

Local

COMPANY ANNOUNCEMENTS

First Notice of Scrip Dividend Election



- FAR announced that it will offer unitholders, registered in its records as at 4 Nov 22, the option to receive scrip in lieu of the cash distribution of 18.40t/linked unit in respect to FAR's trading to 30 Jun 22.
- Scrip will be offered at P2.40/linked unit which represents 0.0766 new linked units, for every single linked unit currently held by a unitholder.
- Holders of 43.33% of the issued linked units have committed to receive the scrip distribution.
- The scrip offers opens on 12 Oct 22 and closes on 4 Nov 22 with the listing of additional scrip distribution units on 22 Nov 22.
- P2.40 (YTD: -2.04%) PE: 9.5 PB: 1.1 D/Y: 7.67% Mkt Cap: P1,104.8mn

Results of Annual General Meeting (AGM) and Closed Period Announcement



- Results of AGM
  - BTC announced the results of its 2021 AGM, where all resolutions were passed by 100% of votes in favour.
- Closed Period Announcement
  - BTC announced that it has entered a closed period from 1 Oct 22 until financial results are published, on or before 31 Dec 22.
- P0.74 (YTD: -1.33%) PE: 5.5 PB: 0.3 D/Y: 11.77% Mkt Cap: P777.0mn

Results of Annual General Meeting (AGM)



- Access Bank Botswana announced the results of its 2022 AGM, where all resolutions were passed by 93.98% or more votes in favour.
- P1.98 (YTD: 0.00%) PE: N/A PB: 1.2 D/Y: 11.57% Mkt Cap: P1,435.5mn

Dealings In Shares by Associates of a Director, Exercise of Share Options in Terms of the CA&S Share Incentive Trust, Additional Listing of Shares and Disclosure of Change in Beneficial Interest in The Securities of CA&S



- Dealings In Shares by Associates of a Director
  - CA&S announced that during the week an associate of J Holtzhausen bought a total of 13.5k CA&S shares at an average price of R5.60/share.
- Exercise Of Share Options in Terms of the CA&S Share Incentive Trust
  - D Lewis, F Reichert, C Hassett and K Shah exercised options to receive 53 413, 19 622, 131 913 and 58 352 shares respectively in accordance with terms of the share incentive scheme at an average price of R4.92/share.
- Additional Listing of Shares
  - CA&S announced that it has concluded an asset-for-share agreement to purchase 20k Logico ordinary shares from L Taman and A Geldard, resulting in CA&S's complete ownership of Logico.
  - CA&S' issued 11 028 559 shares to settle the second tranche of the transaction. Total issued ordinary shares following the issue of the shares is 472 461 061.
- Disclosure of Change in Beneficial Interest in The Securities of CA&S
  - Coronation disclosed that the total of all beneficial interests held by itself, on behalf of its clients, now amounts to 6.12% of the CA&S total issued share capital.
- P4.20 (YTD: +15.07%) PE: 7.9 PB: 1.4 D/Y: 2.20% Mkt Cap: P1,984.3mn



## Wearing of Masks No Longer Compulsory in Botswana

- The Ministry of Health announced that wearing of masks in Botswana will now be optional in all areas, effective 28 Sep 22.

## ACCESS HY22 RESULTS – COSTS DRIVE DOWN PROFITS

Income Statement P'Mn	HY 22	HY 21	% Δ
Interest income	373	335	12%
Interest expense	(187)	(141)	33%
<b>Net Interest income (NII)</b>	<b>186</b>	<b>194</b>	<b>(4%)</b>
Impairment of financial assets	11	(7)	(259%)
Net trading income	18	24	(24%)
Net fee & commission income (NFC)	59	51	16%
<b>Operating income</b>	<b>274</b>	<b>262</b>	<b>5%</b>
Personnel expenses	(88)	(75)	18%
General & admin (G&A) expenses	(80)	(58)	38%
Depreciation & amortisation	(29)	(23)	24%
Absorbed value added tax expense	(7)	(8)	(12%)
Other operating expenses	(26)	(29)	(10%)
<b>Profit before taxation</b>	<b>44</b>	<b>69</b>	<b>(36%)</b>
Tax	(9)	(17)	(47%)
<b>Profit for the period (PAT)</b>	<b>35</b>	<b>51</b>	<b>(33%)</b>
Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	269	99	173%
Loans to customers	6,594	6,087	8%
Borrowed funds	530	708	(25%)
Deposits from customers	6,745	6,515	4%
Equity	1,205	1,222	-1%

- NII -4% due to increased interest expense as a result of higher deposit pricing.
- +ve impairments expense on account of write-backs due to the recovery from the Covid-19 pandemic and good recoveries from written off loans.
- NFC income +16% due to improved performance in the lending business and increased digital channel activity.
- Overall expenses rose, driven by mobilising human capital to drive the banks expansion, enhancement, and support of information technology infrastructure and marketing initiatives.
- PAT -33% due to higher interest expense, and overall total expenses.
- Loans to customers +8% due to the growth in both the retail and commercial loan books.
- Interim dividend of 20.7t/share declared. Payable 21 Nov 22.
- P1.98 (YTD: 0.00%)  
PE: N/A  
PB: 1.2  
D/Y: 11.57%  
Mkt Cap: P1,435.5mn

## STANCHART HY22 RESULTS – INTEREST EXPENSE & IMPAIRMENTS PUSH DOWN PROFITS

Income Statement P'Mn	HY 22	HY 21	% Δ
Interest Income	399	361	10%
Interest expense	(163)	(145)	13%
<b>Net Interest</b>	<b>236</b>	<b>216</b>	<b>9%</b>
Fee & Commission income	132	118	11%
Commission expenses	(10)	(12)	(17%)
Other income	45	39	14%
Impairment expense	(30)	23	(232%)
<b>Operating income</b>	<b>373</b>	<b>385</b>	<b>(3%)</b>
Staff Expenses	(114)	(120)	(5%)
Other Expenses	(188)	(190)	(1%)
<b>Profit before taxation</b>	<b>71</b>	<b>75</b>	<b>(6%)</b>
Tax	(13)	(17)	(20%)
<b>Profit for the period (PAT)</b>	<b>58</b>	<b>59</b>	<b>(2%)</b>

Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	503	347	45%
Loans to banks	4,415	2,357	87%
Loans to customers	7,899	8,698	(9%)
Deposits from banks	706	243	191%
Deposits from customers	12,855	12,303	4%
Equity	1,034	1,062	(3%)

- Interest expense +13% on the back of reduced market liquidity.
  - Other income +14% on the back of improved transactional loads.
  - Overall operating expenses were down, largely attributable to sustained cost discipline across functions.
  - -ve impairment expense recorded for the period due to the non-recurrence an HY21 ECL release.
  - PAT -2% due to the growth in interest expense and impairments.
  - Loans to customers -9% driven by decline in mortgages as well as corporate commercial and institutional banking loans.
  - No dividend declared.
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- P2.76 (YTD: +40.82%)  
PE: 13.9  
PB: 0.8  
D/Y: 7.32%  
Mkt Cap: P823.4mn

## BBS HY22 RESULTS – LOSSES RETURN

Income Statement P'Mn	HY 22	HY 21	% Δ
Interest income	126	126	(0%)
Interest expense	(81)	(80)	2%
<b>Net-interest income</b>	<b>45</b>	<b>46</b>	<b>(4%)</b>
Fee and commission income	10	9	10%
Fee and commission expense	(1)	(1)	51%
Other operating income	3	3	(4%)
<b>Operating Profit</b>	<b>56</b>	<b>58</b>	<b>(2%)</b>
Staff expenses	(38)	(36)	6%
Depreciation & Amort	(8)	(9)	(16%)
Other expenses	(29)	(27)	7%
Impairment loss	(2)	29	(106%)
<b>Profit before taxation</b>	<b>(20)</b>	<b>15</b>	<b>(237%)</b>
Tax	-	-	0%
<b>Profit for the period</b>	<b>(20)</b>	<b>15</b>	<b>(237%)</b>

Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	45	42	6%
Advances to customers	3,109	3,273	(5%)
Customer savings and deposits	2,131	1,933	10%
Borrowings	641	805	(20%)
Equity	474	534	(11%)

- Net Interest income -4% due to a decline in advances to customers and high cost of funding.
  - Loss for the period +2.7x due to lower net interest income and higher overall costs.
  - Customer savings and deposits +10% driven by the ongoing special fixed deposit campaign and improved rollover of maturing deposits by several companies due to its competitive pricing.
  - Borrowings -20% as a result of the accelerated repayments of the International Finance Corporation and Access Bank Botswana Limited facilities.
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- No dividend declared.
  - P0.46 (YTD: -41.77%)  
PE: N/A  
PB: 0.5  
D/Y: 0.00%  
Mkt Cap: P224.2mn

## CRESTA HY22 RESULTS – IMPROVED TRADING ENVIRONMENT LEADS TO PROFITS

Income Statement P'Mn	HY 22	HY 21	% Δ
Revenue	165	93	77%
Cost of sales	(97)	(76)	27%
<b>Gross Profit</b>	<b>68</b>	<b>17</b>	<b>305%</b>
Sales and distribution expenses	(5)	(3)	61%
Administration expenses	(47)	(37)	26%
<b>Operating Profit (Loss)</b>	<b>16</b>	<b>(24)</b>	<b>(169%)</b>
Net finance expense	(10)	(12)	(12%)
<b>Profit before taxation</b>	<b>6</b>	<b>(35)</b>	<b>(117%)</b>
Tax	4	-	100%
<b>Profit for the period (PAT)</b>	<b>9</b>	<b>(35)</b>	<b>(127%)</b>
Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	53	57	(6%)
Property, plant and equipment	353	382	(7%)
Borrowings	264	254	4%
Equity	123	163	(25%)

- Revenue +77% due to increased occupancies, following the ease of Covid-19 restrictions.
- Admin expenses +26% due to increased business activity.
- PAT grew 1.3x due to increased revenue.
- No dividend declared.
- P0.95 (YTD: -11.21%)  
PE: 59.2  
PB: 1.3  
D/Y: 0.00%  
Mkt Cap: P175.4mn

## ENGEN HY22 RESULTS – REVENUE GROWTH DRIVES UP PROFITS

Income Statement P'Mn	HY 22	HY 21	% Δ
Revenue	2,143	1,223	75%
Cost of sales	(1,719)	(997)	72%
<b>Gross Profit</b>	<b>425</b>	<b>226</b>	<b>88%</b>
Other operating income	1	0	1,027%
FX Gains	4	3	38%
Administrative Expenses	(9)	(8)	9%
Distribution and marketing expenses	(51)	(45)	15%
Other operating expenses	(1)	(2)	(31%)
Share of profit of JVs	2	1	16%
<b>Operational Earnings</b>	<b>370</b>	<b>176</b>	<b>110%</b>
Finance Income	3	4	(22%)
Finance costs	(6)	(6)	(0%)
<b>Profit before taxation</b>	<b>367</b>	<b>175</b>	<b>110%</b>
Tax	(88)	(42)	108%
<b>Profit after tax</b>	<b>279</b>	<b>132</b>	<b>111%</b>
Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	314	303	4%
PPE	340	302	12%
Trade and other receivables	797	303	163%
Trade and other payables	514	274	87%
Equity	866	635	36%

- Revenue +75% due to the ease of Covid-19 restrictions and increase in fuel pump prices.
- Cost of sales +72% due to rising costs of base oils and additives.
- PAT increased 1.1x due to a rise in revenue.
- No dividend declared.
- P10.90 (YTD: +5.31%)  
PE: 4.3  
PB: 2.0  
D/Y: 5.84%  
Mkt Cap: P1,741.0mn

## G4S HY22 RESULTS – INCREASED COSTS PUSHES PROFITS LOWER

Income Statement P'Mn	HY 22	HY 21	% Δ
Revenue	105	95	11%
Cost of sales	(79)	(71)	11%
<b>Gross Profit</b>	<b>26</b>	<b>24</b>	<b>9%</b>
Other income/ (loss)	1	0	673%
Movement in credit loss allowances	(3)	4	(185%)
Administrative expenses	(21)	(18)	21%
<b>Profit from operations</b>	<b>2</b>	<b>11</b>	<b>(77%)</b>
Finance expense	(1)	(1)	(6%)
Finance income	1	1	(9%)
<b>Profit before taxation</b>	<b>3</b>	<b>11</b>	<b>(72%)</b>
Tax	(1)	(2)	(59%)
<b>Profit from continuing operations</b>	<b>2</b>	<b>10</b>	<b>(74%)</b>
Profit/(loss) from discontinued operations	(1)	(2)	(59%)
<b>Profit for the year (PAT)</b>	<b>2</b>	<b>8</b>	<b>(77%)</b>

Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and Cash Equivalents	13	37	(64%)
Amount due from related parties	50	30	65%
Trade and other receivables	48	57	(15%)
PPE	20	7	197%
Trade and other payables	29	24	20%
Equity	120	108	11%

- Revenue +11% driven mainly by increased revenue in the Manned Guarding service line, as a result of large contract wins and customer retention.
- Cost of sales +11% due to the rise in fuel costs and the implementation of a national minimum wage increase.
- Movement in credit loss allowances -ve due to weaker collections.
- PAT -77% due to the increased overall costs.
- No dividend declared.
- P2.65 (YTD: -11.37%)  
PE: 17.4  
PB: 1.8  
D/Y: 0.00%  
Mkt Cap: P212.0mn

## LLR FY22 RESULTS – IMPROVED TRADING CONDITIONS LIFT EARNINGS

Income Statement P'Mn	FY 22	FY 21	% Δ
Rental revenue	106	98	8%
Recoveries	3	3	32%
Other income	0	1	(43%)
Straight line lease rental adjustment	(1)	2	(145%)
Movement in credit loss allowance	(2)	(3)	(35%)
Property expenses	(10)	(11)	(4%)
Admin expenses	(24)	(25)	(3%)
<b>Operating profit</b>	<b>72</b>	<b>65</b>	<b>11%</b>
Net finance costs	(13)	(13)	1%
Other non-operating gains	0	0	85%
Share of profit from equity investments	24	3	702%
Profit / loss from discontinued operations	-	0	(100%)
<b>Profit before FV adjustment</b>	<b>84</b>	<b>56</b>	<b>50%</b>
Fair Value (FV) Adjustment	25	8	224%
<b>Profit before taxation</b>	<b>109</b>	<b>64</b>	<b>71%</b>
Tax	(10)	(9)	12%
<b>Profit for the period (PAT)</b>	<b>99</b>	<b>55</b>	<b>80%</b>

Balance Sheet extract P'Mn	FY 22	FY 21	% Δ
Cash and cash equivalents	142	77	85%
Investment properties	1,003	959	5%
Investment in associate	217	42	415%
Borrowings	476	232	105%
Equity	847	788	7%

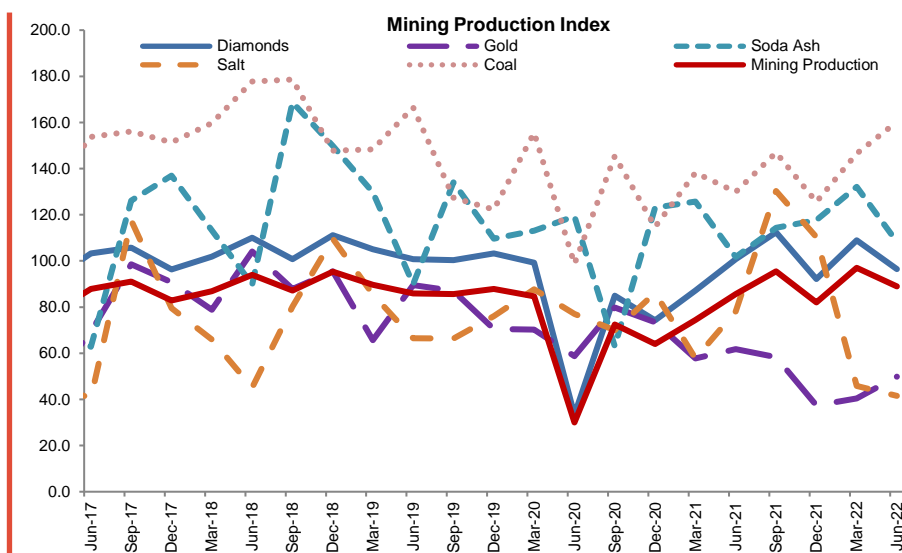
- Rental revenue +8% driven by annual lease escalation of 6.7% coupled with low vacancies.
- Profit from equity investments 7x due to the acquisition of a 32.79% stake of Rail Park Mall in Dec21.
- FV adjustments rose 2.2x due to improved trading activity and low vacancies.
- PAT +80% due to higher revenue, additional income from the Railpark investment and increased FV adjustments.
- Borrowings 1.5x as the Railpark investment was funded via debt.
- Investment in associate 4.2x due to the investment in Rail Park.
- P3.08 (YTD: +20.78%)  
PE: 8.7  
PB: 1.0  
D/Y: 5.98%  
Mkt Cap: P862.4mn

## SHUMBA FY22 RESULTS – DEVELOPMENT EXPENDITURE SINKS PROFITS

Income Statement \$000s	FY 22	FY 21	% Δ
Revenues	495	662	(25%)
Cost of sales	(438)	(568)	(23%)
<b>Gross Profit</b>	<b>57</b>	<b>94</b>	<b>(39%)</b>
Other Income	-	33	(100%)
Operating expenses	(1,411)	(618)	128%
Employee costs	(137)	(201)	(32%)
<b>Operating earnings</b>	<b>(1,492)</b>	<b>(692)</b>	<b>116%</b>
Finance income	1	1	103%
Finance Cost	(499)	(505)	(1%)
<b>Net income/(loss) for the period</b>	<b>(1,989)</b>	<b>(1,196)</b>	<b>66%</b>
Taxation	-	-	(100%)
<b>Loss for the Period</b>	<b>(1,989)</b>	<b>(1,196)</b>	<b>66%</b>
Balance Sheet extract \$000s	FY 22	FY 21	% Δ
Cash and cash equivalents	18	109	(83%)
Exploration assets	15,492	15,123	2%
Borrowings	3,710	3,282	13%
Equity	12,433	11,098	12%

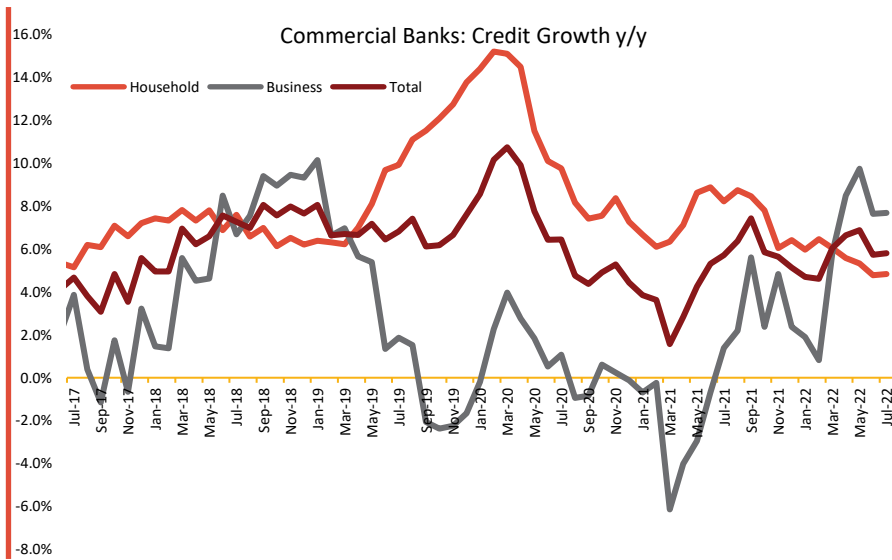
- Shumba published unaudited results for its FY22 year end.
- Loss for the period +66% due to the increased development expenditure by the group in the period within its Renewable Energy focused subsidiary, specifically on its Tati 100MW Solar PV project.
- No dividends declared.
- P0.90 (YTD: 0.00%)  
PE: N/A  
PB: 2.0  
D/Y: 0.00%  
Mkt Cap: P264.5mn

## 2Q22 INDEX OF MINING PRODUCTION (IMP) – DIAMOND DEMAND BOOSTS PRODUCTION



- 2Q22 IMP 88.9 v 97.0 (1Q22) v 85.6 (2Q21)
- Decrease in IMP driven by the decline in diamond, soda ash and salt production.
- Diamond production declined due to lower grade ore.

## JUL22 CREDIT GROWTH (CG) – CREDIT GROWTH SLOWS



- Jul22 CG 5.8% v 5.7% (Jun22)
- Jul22 Household CG 4.8% v 4.8% (Jun22)
- Jul22 Business CG 7.7% v 7.6% (Jun22)
  - Driven by the growth in Real Estate, Trade and Finance sectors.

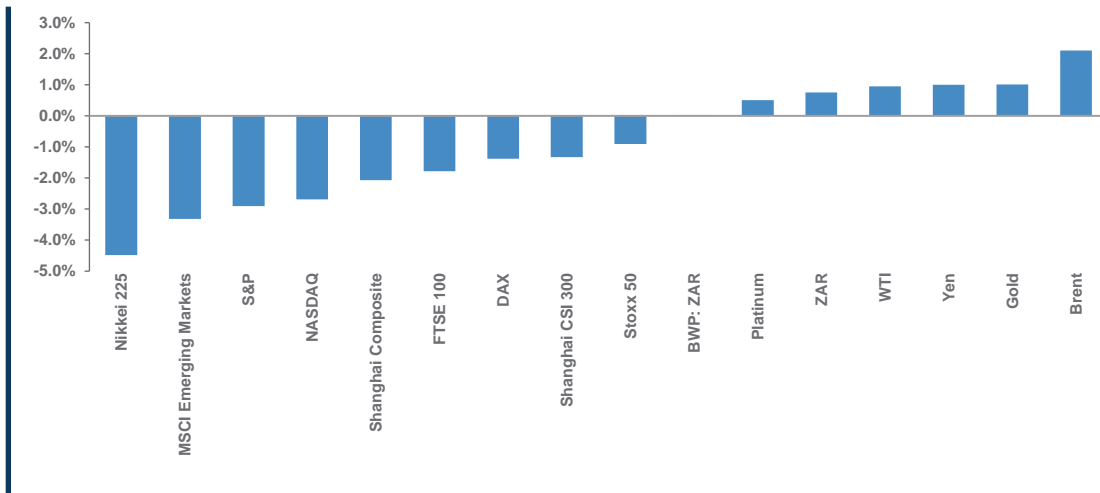
## Regional SOUTH AFRICA

- Aug22 Trade Balance R7.2bn v R23.7bn (e) v R24.8bn (Jul22)
- Aug22 PPI y/y 16.6% v 17.5% (e) v 18.0% (Jul22)
- During the week, Eskom implemented Stage 4 load shedding with no specific view on when it might be able to ease the power cuts.

### ZAR PERFORMANCE

- The South African rand weakened this week after data showed the country's trade surplus narrowed significantly in Aug22.
- ZAR 18.09 (WTD: +0.75%) v 17.95 (23 Sep 22)

## INTERNATIONAL SNAPSHOT – 30 SEP 22 WEEKLY PERFORMANCE



- Aug22 Preliminary Industrial Production m/m 2.7% v 0.2% (e) v 0.8% (Jul22)
- Aug22 Jobless Rate 2.5% v 2.5% (e) v 2.6% (Jul22)
- Sep22 Preliminary Manufacturing PMI 51.0 v 51.5 (Aug22)
- Aug22 Retail Sales m/m 1.4% v 0.2% (e) v 0.7% (Jul22)
- Japanese equities dropped for the week as higher inflation and rising recession fears persisted.
- Nikkei 225: 25,937 (WTD: -4.48%), Yen: 144.74 (WTD: +1.00%)



- Eurozone Sep22 CPI Estimate y/y 10.0% v 9.7% (e) v 9.1% (Aug22)
- France Sep22 Preliminary CPI y/y 5.6% v 6.0% (e) v 5.9% (Aug22)
- Germany Sep22 Preliminary CPI y/y 10.0% v 9.5% (e) v 7.9% (Aug22)
- UK 2Q22 Final GDP q/q 0.2% v -0.1% (e) v 0.7% (1Q22)
- European markets finished the week in the red amid concern over high inflation as well as pessimism regarding the global economic outlook.
- DAX: 12,114 (WTD: -1.38%), Stoxx50: 3,318 (WTD: -0.91%), FTSE100: 6,894 (WTD: -1.78%)



- Sep22 Official Manufacturing PMI 50.1 v 49.7 (e) v 49.4 (Aug22)
- Sep22 Caixin Manufacturing PMI 48.1 v 49.5 (e) v 49.5 (Aug22)
- Chinese stocks closed lower on continuing fears of a global economic recession.
- SHSZ300: 3,805 (WTD: -1.33%), SHCOMP: 3,024 (WTD: -2.07%)



- 24 Sep 22 Initial Jobless Claims 193k v 215k (e) v 209k (17 Sep 22)
- 2Q22 Third Estimate Annualised GDP q/q -0.6% v -0.6% (e) v -1.6% (1Q22)
- Sep22 Final UoM Sentiment 58.6 v 59.5 (e) v 58.2 (Aug22)
- US equities closed in the red driven by worries over inflation and the worsening Russia-Ukraine conflict.
- NASDAQ: 10,576 (WTD: -2.69%), S&P 500: 3,586 (WTD: -2.91%)



## COMMODITIES

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- $\Delta$ US Crude Inventories -215k bbl. (23 Sep 22) v 1,207k bbl. (e) v 1,141k bbl. (16 Sep 22)
- $\Delta$ US Oil Rigs +1; 765 (30 Sep 22) v 764 (23 Sep 22)
- $\Delta$ North American Oil Rigs -1; 978 (30 Sep 22) v 979 (23 Sep 22)
- Oil prices rose following unexpected drawdowns in U.S. crude inventories.
  - WTI: \$79.49 (WTD: +0.95%)
  - Brent Crude: \$87.96 (WTD: +2.10%)



- Safe haven precious metals closed the week in the green on account of rising concern of a slowdown in global economic activity.
  - Gold: \$1,661 (WTD: +1.01%)
  - Platinum: \$864 (WTD: +0.51%)



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