



COMPANY ANNOUNCEMENTS

Operational Report for The Quarter Ended 30 Sep 21

- Tlou released its Sep21 quarterly report where it provided updates on its ongoing projects. Salient points are as follows:
 - Lesedi Project
 - During the quarter, Tlou agreed on the conditions of a loan to fund the first phase of the Lesedi project. The Legal agreements relating to this proposal are still in preparation.
 - Post the quarter end, Tlou signed a 10MW Power Purchase Agreement with Botswana Power Corporation (BPC), where BPC will purchase 10MW of power generated at Tlou's Lesedi power project for an initial 5-year period.
 - Hydrogen
 - During the quarter Tlou signed a binding Heads of Agreement (HOA) with Synergen Met, a hydrogen developer that uses plasma technology.
 - The HOA entails the construction and commissioning of a hydrogen and solid carbon prototype for the Lesedi Project.
 - The design work on the prototype unit, which is intended to create hydrogen and solid carbon using the gas flows at Lesedi, has commenced. The prototype will be built and tested in Queensland before being transported to the Lesedi project in 2022.
 - Other projects
 - Tlou's other prospecting licenses, i.e., the Mamba and the Boomslang projects, have not made much progress during the quarter.
- P0.50 (YTD: +51.52%) PE: N/A PB: 0.7 D/Y: 0.00% Mkt Cap: P300.1mn



Update on the Finalisation of The Rights Offer and Proposed Investment

- RDC announced that Tower Property Fund (TPF) shareholders will hold a meeting regarding the approval of the Scheme and General offer on 24 Nov 21. Possible outcomes of the meeting are as follows:
 - If TPF shareholders do not require a review or approve the Scheme offer, then the Scheme offer will be finalized on 9 Dec 21.
 - If TPF shareholders do not approve the Scheme offer, then the General offer which runs concurrently with the Scheme offer will be implemented.
- The Rights Offer Linked Units are expected to be listed on the BSE on 20 Dec 21.
- P2.15 (YTD: 0.00%) PE: 35.8 PB: 0.6 D/Y: 6.00% Mkt Cap: P949.9mn



Notice of Annual General Meeting (AGM)

- Minergy will hold its AGM at 10.00am on 24 Nov 21 at its office situated at Ground Floor, Unit 2, Building 3, Pinnacle Park. Shareholders will vote on:
 - Approving 30 Jun 21 financial statements.
 - Approving the re-election of L Tumelo and M Morulane, as Non-Executive Directors.
 - Approving the appointment of L Makwinja as Non-Executive Director.
 - Approving the remuneration of Non-Executive Directors for the 30 Jun 21 and 30 Jun 22 year ends.
 - Approving auditor's remuneration and to confirm the reappointment of Grant Thornton as auditors for the ensuing year.
- P0.80 (YTD: 0.00%) PE: N/A PB: N/A D/Y: 0.00% Mkt Cap: P376.0mn



Notice of Extraordinary General Meeting (EGM)



- Turnstar will virtually hold its EGM at 10.30am on 9 Dec 21. Shareholders will vote on:
 - Approving the appointment of B Itumeleng as the Trustee of the Principal Debenture Trust Deed of Turnstar.
 - Mrs Itumeleng is a partner at the Bogopa, Manewe, Tobedza & Co law firm.
 - Authorising the Managing Director, G Abdoola, as a signatory for all documents pertaining to the implementation of the above resolution.
- P1.80 (YTD: -28.00%) PE: 10.5 PB: 0.6 D/Y: 10.00% Mkt Cap: P1,029.9mn

Cautionary Announcement



- Chobe informed shareholders that its loss before tax (LBT) for the 31 Aug 21 interim period will be P14.4mn-P16.6mn (33%-36%) lower than the P43.7mn LBT reported for the 31 Aug 20 interim period.
- Results are expected to be published by 5 Nov 21.
- P7.35 (YTD: -22.06%) PE: N/A PB: 2.2 D/Y: 0.00% Mkt Cap: P657.4mn

Appointment of Absa Group Chairman Designate



- Absa announced the appointment of S Moloko as an Independent Non-Executive Director and Chairman Designate of the Absa Group Board, effective 1 Dec 21.
- Mr Moloko will commence role as Absa Group Chairman on 1 Apr 22.
- Mr Moloko is the former CEO of Old Mutual Asset Managers.
- P4.55 (YTD: -15.43%) PE: 9.3 PB: 1.6 D/Y: 7.96% Mkt Cap: P3,877.3mn

Resignation of Independent Non-Executive Director



- BancABC announced the resignation of BH Bassey as an Independent Non-Executive Director, effective 8 Oct 21.
- P1.98 (YTD: 0.00%) PE: 15.6 PB: 1.2 D/Y: 0.00% Mkt Cap: P1,435.5mn

Vaccine Roll Out Program Transits to Phase 3 and Arrival of Johnson & Johnson (J&J) Vaccines



- Vaccine Roll Out Program Transits to Phase 3
 - The Ministry of Health and Wellness (MoHW) announced the transition of the Covid-19 vaccination rollout program to Phase 3, covering those aged 18 years and above, effective 25 Oct 21.
- Arrival of J&J Vaccines
 - During the week, the MoHW further announced that it had received a total of 194 400 J&J vaccine doses that have been secured through the African Vaccine Acquisition Trust Facility.

GOVERNMENT OCT21 BOND AUCTION RESULTS – YIELDS BEGIN TO STABILISE

| Bond | Description | Total Amount Offered (PMn) | Total Amount Allocated (PMn) | Allocation Ratio | Stop out Yield | Previous Auction Stop Out Yield | Δ Stop Out Yield |
|--------------|-----------------|----------------------------|------------------------------|------------------|----------------|---------------------------------|------------------|
| BOTSTB050222 | 3 Month T-Bill | 500 | 200 | 40% | 1.408% | 1.375% | 3bps |
| BOTSTB0522 | 6 Month T-Bill | 500 | 200 | 40% | 1.505% | 1.495% | 1bps |
| BOTSTB1122 | 12 Month T-Bill | 500 | 350 | 70% | 3.100% | 2.963% | 14bps |
| BOTSGB0527 | 6-Year Bond | 200 | 45 | 23% | 6.650% | 6.650% | 0bps |
| BOTSGB0931 | 10-Year Bond | 300 | 113 | 38% | 8.350% | 8.350% | 0bps |
| BOTSGB06943 | 22-Year Bond | 100 | 78 | 78% | 8.440% | 8.440% | 0bps |
| Total | | 2,100 | 986 | 47% | | | |

- 47% of the total P2.1bn auction was allotted.
- 6-Year Bond was 23% allotted whilst the 22-Year bond was 78% allotted.
- There were minimal changes in stop out yields apart from the 12 Month T-Bill bond which registered a 14bps increase.

TURNSTAR HY21 RESULTS – ABSENCE OF RENTAL CONCESSIONS DRIVES UP PROFITS

| Income Statement P'Mn | HY 21 | HY 20 | % Δ |
|--|-----------|-----------|------------|
| Rental revenue | 128 | 122 | 5% |
| Other income | 1 | 1 | (29%) |
| Operating expenses | (57) | (62) | (8%) |
| Profit before FV adjustment | 72 | 62 | 17% |
| Finance income | 0 | 0 | 660% |
| Finance costs | (11) | (14) | (26%) |
| Profit before Forex (FX) adjustment | 62 | 47 | 31% |
| Net FX Adjustment | (1) | (4) | (83%) |
| Profit before tax | 61 | 43 | 41% |
| Tax | (2) | (1) | 69% |
| Profit for the period (PAT) | 59 | 42 | 40% |
| Balance Sheet extract P'Mn | HY 21 | HY 20 | % Δ |
| Cash and cash equivalents | 14 | 35 | (59%) |
| Investment properties | 2,400 | 2,444 | (2%) |
| Borrowings | 569 | 610 | (7%) |
| Deferred taxation | 184 | 189 | (3%) |
| Equity | 1,704 | 1,742 | (2%) |

- Rental revenue +5% due to the absence of rental concessions granted to tenants in 2020.
- Net FX Adjustment -83% due to the depreciation of the USD against the Pula.
- PAT +40% due to higher revenues and decreased finance costs and FX adjustments.
- Cash and cash equivalents -59% due to repayments of borrowings
- Interim distribution of 9t/linked unit declared, payable on 10 Dec 21.
- P1.80 (YTD: -28.00%)
PE: 10.5
PB: 0.6
D/Y: 10.00%
Mkt Cap: P1,029.9mn

NAP FY21 RESULTS – TAX CREDITS SUPPORT PROFITS

| Income Statement P'Mn | FY 21 | FY 20 | % Δ |
|------------------------------------|------------|------------|-------------|
| Rental revenue | 210 | 209 | 0% |
| Other income | 4 | 2 | 53% |
| Other expenses | (52) | (56) | (8%) |
| Operating profit | 162 | 155 | 4% |
| Net Interest income (loss) | 3 | 4 | (24%) |
| Fair Value (FV) Adjustment | (25) | (13) | 83% |
| Intangible asset amortisation | (1) | (1) | 0% |
| Share of associate's profit | 4 | 4 | 9% |
| Profit before tax | 144 | 149 | (4%) |
| Tax Credit | 17 | 1 | 3,255% |
| Profit for the period (PAT) | 161 | 149 | 8% |
| Balance Sheet extract P'Mn | FY 21 | FY 20 | % Δ |
| Cash and cash equivalents | 38 | 32 | 19% |
| Investment properties | 1,435 | 1,454 | (1%) |
| Borrowings | 12 | 8 | 42% |
| Deferred taxation | 137 | 159 | (13%) |
| Equity | 1,433 | 1,433 | (0%) |

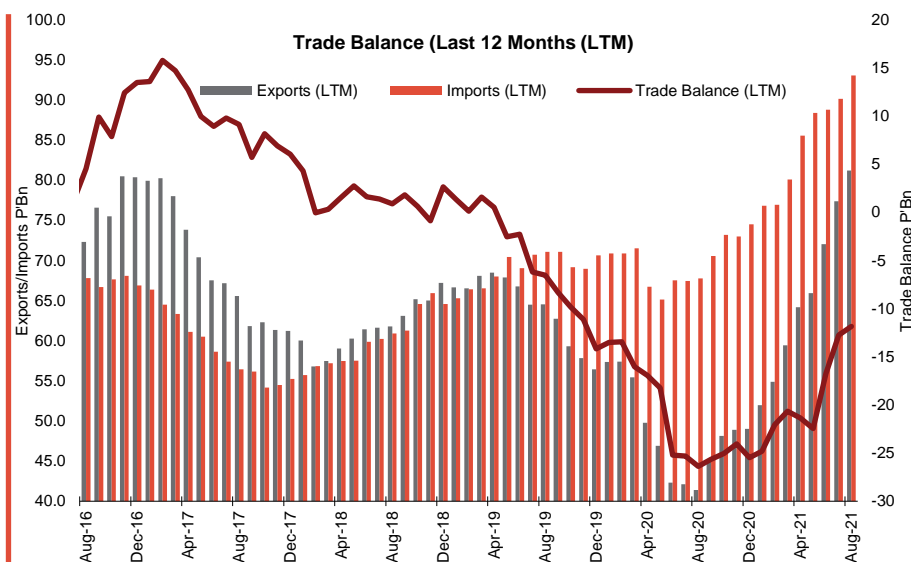
- Muted revenue growth attributable to the effects of Covid-19 related trading restrictions on tenants and prolonged vacancies.
- Other expenses -8% due to lower impairment charges.
- Net Interest income -24% due to the decrease in interest rates during the year.
- FV adjustments +83% reflective of current trading condition's effect on property values.
- PAT +8% driven by increase in tax credit.
- Cash and cash equivalents +19% due to the increase in borrowings
- No distribution declared.
- P3.26 (YTD: 1.56%)
PE: 12.2
PB: 1.4
D/Y: 8.39%
Mkt Cap: P1,970.3mn

BHC FY21 RESULTS – REVENUE REDUCTION AND INCREASED IMPAIRMENTS DROP PROFITS

| Income Statement P'Mn | FY 21 | FY 20 | % Δ |
|--|------------|------------|---------------|
| Revenue | 760 | 880 | (14%) |
| Cost of Sales | (495) | (569) | (13%) |
| Gross Profit | 265 | 312 | (15%) |
| Operating expenses | (211) | (216) | (2%) |
| Other income | 2 | 0 | 273% |
| Other Expenses | (61) | (73) | (17%) |
| Gains from Sale of Investment properties | 24 | 29 | (15%) |
| Profit before Impairments | 19 | 52 | (63%) |
| Impairments | (25) | (2) | 1,521% |
| Operating profit | (6) | 51 | (112%) |
| Finance income | 5 | 1 | 227% |
| Finance costs | (14) | (12) | 14% |
| Share of profit (loss) in joint ventures | 17 | 14 | 22% |
| Profit before tax (PBT) | 2 | 54 | (97%) |
| Tax | (1) | (5) | (84%) |
| Profit for the period (PAT) | 1 | 49 | (98%) |
| Balance Sheet extract P'Mn | FY 21 | FY 20 | % Δ |
| Cash and cash equivalents | 907 | 1,184 | (23%) |
| Housing inventories | 605 | 648 | (7%) |
| Investment properties | 1,312 | 1,331 | (1%) |
| Borrowings | 646 | 677 | (4%) |
| Equity | 1,532 | 1,531 | 0% |

- Revenue -14% due to the decline in the sale of properties as Government reduced spending on house purchases.
- Impairments increased 15x due to a dispute with a major client and the Covid-19 pandemic, which affected several of BHC's clients.
- PAT -98% driven by low sales revenue and increase in impairment expenses.
- Cash and cash equivalents -23% due to the addition of new properties.
- Housing Inventories -7% due to the sale of properties

AUG21 TRADE BALANCE (TB) – INCREASED DIAMOND IMPORTS LEAD TO TRADE DEFICIT



- Aug21 TB -P1.7bn v -P0.4bn (Jul21) v -P2.6bn (Aug20)
- Aug21 LTM TB -P11.9n v -P26.4bn (Aug20)
- The trade deficit reported for Aug21 is due to the rise in diamond imports.
- Increase in LTM TB driven by increase in diamond sales.

Regional

SOUTH AFRICA

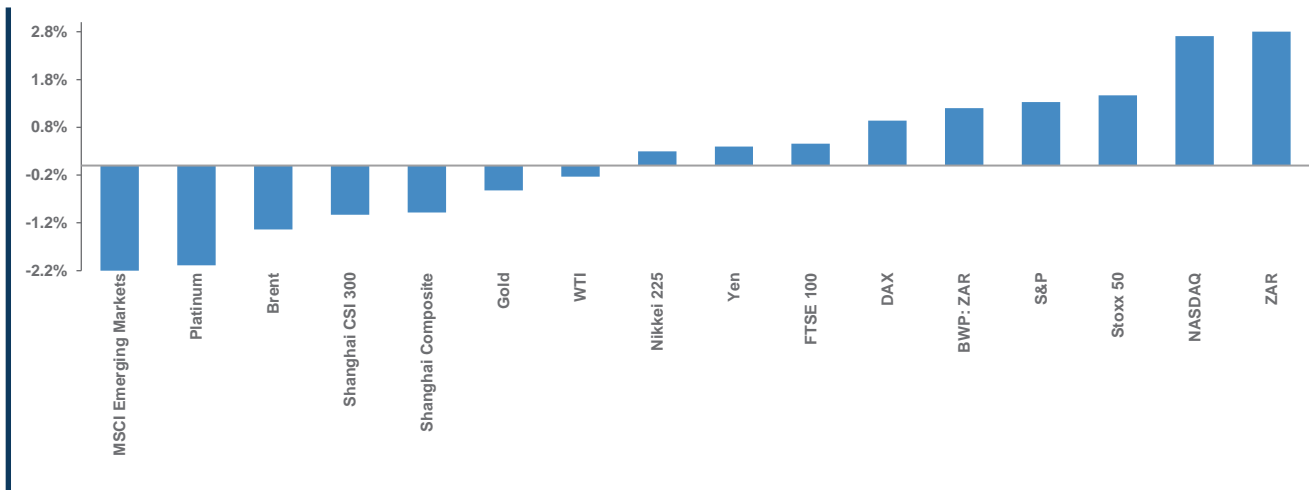
- Sep21 Trade Balance R22.2bn v R35.2bn (e) v R42.3bn (Aug21)
- Sep21 PPI y/y 7.8% v 7.3% (e) 7.2% (Aug21)
- Eskom implemented Stage 4 loadshedding last week due to unplanned breakdowns at its Medupi, Kusile, Matla, Lethabo and Arnot power stations.

ZAR PERFORMANCE

- The ZAR weakened against the USD on the back of investor uncertainty following the delay in releasing the Medium-Term Budget Policy Statement, local elections, the decline in commodity prices and Eskom's extended scheduled power cuts.
- 15.24 (WTD: +2.80%) v 14.83 (22 Oct 21)

International

INTERNATIONAL SNAPSHOT – 29 OCT 21 WEEKLY PERFORMANCE



- Sep21 Preliminary Industrial Production m/m -5.4% v -2.7% (e) v -3.6% (Aug21)
- Sep21 Jobless Rate 2.8% v 2.8% (e) v 2.8% (Aug21)
- Oct21 Tokyo CPI y/y 0.1% v 0.4% (e) 0.3% (Sep21)
- The Bank of Japan Monetary Policy Committee met during the week and decided the following:
 - Maintained its short-term interest rate at -0.10%.
 - Maintained the 10-Year JGB target yield at 0.00%.
 - Maintained the purchase of exchange-traded funds and Japanese real estate investment trusts with upper limits of ¥12trn and ¥180bn, respectively.
 - Maintained the purchase of commercial paper and corporate bonds to ¥20trn in total until Mar22.
- Japanese equities closed the week higher on the back of strong corporate earnings and lower Covid-19 cases.
- Nikkei 225: 28,893 (WTD: +0.30%), Yen: 113.95 (WTD: +0.40%)



- Eurozone 3Q21 Advance GDP SA q/q 2.2% v 2.1% (e) v 2.1% (2Q21)
- France 3Q21 Preliminary GDP q/q 3.0% v 2.2% (e) v 1.3% (2Q21)
- Germany 3Q21 Preliminary GDP SA q/q 1.8% v 2.2% (e) v 1.9% (2Q21)
- The European Central Bank (ECB) Governing Council met during the week and decided the following:
 - Maintained the interest rates on main refinancing operations, the marginal lending facility and the deposit facility at 0.00%, 0.25% and -0.50% respectively.
 - Maintained the envelope of its pandemic emergency purchase program at €1.85tn until at least Mar22.
 - Maintained monthly purchases under its asset purchase program at €20bn.
- European equities closed the week in the green on account of strong corporate earnings and the ECB's decision to keep interest rates and its monetary policy stance unchanged.
- DAX: 15,689 (WTD: +0.94%), Stoxx50: 4,251 (WTD: +1.47%), FTSE100: 7,238 (WTD: +0.46%)



- Sep21 Industrial Profits y/y 16.3 v 10.1% (Aug21)
- Chinese equities closed in the red due to the rise in Covid-19 cases and continued Sino-US tensions.
- SHSZ300: 4,909 (WTD: -1.03%), SHCOMP: 3,547 (WTD: -0.98%)



- 23 Oct 21 Initial Jobless Claims 281k v 288k (e) v 291k (16 Oct 21)
- 3Q21 Advance Annualised GDP q/q 2.0% v 2.6% (e) v 6.7% (2Q21)
- Oct21 Final UoM Sentiment 71.7 v 71.4 (e) v 72.8 (Sep21)
- US equities rose for the week following the continued release of upbeat corporate earnings and declining Covid-19 cases.
- NASDAQ: 15,498 (WTD: +2.71%), S&P: 4,605 (WTD: +1.33%)

COMMODITIES



- ΔUS Crude Inventories 4,268k bbl. (22 Oct 21) v 1,526k bbl. (e) v -431k bbl. (15 Oct 21)
- ΔUS Oil Rigs +2; 544 (22 Oct 21) v 542 (22 Oct 21)
- ΔNorth American Oil Rigs +4; 710 (22 Oct 21) v 706 (22 Oct 21)
- Oil prices closed the week lower following the release of data showing a much greater-than-expected rise in US crude stockpiles.
 - WTI: \$83.57 (WTD: -0.23%)
 - Brent Crude: \$84.38 (WTD: -1.34%)



- Precious metals closed the week lower on account of a strong USD.
 - Gold: \$1,783 (WTD: -0.52%)
 - Platinum: \$1,022 (WTD: -2.09%)



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