	**271,984**	278,458

24. Long term borrowings continued

	Interest rate at 31 December 2024	Maturity date	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 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**	40,212	**40,212**	40,212
RDCP003 Listed Unsecured Senior Notes	MoPR +4.81%	March 2024	**–**	12,017	**–**	12,017
RDCP006 Listed Unsecured Senior Notes	Fixed at 8.8%	December 2026	**25,163**	25,163	**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	**20,096**	20,096
RDCP009 Listed Unsecured Senior Notes	Fixed at 9%	December 2028	**50,247**	50,247	**50,247**	50,247
RDCP010 Listed Unsecured Senior Notes	Fixed at 8.25%	June 2025	**85,000**	–	**85,365**	–
RDCP011 Listed Unsecured Senior Notes	Fixed at 10.16%	December 2027	**12,000**	–	**12,000**	–
Total Listed Notes			**280,088**	218,210	**280,453**	218,210
Balance of debt origination costs being amortised			**(6,729)**	(9,069)	**(1,471)**	(1,521)
Loans from related parties						
Loan from KMR Projectos LDA	3 Month Libor + 2.5%	On Demand	**13,453**	12,593	**–**	–
Loan from JHK Investimentos LDA	3 Month Libor + 2.5%	On Demand	**14,872**	14,134	**–**	–
Loan from Castle Group (Pty) Ltd	Interest Free	On Demand	**–**	5,881	**–**	–
Loan from VMD Grupa d.o.o.	Fixed at 19.99%	December 2025	**24,929**	25,522	**–**	–
Interest rate derivatives at fair value through profit or loss*			**(2,666)**	(11,377)	**–**	–
Transfers to discontinued operations			**–**	(58,772)	**–**	–
Total current and long term borrowings			**2,584,354**	2,603,918	**550,966**	497,171
Current-portion of long term borrowings			**1,387,819**	81,443	**88,245**	51,638
Long-term borrowings			**1,196,535**	2,520,452	**462,721**	443,510
Total current and long term borrowings			**2,584,354**	2,601,895	**550,966**	495,148

1. *The loan facilities 1, 3, 4 are secured as mortgage bonds over investment property (note 12) – Lot 50369 – Gaborone, Botswana.*
2. *The loan facilities 1 and 2 are secured as a mortgage bond over investment property (note 12) – Lot 50669 – Gaborone, Botswana.*
3. *The loan facilities 2 and 3 are secured as mortgage bonds over investment property (note 12) – Lot 54353, Central Business District, Gaborone, Botswana.*
4. *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.*
5. *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.*
6. *The Stanbic Revolving Credit Facility is secured over investment property (note 12) – Lot 758, Gaborone Botswana.*
7. *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.*
8. *The loan is secured by a mortgage bond over erf 232, Johannesburg, South Africa.*
9. *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.*
10. *The loans are secured by mortgage bonds over erven 14849, 11152, 14849, 170664, Cape Town, South Africa.*
11. *These loan facilities are secured by mortgage bonds over the South African domiciled Properties of the Tower Property Fund Limited Group.*
12. *This loan facility is secured by a security cession agreement with Capitalgro (Pty) Ltd.*
13. *The loan facility is secured by a mortgage bond over land registry file number: 25703, Zagreb, Croatia.*
14. *The loan facilities are secured by mortgage bonds over land registry file number: 1548, Dubrovnik, Croatia and land registry file number: 24671, Zagreb, Croatia.*

24. Long term borrowings continued

Breach of covenants

As at 31 December 2024, the Group was in breach of the following loan covenants:

- BIFM Promissory Note – the group achieved an interest cover ratio (ICR) of 1.54 in breach of the required 1.75x.

The Group and Company have obtained a formal condonement of this breach. The bank has not recalled the loan nor implemented default penalties.

The Group and company are required to comply with three main types of covenants surrounding its loan agreements. These include interest cover rate, Loan to value, debt service cover ratio and vacancy rates by portfolio. The Group and company are expected to report on these covenants to financial institutions bi-annually (6 month periods). Given the improving macroeconomic environment, with decreasing interest rate trends shown, and together with the Group and Company's overall vacancy rates being low, management do not expect to experience difficult with covenant compliance in the ensuing 12 month period.

* 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 10% (2023: 26%) 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 P18,166,000 (2023: P16,040,000 loss).

Consist of the following contracts:	Base currency	Nominal value P'000	Fixed/ capped rate of derivative	Expiry
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
		252,348		

The percentage of total bank debt hedged by interest-rate derivatives was 26% (2023: 42%) at the end of the year.

Value Mortgages with no liability:

Property	2024 P	2023 P
Lot 443, Serowe	**0**	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
	4,740 000	4,956,800

25. Deferred tax liabilities

	Group		Company	
Temporary differences arising on:	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Property, plant and equipment	**694**	594	**515**	594
Investment properties – capital allowances claimed to date	**132,637**	125,132	**18,919**	17,889
Investment properties – capital gains tax on fair value	**107,933**	109,873	**28,861**	30,591
Capital gains tax on fair value gains on financial assets through OCI	**325**	1,585	**–**	–
Unrealised gains	**–**	858	**–**	858
Expected credit loss allowance	**(1,827)**	(857)	**(1,757)**	(857)
Prepayments	**87**	122	**–**	–
Deferred income	**(1,052)**	(931)	**(961)**	(931)
Municipal provisions	**(285)**	–	**–**	–
Income received in advance	**(81)**	(55)	**–**	–
Provision for leave pay	**–**	–	**–**	–
Tax losses	**(20,237)**	(20,346)	**(916)**	(5,208)
Capitalised borrowing costs	**388**	–	**–**	–
Other	**–**	47	**–**	0
	218,581	216,022	**44,661**	42,936
Reconciliation of movement				
Opening balance	**216,022**	185,060	**42,936**	34,122
Foreign currency translation reserve	**(10,378)**	(3,365)	**–**	–
Charge to profit or loss – current year (excluding capital gains tax)	**8,293**	5,983	**3,455**	(674)
Charge to profit or loss – capital gains tax on fair value of investment property	**4,647**	36,820	**(1,730)**	9,488
Charge to profit or loss – prior year adjustment	**(4)**	(8,476)	**–**	–
Closing balance	**218,581**	216,022	**44,661**	42,936

25. Deferred tax liabilities continued

Tax losses

The tax losses, if unutilised, will fall away as follows:	Group P'000	Company P'000
Financial year		
2029	5,953	4,164
	5,953	4,164
Tax losses that will not fall away:	268,450	–
Total tax losses	274,403	4,164

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	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Trade payables	**25,584**	14,681	**4,664**	2,118
Accrued expenses	**8,986**	28,932	**1,057**	5,675
Security deposits	**31,663**	29,494	**3,352**	3,638
Advance rental received	**7,844**	13,902	**4,370**	4,231
VAT payable	**2,790**	(454)	**(786)**	(416)
Unpaid dividends and interest	**16,458**	8,389	**703**	698
Retention liability on property development	**8**	352	**8**	352
Contingent liability recognised on business combination	**31,836**	32,291	**–**	–
Other payables	**18,000**	13,003	**(620)**	(289)
Related parties:				
Italtswana Construction Company (Proprietary) Limited	**–**	4,224	**–**	4,224
Chobe Marina Lodge	**557**	164	**557**	165
	143,725	144,978	**13,304**	20,396

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

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Stanbic Bank Botswana Limited				
A bank overdraft totalling P6,000,000 (2023: P6,000,000)	**1,763**	6,000	**1,763**	6,000
The unused facility is P4,237,000 (2023: P Nil)				
Barclays Bank of Botswana Limited				
A bank overdraft totalling P5,000,000 (2023: P5,000,000)	**(2)**	2,593	**–**	–
The unused facility is P5,000,002 (2022: P2,407,000)				
Bank overdraft	**1,761**	8,593	**1,763**	6,000

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28. Related party transactions

Relationships

Subsidiaries:		% 2024	% 2023
Botswana	Three Partners Resorts Limited	**53.75%**	53.75%
	RDC Properties International (Proprietary) Limited (Amalgamated July 2024)	**100.00%**	100.00%
	Lotsane Complex (Proprietary) Limited	**76.67%**	76.67%
	Propcorp (Proprietary) Limited	**33.33%**	33.33%
	Norman Kwati Matetse (Proprietary) Limited	**100.00%**	100.00%
South Africa	RDC Properties South Africa (Proprietary) Limited	**100.00%**	100.00%
	RDC Erf 232 Rosebank (Proprietary) Limited	**100.00%**	100.00%
	Capitalgro (Proprietary) Limited	**64.09%**	61.11%
	108 Albert Rd (Proprietary) Limited	**0.00%**	50.00%
	Lexshell 492 Investments (Proprietary) Limited	**100.00%**	100.00%
	Lucky Bean Property Investments (Proprietary) Limited	**100.00%**	100.00%
	Micawber 219 (RF) (Proprietary) Limited	**100.00%**	100.00%
	Tower International Treasury (Proprietary) Limited	**100.00%**	100.00%
	Tower Property Fund (Proprietary) Limited	**100.00%**	100.00%
Croatia	Sub Dubrovnik d.o.o.	**74.00%**	74.00%
	Tower Europe Retail d.o.o.	**74.00%**	74.00%
	Tower Industrial d.o.o.	**74.00%**	74.00%
	Tower Europe d.o.o.	**59.00%**	59.00%
Mauritius	RDC Mauritius	**100.00%**	100.00%
	TPF International Limited	**74.00%**	74.00%
	RDC-KMR Limited	**55.00%**	55.00%
	RDC Zimpeto Limited	**60.00%**	60.00%
Mozambique	RDC Xiquelene, Lda	**100%**	100.00%
	Xai-Xai Newco, Lda	**33%**	33.00%
	Zimpeto Shopping Centre, Lda	**60%**	60.00%
Madagascar	HMS1 Société Anonyme	**50.00%**	50.00%
Namibia	RDC Properties (Namibia) (Proprietary) Limited	**100.00%**	100.00%
	RDC Property Development (Namibia) (Proprietary) Limited	**70.31%**	70.31%
Zambia	David Livingstone Safari Lodge and Spa Limited	**50.00%**	50.00%

All related parties in addition to those listed in note 15 and the directors of the company 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 11. Payables relating to related parties are disclosed in note 26.

The following trading transactions were carried out with related parties.

	Group		Company	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Interest income (note 5)				
David Livingstone Safari Lodge and Spa Limited	**2,297**	5,499	**4,593**	–
RDC Properties International (Proprietary) Limited	**–**	–	**–**	47,106
RDC Mauritius	**–**	–	**45,854**	–
RDC-KMR	**–**	–	**1,453**	–
RDC Zimpeto	**–**	–	**2,198**	–
	2,297	5,499	**54,098**	37,873
Property and Asset Management Limited (Common Shareholding)				
Management and administration expenses (note 4)	**24,439**	23,497	**3,814**	3,380
Lease renewal fees (note 4)	**7,433**	6,404	**375**	468
Service charges (note 4)	**9,224**	9,341	**9,224**	9,341

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.

	Group 2024	Group 2023	Company 2024	Company 2023
Directors' emoluments				
For services as directors	**3,125**	2,867	**1,591**	1,421

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.

The nature of the Group's leasing activities is such that it retains the complete right to the asset – operating leases.

The Group manages the risk associated with its rights in underlying assets through effective day-to-day property and asset management teams. The Group also ensures that the assets are appropriately covered by insurance in terms of property damage and loss of business.

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

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Within one year	**192,672**	316,083	**20,052**	24,631
In the second to fifth years inclusive	**405,571**	653,379	**18,838**	22,642
After five years	**6,644**	113,885	**7,046**	6,174
	604,887	1,083,347	**45,936**	53,447

30. Capital commitments

Authorised and contracted	**5,818**	31,623	**92**	2,115
Authorised but not contracted	**24,581**	35,901	**10,133**	6,529
	30,399	67,524	**10,226**	8,644

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.

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 Botswana and the Group is expanding into the Region. The geographical segment information is outlined below.

	GROUP (P'000s)		
	Botswana	South Africa	Namibia
31 December 2024			
SEGMENT ASSETS			
Investments	**–**	**–**	**–**
Long term loan receivables	**30,236**	**–**	**–**
Investment properties at fair-value	**1,498,151**	**2,552,033**	**–**
Investments in joint ventures	**–**	**–**	**–**
Inventories	**–**	**110,835**	**–**
Investment Property held for sale	**–**	**154,406**	**–**
Rental receivable – straight line rental adjustment	**2,768**	**(21,423)**	**–**
Financial assets at fair value through other comprehensive income	**8,465**	**1,233**	**–**
Trade and other receivables	**60,433**	**80,845**	**182**
Cash and cash equivalents	**23,114**	**64,962**	**5**
Property, plant and equipment	**2,535**	**25,729**	**–**
Non-current assets classified as held for sale – Disposal Group	**–**	**–**	**–**
Total segment assets	**1,625,703**	**2,968,618**	**186**
Intangible asset			
Consolidated total assets			

The Group's primary business activities are concentrated in the segment of property rentals and are predominantly concentrated within the geographical region of Botswana and the Group is expanding into the Region. The geographical segment information is outlined below.

	Botswana	South Africa	Namibia
At 31 December 2024			
SEGMENT LIABILITIES			
Trade and other payables	**31,169**	**103,268**	**–**
Borrowings	**676,149**	**1,389,044**	**–**
Current tax liability / (asset)	**(205)**	**0**	**–**
Deferred Tax Liabilities	**80,853**	**32,764**	**–**
Liabilities directly associated with non-current assets as held for sale	**–**	**–**	**–**
Total segment liabilities	**787,967**	**1,525,075**	**–**
Bank overdraft			
Consolidated total liabilities			

	Botswana	South Africa	Namibia
31 December 2023			
SEGMENT ASSETS			
Investments	–	–	–
Long term loan receivables	23,062	–	–
Investment properties at fair-value	1,469,710	2,535,425	–
Investments in joint ventures	–	–	–
Inventories	–	158,943	–
Investment Property held for sale	24,000	75,738	–
Rental receivable – straight line rental adjustment	4,657	(12,166)	–
Financial assets at fair value through other comprehensive income	9,201	1,220	–
Trade and other receivables	75,846	56,383	177
Current tax assets	166	–	–
Cash and cash equivalents	7,142	42,179	12
Property, plant and equipment	4,695	33,875	–
Non-current assets classified as held for sale – Disposal Group	–	85,165	–
Total segment assets	1,618,480	2,976,761	189
Intangible asset			
Consolidated total assets			

		GROUP (P'000s)			
Mozambique	**USA**	**Croatia**	**Zambia**	**Madagascar**	**Total**
–	**24,305**	**–**	**–**	**–**	**24,305**
–	**–**	**–**	**–**	**–**	**30,236**
70,700	**–**	**1,332,365**		**–**	**5,453,249**
–	**–**	**–**	**87,280**	**40,541**	**127,821**
–	**–**	**–**		**–**	**110,835**
–	**–**	**–**		**–**	**154,406**
–	**–**	**–**	**–**	**–**	**(18,655)**
–	**–**	**–**		**–**	**9,698**
1,658	**–**	**5,235**	**–**	**–**	**148,352**
642	**–**	**27,574**	**–**	**–**	**116,297**
–	**–**	**–**	**–**	**–**	**28,264**
–	**–**	**–**	**–**	**–**	**–**
73,000	**24,305**	**1,365,175**	**87,280**	**40,541**	**6,184,808**
					1,000
					6,185,808

2,534	**–**	**6,754**	**–**	**–**	**143,725**
–	**–**	**519,160**	**–**	**–**	**2,584,353**
(245)	**–**	**2,018**	**–**	**–**	**1,567**
–	**–**	**104,965**	**–**	**–**	**218,581**
–	**–**	**–**	**–**	**–**	**–**
2,288	**–**	**632,896**	**–**	**–**	**2,948,227**
					1,761
					2,949,988

–	46,753	–	–	–	46,753
–	–	–	–	–	23,062
68,043	–	1,355,899		–	5,429,077
–	–	–	73,595	28,468	102,063
–	–	–	–	–	158,943
–	–	–	–	–	99,738
–	–	–	–	–	(7,509)
–	–	–	–	–	10,421
4,528	–	2,092	–	–	139,026
–	–	–	–	–	166
1,605	–	30,761	–	–	81,699
–	–	–	–	–	38,570
–	–	–	–	–	85,165
74,176	46,753	1,388,752	73,595	28,468	6,207,174
					1,000
					6,208,174

32. Segmental reporting continued

	GROUP (P'000s)		
	Botswana	South Africa	Namibia
At 31 December 2023			
SEGMENT LIABILITIES			
Trade and other payables	(25,927)	164,437	1,052
Borrowings	601,025	1,598,014	–
Current tax liability	(185)	(334)	–
Deferred Tax Liabilities	83,993	23,707	–
Liabilities directly associated with non-current assets as held for sale	–	62,705	–
Total segment liabilities	658,907	1,848,528	1,052
Bank overdraft			
Consolidated total liabilities			
At 31 December 2024			
SEGMENT REVENUES AND RESULTS			
Contractual lease rental revenue	**96,871**	**374,202**	**–**
Operating expenses	**(47,959)**	**(194,781)**	**–**
Income/(loss) arising from joint venture (net of forex gains)	**–**	**–**	**–**
Other foreign exchange gains/(losses)	**7,208**	**–**	**21**
Depreciation expense	**(596)**	**(5,909)**	**–**
Other operating income	**3,324**	**4,437**	**–**
Profit on sale of subsidiary	**–**	**5,961**	**–**
Loss arising on fair value of investments	**–**	**–**	**–**
Loss arising on fair value of interest rate derivatives		**(1,730)**	
Gain/(loss) arising on revaluation of properties	**21,718**	**69,253**	**–**
Sales revenue	**–**	**56,375**	**–**
Cost of sales	**–**	**(57,097)**	**–**
Investment income	**4,470**	**1,110**	**–**
Finance costs	**(62,645)**	**(157,010)**	**–**
Bargain Purchase Gain	**–**	**–**	**–**
Profit/(loss) before tax	**22,392**	**94,809**	**21**
Income tax income/(expense)	**(3,759)**	**(11,054)**	**–**
Profit/(loss) for the year from continuing operations	**18,634**	**83,755**	**21**
Loss for the year from discontinued operations	**–**	**816**	**–**
Profit/(loss) for the year	**18,634**	**84,571**	**21**
At 31 December 2023			
SEGMENT REVENUES AND RESULTS			
Contractual lease rental revenue	109,503	358,489	–
Operating expenses	(47,025)	(202,072)	(36)
Income/(loss) arising from joint venture (net of forex gains)	–	–	–
Other foreign exchange gains/(losses)	(3,214)	(677)	(182)
Depreciation expense	(389)	(6,776)	–
Other operating income	5,316	4,680	–
Inventory Adjustment	–	6,145	–
Loss arising on fair value of investments	–	–	–
Loss arising on fair value of interest rate derivatives	–	(7,812)	–
Gain/(loss) arising on revaluation of properties	49,963	(17,896)	–
Sales revenue	–	2,465	–
Cost of sales	–	(2,398)	–
Investment income	10,695	4,946	–
Finance costs	(52,862)	(166,319)	–
Bargain Purchase Gain	–	–	–
Profit/(loss) before tax	71,987	(27,225)	(218)
Income tax income/(expense)	(25,032)	6,158	–
Profit/(loss) for the year from continuing operations	46,955	(21,067)	(218)
Loss for the year from discontinued operations	–	(4,146)	–
Profit/(loss) for the year	46,955	(25,213)	(218)

GROUP (P'000s)					
Mozambique	**USA**	**Croatia**	**Zambia**	**Madagascar**	**Total**
2,549	–	2,867	–	–	144,978
–	–	402,856	–	–	2,601,895
(247)	–	4,643	–	–	3,877
–	–	108,322	–	–	216,022
–	–	–	–	–	62,705
2,302	–	518,688	–	–	3,029,477
					8,593
					3,038,070
–	**–**	**100,741**	**–**	**–**	**571,814**
(1,566)	**–**	**(12,414)**	**–**	**–**	**(256,719)**
–	**–**	**–**	**6,764**	**6,505**	**13,269**
189	**–**	**–**	**–**	**–**	**7,419**
–	**–**	**–**	**–**	**–**	**(6,505)**
102	**–**	**–**	**–**	**–**	**7,864**
–	**–**	**–**	**–**	**–**	**5,961**
–	**(24,118)**	**–**	**–**	**–**	**(24,118)**
		(16,435)	**–**		**(18,166)**
–	**–**	**17,505**	**–**	**–**	**108,475**
–	**–**	**–**	**–**	**–**	**56,375**
–	**–**	**–**	**–**	**–**	**(57,097)**
–	**–**	**–**	**–**	**–**	**5,580**
–	**–**	**(19,972)**	**–**	**–**	**(239,627)**
–	**–**	**–**	**–**	**–**	**–**
(1,275)	**(24,118)**	**69,424**	**6,764**	**6,505**	**174,524**
–	**–**	**(4,954)**	**–**	**–**	**(19,767)**
(1,275)	**(24,118)**	**64,470**	**6,764**	**6,505**	**154,757**
–	**–**	**–**	**–**	**–**	**816**
(1,275)	**(24,118)**	**64,470**	**6,764**	**6,505**	**155,573**
–	–	93,298	–	–	561,290
(1,507)	–	(10,453)	–	–	(261,093)
–	–	–	(599)	1,135	536
3,151	–	–	–	–	(922)
–	–	–	–	–	(7,165)
383	–	–	–	–	10,379
–	–	–	–	–	6,145
–	(19,712)	–	–	–	(19,712)
–	–	(8,228)	–	–	(16,040)
(891)	–	75,745	–	–	106,921
–	–	–	–	–	2,465
–	–	–	–	–	(2,398)
–	–	12	(1,605)	–	14,048
(1,539)	–	(20,897)	–	–	(241,617)
–	–	–	26,797	–	26,797
(403)	(19,712)	129,477	24,593	1,135	179,634
–	–	(27,414)	–	–	(46,288)
(403)	(19,712)	102,063	24,593	1,135	133,346
–	–	–	–	–	(4,146)
(403)	(19,712)	102,063	24,593	1,135	129,200

33. Financial risk management

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Categories of financial instruments				
Financial assets				
Fair value through profit and loss				
Investments	**24,305**	46,753	**–**	–
Ordinary shares in listed companies	**9,698**	10,421	**8,465**	9,201
Long term loan receivables	**30,236**	23,062	**536,442**	652,291
Trade and other receivables	**135,341**	128,129	**150,756**	127,916
Cash and cash equivalents	**116,297**	81,699	**2,175**	3,739
Financial liabilities at amortised cost				
Long term borrowings – at floating interest rate	**1,803,562**	1,888,545	**106,167**	124,609
Long term borrowings – at fixed interest rate	**780,792**	713,350	**444,799**	370,539
Trade and other payables	**133,091**	131,530	**9,720**	16,581
Bank overdraft	**1,761**	8,593	**1,763**	6,000
	2,719,206	2,742,018	**562,449**	517,729

In the normal course of business the Group is exposed to currency, capital, credit, liquidity and interest rate risk. The Group manages their exposure by meeting on a regular basis to ensure the treasury activities are carried out in an orderly and efficient manner adhering to management procedures and policies.

Currency risk

The Group undertakes transactions denominated in foreign currencies, South African Rand, Euro and US dollar.

Consequently, exposures to exchange rate fluctuations arise. Financial instruments that are sensitive to currency risks are mainly trade receivables, Group loans to foreign operations and cash and cash equivalents.

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 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 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 Pula Net Gain/(loss) P'000**
2024			
United States Dollar (USD)	**24,305**	**13.9470**	**(2,431)**
South Africa Rand (ZAR)	**(1,462,092)**	**0.7423**	**146,209**
Namibian Dollar (NAD)	**(889)**	**0.7423**	**89**
Mozambican Metical (MZN)	**(3,604)**	**0.2204**	**360**
Euro (EUR)	**(495,172)**	**14.5138**	**49,517**
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

33. Financial risk management continued

Capital risk

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 company comprising stated capital, debentures and accumulated profits as disclosed in notes 19, 20 and 21 respectively.

Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts presented in the statements of financial position are net of allowances for lifetime expected credit losses estimated by management based on prior experience and the current economic environment. 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

	Within one year P'000	In the second to fifth years inclusive P'000	After five years P'000
Group			
2024			
Trade and other payables	**133,091**	**–**	**–**
Bank overdraft	**1,761**	**–**	**–**
Current portion of long term borrowings	**1,387,819**	**–**	**–**
Non-current portion of long term borrowings	**–**	**726,320**	**470,216**
	1,522,671	**726,320**	**470,216**
2023			
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
	221,566	2,048,568	471,884
Company			
2024			
Trade and other payables	**9,720**	**–**	**–**
Bank overdraft	**1,763**	**–**	**–**
Current portion of long term borrowings	**88,245**	**–**	**–**
Non-current portion of long term borrowings	**–**	**203,538**	**259,182**
	99,729	**203,538**	**259,182**
2023			
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
	74,219	182,820	260,690

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

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 the fixed and floating interest rates. The Group entities manage interest rate risk 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:

	Amount of asset/(liability) P'000	Change in interest rate %	(Decrease)/ increase in profit before tax P'000
Group			
31 December 2024			
Financial assets			
Cash and cash equivalents	**116,297**	**0.5%**	**581**
Financial liabilities			
Long term borrowings at floating interest rate	**(1,803,562)**	**0.5%**	**(9,018)**
Bank overdraft	**(1,761)**	**0.5%**	**(9)**
			(8,446)
31 December 2023			
Financial assets			
Cash and cash equivalents	81,699	0.5%	408
Financial liabilities			
Long term borrowings – at floating interest rate	(1,888,545)	0.5%	(9,443)
Bank overdraft	(8,593)	0.5%	(43)
			(9,078)
Company			
31 December 2024			
Financial assets			
Cash and bank balances	**2,175**	**0.5%**	**11**
Financial liabilities			
Long term borrowings – at floating interest rate	**(106,167)**	**0.5%**	**(531)**
Bank overdraft	**(1,763)**	**0.5%**	**(9)**
			(529)
31 December 2023			
Financial assets			
Cash and bank balances	3,739	0.5%	19
Financial liabilities			
Long term borrowings – at floating interest rate	(124,609)	0.5%	(623)
Bank overdraft	(6,000)	0.5%	(30)
			(634)

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 information about how fair values in the financial assets are determined (in particular, the valuation techniques and inputs used).

Recurring measurement at the end of the reporting period

	Group		Company	
	2024 P'000	**2023 P'000**	**2024 P'000**	**2023 P'000**
Recurring measurement at the end of the reporting period				
Investment properties	**5,453,249**	5,429,077	**878,804**	850,264
Investment properties held for sale	**154,406**	99,738	**–**	24,000
Investment properties within Disposal Group	**–**	83,585	**–**	–
USA Private Placement Insurance Policy	**24,305**	46,753	**–**	–
	5,631,960	5,659,153	**878,804**	874,264

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

	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
Investment properties (including held for sale and disposal group)				
Opening value	**5,612,400**	5,575,136	**874,264**	833,777
Total gains for the period included in profit or loss (after straight line adjustment)	**108,475**	106,921	**26,904**	39,242
Additions, acquisitions and transfers	**(113,220)**	(69,657)	**(22,364)**	1,245
Closing balance	**5,607,655**	5,612,400	**878,804**	874,264
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)	**108,475**	106,921	**26,904**	39,242
USA Private Placement Insurance policy				
Opening value	**46,753**	95,413	**–**	–
Amalgamation Accounting	**–**	–	**46,753**	
Distributions	**–**	(32,709)	**–**	–
Foreign currency translation	**1,670**	3,761	**1,670**	–
Total fair-value gains for the period included in profit or loss	**(24,118)**	(19,712)	**(24,118)**	–
Closing balance	**24,305**	46,753	**24,305**	–
Total gains for the period included in profit or loss	**(24,118)**	(19,712)	**(24,118)**	–
Financial assets through OCI	**9,698**	10,421	**8,465**	9,201

Reconciliation of fair value measurements categorised within Level 1 of fair value hierarchy

	Group 2024 P'000	Group 2023 P'000	Company 2024 P'000	Company 2023 P'000
Financial Assets through OCI				
Opening value	**10,421**	10,642	**9,201**	9,201
Disposals	**–**	–	**–**	–
Total losses for the year included in other comprehensive income	**(736)**	–	**(736)**	–
Foreign exchange movements	**13**	(221)	**–**	–
Closing balance	**9,698**	10,421	**8,465**	9,201

34. Fair value measurement continued

Quantitative information about fair value measurements using key inputs

	Fair value at 31 December 2024	Fair value hierarchy	Valuation technique	Key inputs	Range	Sensitivity to +1% of key input	Sensitivity to -1% of key input
2024							
Group							
Investment properties	**1,218,925**	**Level 3**	Direct capitalisation	Capitalisation rate	7.50% – 10.50%	**(135,436)**	**135,436**
	4,234,324	**Level 3**	Discounted Cashflow	Discount rate	12.80% – 15.20%	**(302,452)**	**302,452**
				Growth rate	4.00% – 6.00%	**846,865**	**(846,865)**
	5,453,249						
Investment properties held for sale	**154,406**	**Level 1**	Market price	Price comparison		**1,544**	**(1,544)**
Investment properties within Disposal Group	**–**	**Level 1**	Market price	Price comparison		**–**	**–**
Financial assets through OCI	**9,698**	**Level 1**	Quoted prices	Quoted prices in active markets		**97**	**(97)**
USA Private Placement Insurance Policy	**24,305**	**Level 1**	Cost			**243**	**(243)**
Company							
Investment properties	**878,804**	**Level 3**	Direct capitalisation	Capitalisation rate	7.5% – 10.5%	**(97,645)**	**97,645**
Financial assets through OCI	**8,465**	**Level 1**	Quoted prices	Quoted prices in active markets		**85**	**(85)**
2023							
Group							
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)
	5,429,077						
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	5.50% – 8.50%	(53,276)	71,466
Financial assets through OCI	9,201	**Level 1**	Quoted prices	Quoted prices in active markets		92	(92)

35. Tax Paid

	Group		Company	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
Opening balance	**–**	(3,578)	**(284)**	(1,746)
Current tax expense	**6,829**	11,961	**514**	–
Amount written off as not receivable	**–**	(1,751)	**–**	(1,751)
Closing balance of tax payable/(receivable)	**1,567**		**85**	(284)
Tax (paid)/received	**(5,262)**	(6,632)	**(145)**	3,213

36. Disposal group held for sale – 108 Albert Road

In August 2023, management entered 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. In 2023, the assets and liabilities of 108 Albert Road, as consolidated, is presented as a disposal group held for sale. The sale was completed on 19 March 2024. Profit on the disposal as recognised in the 2024 consolidated income statement is P5,961,000.

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 carrying amount and comprised the following assets and liabilities.

	Group	
Stated in thousands of Botswana Pula:	2024 P'000	2023 P'000
Investment Property	–	83,585
Trade and other receivables	–	986
Cash and cash equivalents	–	594
Non-current assets classified as held for sale – Disposal Group	–	85,165
Stated in thousands of Botswana Pula:		
Long term borrowings	–	58,772
Trade and other payables	–	3,933
Liabilities directly associated with non-current assets classified as held for sale	–	62,705

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

At 31 December 2023 and 2024, the disposal group had the following amounts recognised in the income statement which have been disclosed as net loss from discontinued operations:

Stated in thousands of Botswana Pula:		
Contractual Lease Rental Revenue	**2,385**	9,186
Straight line rental adjustment	**–**	467
Operating Expenses	**(1,046)**	(9,593)
Other Operating Income	**346**	2,054
Investment income	**223**	415
Finance costs	**(1,092)**	(6,675)
Profit/(Loss) for the year from discontinued operations	**816**	(4,146)

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:

The Group has evaluated events occurring after the reporting period and has determined that there are no material events or transactions that require adjustment or disclosure in the financial statements.

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 the business.

PORTFOLIO SUMMARY

for the year ended 31 December 2024

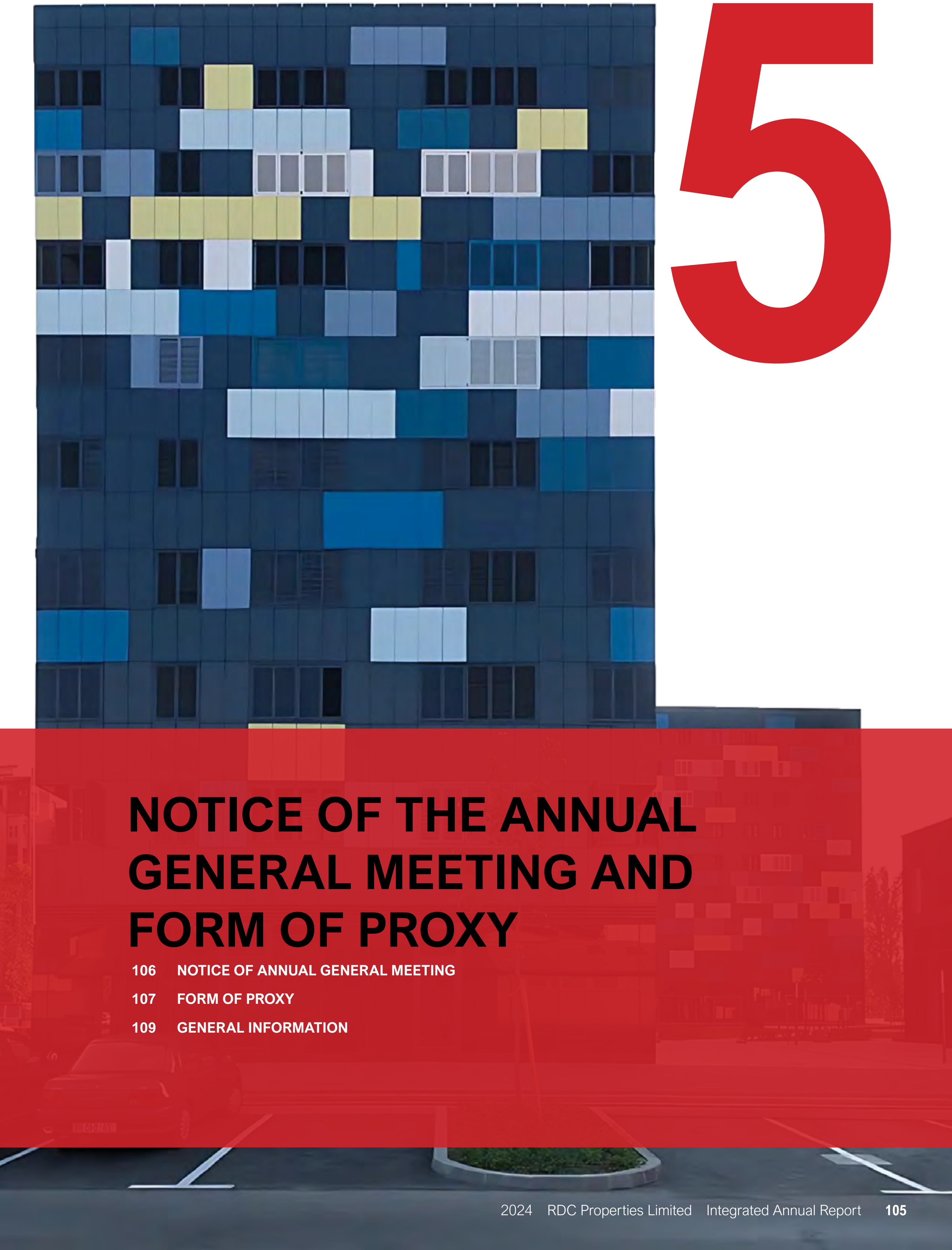
Property Name	Location	Sector	Valuation Pula
BOTSWANA			
Boswa Enterprises	Lot 680 & 692 Serowe Agreement of Lease No 258/96 of 18/7/96	Retail	**12,100,000**
Broadhurst Business Centre	Lease area 234KO on Lot 1 0211 in Gaborone Offices	Office	**22,240,000**
Chobe Commercial Centre	Lot 914 Kasane in Chobe Admin District Retail & Offices	Office	**13,200,000**
Chobe Marina Lodge	Lease Area No. 4-AO, Kasane	Hospitality	**278,137,000**
Diamond Mall	Lots 3761, 5422 and 5423, Jwaneng	Retail	**29,200,000**
European Union	Lot 758, Gaborone Offices	Office	**40,390,000**
Gaborone West Warehouses	Lots 22017, Gaborone	Industrial	**28,400,000**
Gaborone West Warehouses	Lots 22018, Gaborone	Industrial	**29,400,000**
Mebala Centre	Lots 1 116/117 & 1840, Gaborone Ext. 3	Retail	**32,320,000**
ICC Flats	Lot 80055 & 2558 extension 9, Gaborone	Residential	**148,900,000**
Mole Mall	Molepolole	Land	**433,000**
RDC Mpingo	Plot 50668, Gaborone	Office	**17,700,000**
RDC Tholo	Plot 50369 Gaborone	Office	**39,700,000**
RDC Tsuma	Plot 50669, Gaborone	Office	**19,670,000**
Standard House	Lots 1 124 to 1 130 in Gaborone Ext. 3	Office	**154,800,000**
Standard Serowe	Lot 679 Serowe Retail & Offices	Retail	**5,600,000**
Tsodilo Centre	Lot 194 Maun Retail	Retail	**6,500,000**
Bophelong Senior Living	Gaborone	Land	**6,461,000**
Lotsane	Lot 1707 Palapye Retail	Retail	**40,000,000**
Masa Centre	Lot 54353, Gaborone	Mixed use	**573,000,000**
SOUTH AFRICA			
Cape Quarter Square	Erf 173 320, Green Point, Cape Town	Mixed use	**410,281,345**
32 Napier Street – Commercial	Erf 10114, Green Point, Cape Town	Retail	**21,379,259**
32 Napier Street – Units	Green Point, Cape Town	Residential	**2,945,879**
De Ville Shopping Centre	Remainder of Erf 2011, Durbanville, Cape Town	Mixed use	**191,448,296**
Sunclare Building	Sections 1, 2, 3, 4, 7, 8, 9 and 10 of SS Sunclare, Erf 140700, Claremont, Cape Town	Office	**228,490,832**
Old Cape Quarter - Commercial	Erf 168 985, Green Point, Cape Town	Mixed use	**89,971,049**
Old Cape Quarter - Units	Green Point, Cape Town	Residential	**107,889,121**
St Andrews Office Park	Sections 5 to 12 SS, Bedfordview, Johannesburg	Office	**9,650,360**
Viscount Road Office Park	Sections 1, 6 to 9 and 15 to 20 SS, Bedfordview, Johannesburg	Office	**20,280,603**
Waterford Office Park	Erf 735 and 736, Maroeladal, Fourways, Johannesburg	Office	**4,843,738**
Coachmans Crossing Block C	Portion 1 of erf 20, Lyme Park, Bryanston, Johannesburg	Office	**13,995,905**
Upper Grayston Blocks A, B, D, E, & F	Sections 13 to 21 SS, Upper Grayston 1, Sections 3, 4, 5, 7, and 8 SS, Upper Grayston 2, Upper Grayston 3, Upper Grayston 4	Office	**87,932,227**
Willowvale	Erf 567, Willowbrook Ext 27, Ruimsig, Johannesburg	Office	**10,763,863**
382 Jan Smuts	Erf 5 Craighall Park and Erf 224 Craighall, Johannesburg	Office	**33,822,285**
3 River Road	Holding 346, Geldenhuys Estate Small Holding and Erven 439 and 1804, Bedfordview Ext 62 and Erf 1312, Bedfordview Ext 279, Johannesburg	Office	**15,292,109**
31 Beacon Road	Erf 55, Florida North, Johannesburg	Office	**44,465,890**
6-8 Sturdee Avenue	Erven 195 and 196, Rosebank, Johannesburg	Office	**60,871,502**
308 Kent Avenue	Erf 954, Ferndale, Randburg, Johannesburg	Office	**38,378,740**
Hanover Square	Portions 18 and 19 of Erf 77, Edenvale, Johannesburg	Office	**14,475,540**
Whitby Manor	Erf 2669 and 2670, Noordwyk Ext 61, Midrand	Office	**14,104,372**
Sparrow Shopping Centre	Erf 3259, Nylstroom Ext 2, Modimolle	Retail	**44,540,123**
Evagold Shopping Centre	Erf 12291, Evaton West, Extension 11	Retail	**72,129,018**
Route 21	Erf 925, Irene Ext 30	Industrial	**36,745,602**
Musgrave Road	Portion 12 (of 1) of Erf 2242, Portion 34 (of 33) of Erf 2242 and remaining extent of Erf 2242, Durban	Mixed use	**21,230,792**
Clifton Place	Remainder of portion 49 of Erf 2242, Durban	Office	**48,251,800**
Link Hills Shopping Centre	Erf 1024, Hillcrest	Retail	**96,503,600**

PORTFOLIO SUMMARY
for the year ended 31 December 2024

Property Name	Location	Sector	Valuation Pula
Tyger Lake	Erf 39227, Tyger Valley, Cape Town	Office	**16,405,612**
The Regent	Erf 1158, Sea Point, Cape Town	Mixed use	**109,865,637**
Westlake Shopping Centre	Erf 13047, Constantia, Cape Town	Mixed use	**112,018,410**
The Edge	Erf 39224, 38794, 39215, 39651 and 39037, Tyger Falls, Cape Town	Office	**287,135,328**
Voortrekker Road	Erf 17827 and Erf 23831, Maitland, Cape Town	Office	**157,300,869**
Caxton Street	Erf 8132, Zonnebloem, Cape Town	Office	**78,613,317**
Radisson Red Hotel	Erf 232, Rosebank, Johannesburg	Hospitality	**309,553,856***
CROATIA			
Sub City	Dr Franjo Tudman Promenade 2A, 20207 Mlini, Srebreno, Zupa Dubrovacka (Dubrovnik)	Retail	**490,566,038**
VMD	Condominium ownership of 15 of the 26 floors, situated at Strojarska Cesta 20, Zagreb	Office	**407,837,446**
Meridijan	Gracanska 208 Street, 10000, Zagreb	Retail	**253,991,292**
Yazaki	Slavonska Avenue 26/6, 26/18, Zagreb	Industrial	**179,970,972**
MOZAMBIQUE			
XaiXai	Xai-Xai, Mozambique	Retail	**22,907,000**
Zimpeto Maputo	Maputo, Mozambique	Retail	**25,106,000**
RDC XQL	Maputo, Mozambique	Retail	**24,372,661**
USA			
The Manning	Nashville, Tennessee	Development	**24,305,000**
MADAGASCAR			
Isalo Lodge	Ambarinakoho	Hospitality	**36,431,000**
ZAMBIA			
David Livingstone Safari Lodge	Victoria Falls	Hospitality	**91,390,000**

* *Including property, plant and equipment*

VMD KVART, ZAGREB, CROATIA



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NOTICE OF THE ANNUAL GENERAL MEETING AND FORM OF PROXY

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Ninth annual general meeting of the Company will be held virtually, on Thursday 19 June 2025 at 14h00, for the following business:

AGENDA

1. Welcome remarks and confirmation of presence of quorum.
2. To read the notice convening the meeting.

ORDINARY RESOLUTIONS

3. To receive, consider and approve the Annual Report in respect of the year ended 31 December 2024.
4. To receive, consider and adopt the Audited Financial Statements for the year ended 31 December 2024.
5. To approve the distribution as recommended by the directors.
6. To approve the payment of P1,620,500 for directors' emoluments (fees and expenses) for the year ended 31 December 2024.
7. To re-elect Ms Sithabile Pauline Mathe who retires by rotation in terms of Article 17.1 of the Constitution and, being eligible, offers herself for re-election. Refer to page 45 for her biographical information and summary curriculum vitae.
8. To re-elect Mr Guido Renato Giachetti who retires by rotation in terms of Article 17.1 of the Constitution and being eligible offers himself for re-election. Refer to page 44 for his biographical information and summary curriculum vitae.
9. It is noted that Ms Catherine Kate Maphage, who is due for re-election in terms of Article 17.1 of the Constitution, has opted to retire at the conclusion of this AGM.
10. It is noted that Mr Giorgio Giachetti, who is due for re-election in terms of Article 17.1 of the Constitution, has opted to retire at the conclusion of this AGM.
11. To confirm the appointment of Ms Tshepiso Mganga in place of the retiring directors in terms of Article 23.1 of the Constitution. Refer to page 29 for her biographical information and summary curriculum vitae.
12. To confirm the appointment of Ms Lorato Mosetlhanyane in place of the retiring directors in terms of Article 23.1 of the Constitution. Refer to page 30 for her biographical information and summary curriculum vitae.
13. To approve the remuneration of the Auditors for the year ended 31 December 2024.
14. To appoint Auditors for the ensuing year.
15. To respond to any questions posed by unit holders of the Company to the Board or senior management, which may be appropriate for an annual general meeting.

A member entitled to attend and vote, may appoint a proxy to attend and vote for him/her on his/her behalf, and such proxy need not also be a member of the Company. The instrument appointing such a proxy must be emailed to Bonolo.moutswi@pwc.com not less than 48 hours before the meeting i.e., before 14h00 on Tuesday 17 June 2025.

By order of the Board

Saumendu Sinha

PRICEWATERHOUSECOOPERS (PTY) LTD

PricewaterhouseCoopers Pty Ltd

Company Secretaries

16 May 2025

Registered Office:
Plot 64289, Tlokweng Road, Gaborone
P O Box 294
Gaborone

FORM OF PROXY

The Twenty Ninth annual general meeting of members to be held virtually, on Thursday 19 June 2025.

I/We ______________________________________ of ____ being a member/members of RDC Properties Limited do hereby appoint:

______________________________________ of ____ or failing that person the Chair of the meeting as my/our proxy to vote for me/us on my/our behalf at the said annual general meeting of the Company and vote as follows on the resolution to be proposed at the meeting.

Ordinary Business	For	Against	Abstain
Ordinary Resolution No. 1 (Agenda item 3) To receive, consider and approve the Annual Report			
Ordinary Resolution No. 2 (Agenda item 4) To receive, consider and adopt the Annual Financial Statements			
Ordinary Resolution No. 3 (Agenda item 5) To approve the distribution as recommended by the directors			
Ordinary Resolution No. 4 (Agenda item 6) To approve the directors' emoluments			
Ordinary Resolution No. 5 (Agenda item 7) To re-elect Ms Sithabile Pauline Mathe			
Ordinary Resolution No. 6 (Agenda item 8) To re-elect Mr Guido Renato Giachetti			
Ordinary Resolution No. 7 (Agenda item 11) To confirm the appointment of Ms Tshepiso Mganga			
Ordinary Resolution No. 8 (Agenda item 12) To confirm the appointment of Ms Lorato Mosetlhanyane			
Ordinary Resolution No. 9 (Agenda item 13) To approve the remuneration of the Auditors			
Ordinary Resolution No. 10 (Agenda item 14) To appoint Auditors for the ensuing year			

In the event that any instruction in respect of any resolution is left blank or unclear, the proxy will vote as he/she deems fit.

A member entitled to attend and vote may appoint a proxy to attend and vote for him/her on his/her behalf and such proxy need not also be a member of the Company. The instrument appointing such a proxy must be emailed to Bonolo.moutswi@pwc.com not less than 48 hours before the meeting i.e., before 14h00 on Tuesday 17 June 2025.

Signed this ____ day of ____2025

Signature ____

NOTES

GENERAL INFORMATION

RDC PROPERTIES LIMITED
(Incorporated in Botswana – Unique Identification Number BW00000877423)

NATURE OF BUSINESS
The Group and Company are engaged in the business of leasing investment property to earn rentals.

DIRECTORS
Andrew Bradley
Federica Giachetti
Gary Fisher
Giorgio Giachetti
Guido R Giachetti
Jacopo Pari
Joanne Mabin - Resigned 30 August 2024
Kate Maphage
Nicola Milne
Simon Susman
Sithabile Mathe

SECRETARY
PricewaterhouseCoopers (Pty) Ltd

INTERNAL COMPANY SECRETARY
Lucy Caplan

REGISTERED OFFICE
Plot 64289
Tlokweng Road, Gaborone, Botswana

BUSINESS ADDRESS
Botswana
Office 1H
First Floor Masa Centre
Plot 54353
New CBD, Gaborone
Botswana

Tel: +267 391 4548

South Africa
6th Floor
Sunclare Building
Claremont
Cape Town

Tel: +27 21 685 5948

Croatia
Meridijan Building
Ulica Grada Vukovara 269F
10000 Zagreb
Croatia

Tel: +385 98 905 4426

POSTAL ADDRESS
P O Box 405391
Gaborone

INDEPENDENT AUDITORS
Grant Thornton
Chartered Accountants
A Botswana member firm of Grant Thornton International Limited

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

19062

Properties Limited

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Square New CBD,
Gaborone, Botswana

WWW.RDCBW.COM

Westlake Shopping Centre,
Cape Town, South Africa