

Local

COMPANY ANNOUNCEMENTS



Changes to the Board of Directors

- LLR announced the appointment of:
 - K Balosang as its Board Chairperson, effective 1 Nov 22. Mr Balosang owns Balosol Management Consulting.
 - M Muller as its Independent Non-Executive Director, effective 31 Oct 22. Mr Muller is the founder and Managing Director of Chase & Willow Capital.
- P3.10 (YTD: +21.57%) PE: 8.8 PB: 1.0 D/Y: 5.94% Mkt Cap: P868.0mn



Capital Raise A\$2mn

- Tlou announced that it raised A\$2mn pursuant to a placing of 57,142,857 new ordinary shares of no par value at an issue price of A\$0.035.
- The funds have been raised from a new strategic investor, via an entity controlled by Dr Campbell, a high-net-worth investor based in Sydney, Australia.
- Funds are proposed to be used for development of Tlou's Lesedi Power Project including construction of substations to connect to the existing electricity grid in Botswana.
- P0.50 (YTD: 0.00%) PE: N/A PB: 0.7 D/Y: 0.00% Mkt Cap: P300.1mn



Notice of Annual General Meeting (AGM)

- Choppies announced that it will virtually hold its 2022 AGM on 23 Nov 22 at 2pm. Shareholders will vote on:
 - Approving 30 Jun 22 financial statements and the directors' and auditor's reports thereon.
 - Approving the re-election of C Harward and T Pritchard as Non-Executive Directors.
 - Approving the remuneration paid to auditors, Mazars for the year ended 30 Jun 22.
 - Approving the reappointment of Mazars as auditors for the ensuing year.
 - Approving the remuneration policy and implementation of the same.
 - Passing a Special Resolution pertaining to the pre-approval of the donations for the year ending 30 Jun 23.
 - Approving Choppies' Share Plan recommended for approval by the Board of Directors
 - Approving the further issuance of 65mn ordinary shares and allot such number of such shares to eligible employees.
- P0.62 (YTD: +3.33%) PE: 5.6 PB: N/A D/Y: 0.00% Mkt Cap: P808.2mn



Results of Annual General Meeting (AGM)

- Sefalana announced the results of its 2022 AGM where all resolutions were passed by 94.5% or more votes in favour, except:
 - Ordinary resolution 4: Approving the remuneration of Executive Directors for the 24 Apr 22 year end. 13.3% voted in favour, 86.7% against.
- P9.60 (YTD: +1.59%) PE: 10.9 PB: 1.1 D/Y: 5.21% Mkt Cap: P2,407.0mn



Power Supply Constraints

- BPC announced that it will implement rotational load management across the country for about a week to address power supply constraints caused by forced outages at its power generating plants.

CHOBE HY23 RESULTS – PROFITS RETURN

Income Statement P'Mn	HY 23	HY 22	% Δ
Revenue	235	50	371%
Other operating income	11	3	257%
Amortisation of intangible assets	(2)	(3)	(20%)
Depreciation	(18)	(18)	(4%)
Other operating expenses	(119)	(57)	110%
Operating Profit/(Loss)	106	(25)	(521%)
Finance income	0	0	66%
Finance costs	(2)	(2)	34%
Associate earnings	(0)	(1)	(14%)
Profit before taxation	103	(28)	(475%)
Tax Credit/(Expense)	(23)	6	(507%)
Profit/(Loss) for the period	80	(22)	(467%)
Balance Sheet extract P'Mn	HY 23	HY 22	% Δ
Cash and cash equivalents	129	13	907%
PPE	207	223	(7%)
Equity	344	284	21%

- Revenue 3.7x due to the increase in occupancy rates driven by the ease in international and local travel restrictions.
- Other Operating expenses 1.1x in line with increased activity during the year.
- Profits reported for the period on account of higher revenues.
- No dividends declared
- P7.81 (YTD: +6.99%)
PE: 11.7
PB: 2.0
D/Y: 0.00%
Mkt Cap: P698.5m

NAP FY22 RESULTS – ACQUISITIONS AND TAX CREDITS SUPPORT PROFITS

Income Statement P'Mn	FY 22	FY 21	% Δ
Rental revenue	224	210	7%
Other income	4	4	17%
Operating costs	(54)	(52)	5%
Operating profit	175	162	8%
Net Finance income (loss)	2	3	(27%)
Fair Value Adjustment	17	(23)	(173%)
Financial Asset Fair Value Adjustment	1	(1)	(219%)
Intangible asset amortisation	(1)	(1)	0%
Share of associate's profit	7	4	72%
Profit Before Tax (PAT)	201	144	40%
Tax	24	17	39%
Profit For the Period (PAT)	225	162	40%
Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	12	34	(64%)
Deposits in Money Market Funds	25	4	555%
Investment properties	1,515	1,435	6%
Borrowings	8	12	(31%)
Deferred taxation	110	137	(20%)
Equity	1,483	1,433	4%

- 7% revenue growth attributable to 3 retail property acquisitions.
- Operating costs +5% as all expense lines apart from impairment charges increased during the period.
- Tax credit of P24mn due to indexation adjustments which reduced deferred tax liability.
- PAT +40% driven by increase in rental revenue, +ve fair value adjustment and +ve tax expense.
- Cash and cash equivalents -69% due to the 3 retail property acquisitions as well as the restatement of deposits in money market funds.
- P3.45 (YTD: +5.83%)
PE: 9.2
PB: 1.4
D/Y: 8.41%
Mkt Cap: P2,085.2mn

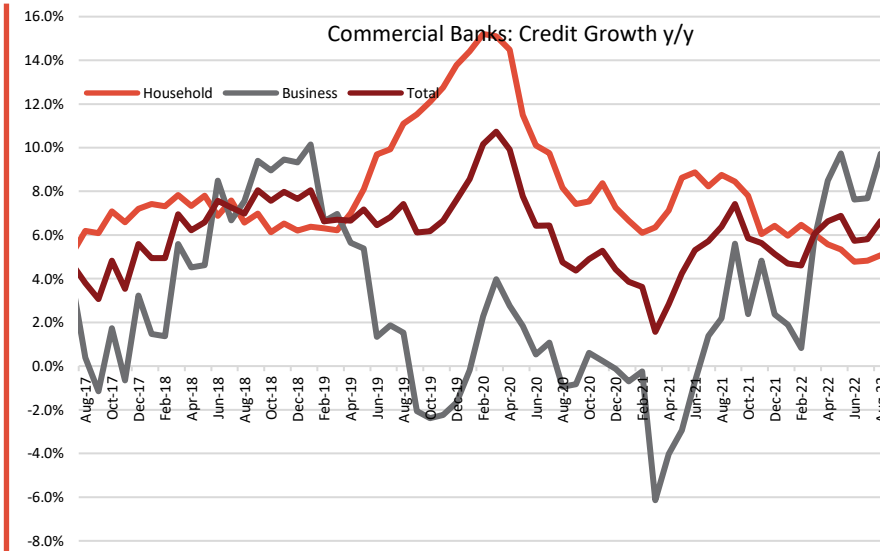
LUCARA 3Q22 RESULTS – LOWER SALES OF CARATS SINKS EARNINGS

Income Statement \$'Mn	3Q22	3Q21	% Δ	
Revenues	49.9	72.7	(31%)	• Revenue -31% as a result of lower carats sold at the Karowe mine.
Operating expenses	(25.8)	(23.2)	11%	• Royalty expenses -29% in line with revenue decrease.
Royalty expenses	(5.5)	(7.8)	(29%)	
Depletion, Amortisation & Accretion (DAA)	(7.5)	(13.6)	(44%)	• DAA -44% due to an increase in rough diamond inventory.
Income from mining operations	11.0	28.2	(61%)	• PAT -86% driven by decreased revenue.
Administration	(4.2)	(4.3)	(1%)	
Sales and marketing	(0.6)	(0.6)	9%	
Net finance expense	(0.8)	(1.3)	(42%)	• Cash and cash equivalents +29% due to drawdown on long term credit facility.
FX gain/(loss)	(2.0)	(0.3)	636%	
Gain on derivative financial instrument	3.7	-	100%	• No dividends declared
Net Income before tax	7.0	21.8	(68%)	• P5.65 (YTD: -13.08%) PE: 5.6 PB: 0.8 D/Y: 0.00% Mkt Cap: P2,562.7mn
Current income tax	-	(0.5)	(100%)	
Deferred income tax	(5.2)	(8.5)	(39%)	
Net income/(loss) for the period (PAT)	1.8	12.8	(86%)	
Balance Sheet extract \$'Mn	3Q22	3Q21	% Δ	
Cash and cash equivalents	34.8	27.0	29%	
Inventories	37.5	36.5	3%	
PPE	76.0	87.3	(13%)	
Mineral Properties	213.1	157.6	35%	
Credit facility	62.0	46.7	33%	
Equity	252.8	249.0	2%	

FURNMART FY22 RESULTS – HIGHER COSTS SINKS PROFITS

Income Statement P'Mn	FY 22	FY 21	% Δ	
Revenue	1,361	1,342	1%	• Revenue +1% due to base effects as FY21 sales were supported by pent up demand following the end of hard lockdowns.
Operating income	243	345	(30%)	• Operating income -30% due to higher shipping costs, supply chain disruptions, weaker currency, and fuel increases.
Depreciation	(112)	(114)	(1%)	
Net interest expense	(52)	(50)	4%	
Exchange gain/(loss)	3	32	(91%)	
Share of profit/(loss) from associate	(0)	(0)	(50%)	• PAT -51% due to increased cost of operations.
Profit before taxation	82	214	(62%)	
Tax	(18)	(83)	(79%)	
Profit for the period	65	131	(51%)	
Balance Sheet extract P'Mn	FY 22	FY 21	% Δ	
Cash and cash equivalents	74	164	(55%)	
Trade receivables	536	488	10%	
Right of use assets	449	502	174%	
Lease liability	454	166	(3%)	
Borrowings	161	166	(3%)	
Equity	648	598	8%	

AUG22 CREDIT GROWTH (CG) – CREDIT GROWTH PICKS UP



- Aug22 CG 6.6% v 5.8% (Jul22)
- Aug22 Household CG 5.1% v 4.8% (Jul22)
 - Driven by the growth in property, other and credit card loans
- Aug22 Business CG 9.7% v 7.7% (Jul22)
 - Driven by the growth in Real Estate, Trade and Finance sectors.

Regional SOUTH AFRICA

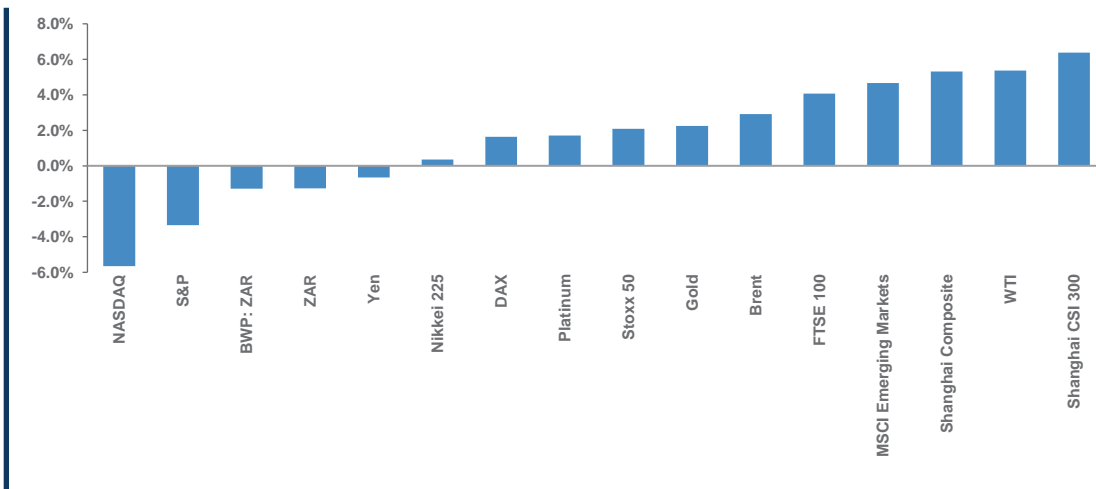
- Sep22 Trade Balance R19.7bn v R6.2bn (e) v R6.2bn (Aug22)
- Sep22 Manufacturing PMI 50.0 v 48.0 (e) 48.2 (Aug22)

ZAR PERFORMANCE

- The South African rand strengthened against the USD as commodity prices rose in response to reports that China may be planning to lift some Covid-19 restrictions.
- ZAR 17.90 (WTD: -1.27%) v 18.13 (28 Oct22)

International

INTERNATIONAL SNAPSHOT – 4 NOV 22 WEEKLY PERFORMANCE





- Sep22 Preliminary Industrial Production m/m -1.6% v -0.8% (e) v 3.4% (Aug22)
- Oct22 Final Manufacturing PMI 50.7 v 50.8 (Sep22)
- Sep22 Retail Sales m/m 1.1% v 0.8% v 1.3% (Aug22)
- Japanese equities closed the week in the green driven by positive investor sentiment following reports that China may be planning to lift some Covid-19 restrictions.
- Nikkei 225: 27,200 (WTD: +0.35%), Yen: 146.62 (WTD: -0.66%)



- Eurozone Oct22 CPI Estimate y/y 10.7% v 10.3% v 10.0% (Sep22)
- France Sep22 Manufacturing Production m/m -0.4% v -1.3% (e) v 3.0% (Aug22)
- Germany Oct22 Final Manufacturing PMI 45.1 v 45.7 (e) v 47.8 (Sep22)
- UK Oct22 Final Manufacturing PMI 46.2 v 45.8 (e) v 48.4 (Sep22)
- The Bank of England (BoE) Monetary Policy Committee met during the week and decided to increase the Bank Rate by 75bps to 3.00%
- European markets got a boost from speculation that China is relaxing its Covid-Zero policy, despite a hawkish rate decision from the BoE.
- DAX: 13,460 (WTD: +1.63%), Stoxx50: 3,688 (WTD: +2.08%), FTSE100: 7,335 (WTD: +4.07%)



- Oct22 Official Manufacturing PMI 49.2 v 49.8 (e) v 50.1 (Sep22)
- Oct22 Caixin Manufacturing PMI 49.2 v 48.5 (e) v 48.1 (Sep22)
- Chinese stocks closed higher amid reports of China's economic reopening scheduled for early next year and reports that US regulators had completed a review of Chinese audit papers earlier than expected.
- SHSZ300: 3,767 (WTD: +6.38%), SHCOMP: 3,071 (WTD: +5.31%)



- 29 Oct 22 Initial Jobless Claims 217k v 220k (e) v 218k (21 Oct 22)
- Oct22 ΔNon-Farm Payrolls 261k v 193k (e) v 315k (Sep22)
 - Unemployment rate 3.7% v 3.6% (e) v 3.5% (Sep22)
 - Labour Force Participation Rate 62.2% v 62.3% (e) v 62.3% (Sep22)
- The US Federal Reserve Open Market Committee met during the week and decided to:
 - Increase the Fed fund rate by 75bps to 4.00-3.75%.
 - Maintain its plan to reduce its holdings of treasury, agency debt and agency mortgage-backed securities as outlined in May 2022
- US equities finished lower following a hawkish rate hike by the Fed.
- NASDAQ: 10,475 (WTD: -5.65%), S&P 500: 3,771 (WTD: -3.35%)

COMMODITIES



- ΔUS Crude Inventories -3,115k bbl. (28 Oct 22) v 80k bbl. (e) v 2,588k bbl. (21 Oct 22)
- ΔUS Oil Rigs +2; 770 (4 Nov 22) v 768 (28 Oct 22)
- ΔNorth American Oil Rigs -1; 979 (4 Nov 22) v 980 (28 Oct 22)
- Oil prices rose following unexpected drawdowns in U.S. crude inventories.
 - WTI: \$92.61 (WTD: +5.36%)
 - Brent Crude: \$98.57 (WTD: +2.92%)



- Precious metals were boosted by optimistic reports of possible relaxation of Covid-19 restrictions in China.
 - Gold: \$1,682 (WTD: +2.25%)
 - Platinum: \$964 (WTD: +1.71%)



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