



**KGORI CAPITAL**  
INVEST WITH PRIDE

11 September 2023

## COMPANY ANNOUNCEMENTS

### Note Issuance and Dealings in Securities by Management



- Note Issuance
  - Letshego announced that it has issued 3 fixed rate, senior unsecured notes with a total nominal value of P175mn and interest rates of 7.8% - 10% under its P2.5bn Medium Term Note Programme.
- Dealings In Securities by Management
  - Letshego announced that on 30 Aug 23 E Ramajobo, C Nhamahango, E Kali and M Dlamini collectively sold a total of 1.64mn shares at P1.26/share.
- P1.27 (YTD: +1.60%) PE: 6.3 PB: 0.5 D/Y: 11.65% Mkt Cap: P2,762.3mn

### Termination of Mining Contract



- Minergy has given Jarcon Opencast Mining Botswana a 30-day notice to end their mining contract, aligning with Minergy's board and financiers' plan to stabilise operations and achieve long-term profitability.
- Minergy is currently in the final stages of selecting a new mining contractor.
- P0.40 (YTD: 0.00%) PE: N/A PB: N/A D/Y: 0.00% Mkt Cap: 188.0mn

### Dealing in Shares by a Related Party, Market Announcement and Significant Trade in Securities



- Dealing in Shares by Related Party
  - BIHL announced that Africa Life Assurance Company Botswana (ALACB) and Sanlam Emerging Markets (SEM) sold 48,603,320 shares and 116,388,211 shares at P17.49 per share respectively.
- Significant Trade in Securities
  - BIHL announced that Sanlam Allianz acquired the shares sold by both ALACB and SEM. This resulted in the acquisition of 164,991,531 shares (58.4% of total securities issued by BIHL).
- Market Announcement
  - BIHL announced that the suspensive conditions for the transaction to create a joint venture between Sanlam and Allianz SE have now been satisfied. The transaction is now unconditional and legal effective 4 Sep 23.
  - The shareholding split of Sanlam and Allianz in SanlamAllianz is agreed at 60:40, respectively; however, this may be subject to change once the post-closing reviews are performed to obtain the final SanlamAllianz shareholding split.
  - The transaction does not have any bearing on the operations of BIHL as the ultimate control of the Group would remain with Sanlam.
- P19.71 (YTD: +11.29%) PE: 7.3 PB: 1.5 D/Y: 13.55% Mkt Cap: 5,565.5mn

### Cautionary Announcement



- FAR announced that its profit before tax (PBT) for the 30 Jun 23 full year period will be P22.4mn-P28.0mn (20%-25%) higher than the P111.9mn PBT reported for the 30 Jun 22 full year period.
- Results will be released on or about 30 Sep 23.
- P2.39 (YTD: -0.42%) PE: 9.5 PB: 1.0 D/Y: 7.70% Mkt Cap: P1,133.1mn



### Cautionary Announcement

- Sechaba announced that its Profit Before Tax (PBT) for the 30 Jun 23 interim period will be P25mn-P35mn (25%-35%) higher than the P101mn PBT reported for the 30 Jun 22 interim period.
- Results will be released on or before 30 Sep 23.
- P22.50 (YTD: +13.52%) PE: 11.2 PB: 2.6 D/Y: 7.02% Mkt Cap: P2,488.9mn



### Cautionary Announcement

- RDC announced that its profit before tax (PBT) for the 30 Jun 23 interim period will be P41.6mn-P50.7mn (55%-65%) lower than the P76.4mn PBT reported for the 30 Jun 22 interim period.
- The decline in profit before tax (PBT) is primarily attributed to unrealized fair value reductions on interest rate derivatives, adjustments on non-core investment properties, and an increase in finance costs.
- Results will be released on 21 Sep 23.
- P2.25 (YTD: +1.35%) PE: 9.3 PB: 0.6 D/Y: 0.00% Mkt Cap: 1,706.0mn



### Results of the Noteholder Extraordinary General Meeting (EGM)

- Stanbic announced that all the resolutions from their EGM passed with a 100% vote in favour.

## REGIONAL

### SOUTH AFRICA

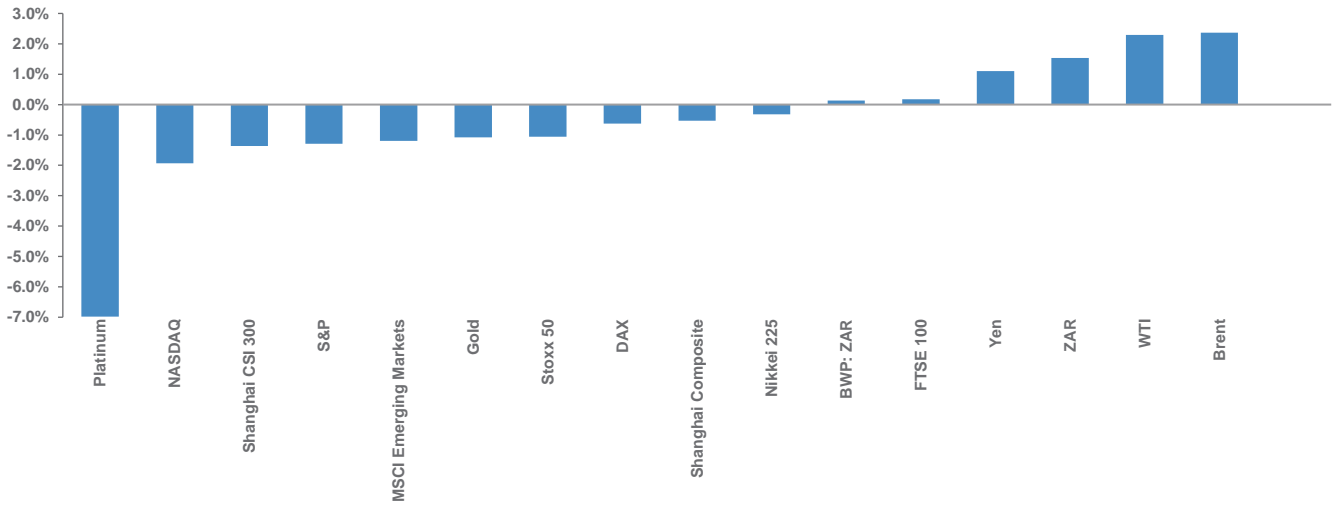
- 2Q23 Current Account (%GDP) q/q -2.3% v -2.3% (e) v -0.9% (1Q23)
- 2Q23 GDP y/y 1.6% v 1.2% (e) v 0.2% (1Q23)
- Eskom implemented Stage 6 of load shedding citing the implementation of scheduled plant maintenance.

### ZAR PERFORMANCE

- The ZAR weakened against the USD following an increase in the country's current account deficit as well as the re-instatement of stage 6 load shedding.
- ZAR 19.13 (WTD: +1.53%) v 18.84 (01 Sep 23)

# Rand weakens against the US Dollar as current account deficit widens.

## INTERNATIONAL SNAPSHOT – 08 SEPT 23 WEEKLY PERFORMANCE



- 2Q23 Final GDP q/q 1.2% v 1.4% (e) v 1.5% (1Q23)
- Jul23 Trade Balance ¥68.2bn v 165.4bn (e) v ¥328.7bn (Jun23)
- Japanese stocks ended in negative territory due to disappointing economic data and concerns that the US Federal Reserve may maintain higher interest rates for an extended duration, given the continued strength in US job reports.
- Nikkei 225: 32,607 (WTD: -0.32%), Yen: 147.83 (WTD: 1.10%)



- Eurozone 2Q23 Final GDP q/q 0.1% v 0.3% (e) v 0.3% (1Q23)
- France Jul23 Industrial Production m/m 0.8% v 0.1% (e) -0.9% (Jun23)
- Germany Jul23 Industrial Production m/m -0.8% v -0.4% (e) v -1.4% (Jun23)
- UK Aug23 Final Services PMI 49.5 v 48.7 (e) v 48.7 (Jul23)
- European markets ended the week in the red influenced by inflation concerns, economic slowdown and central bank tightening. UK stocks closed higher on optimism about the Bank of England maintaining its current interest rates.
- DAX: 15,740 (WTD: -0.63%), Stoxx50: 4,237 (WTD: -1.06%), FTSE100: 7,478 (WTD: +0.18%)



- Aug23 Trade Balance \$68.36bn v \$73.90bn (e) v \$80.60bn (Jul23)
- Aug23 Exports y/y -8.8% v -9.0% (e) v -14.5% (Jul23)
- Chinese stocks closed lower driven by continued economic growth concerns.
- SHSZ300: 3,740 (WTD: -1.36%), SHCOMP: 3,117 (WTD: -0.53%)



- 2 Sep 23 Initial Jobless Claims 216k v 233k (e) v 229k (26 Aug 23)
- Jul23 Factory Orders -2.1% v -2.5% (e) v 2.3% (Jun23)
- Jul23 Trade Balance -\$65.0bn v -\$68.0bn (e) v -\$63.7bn
- US equities ended the week in the red following a decline in jobless claims increasing sentiment that interest rates will remain elevated for an extended period.
- NASDAQ: 13,762 (WTD: -1.93%), S&P 500: 4,457 (WTD: -1.29%)



- $\Delta$ US Crude Inventories -6,307k bbl. (01 Sep 23) v -2,351k bbl. (e) v -10,584k bbl. (25 Aug 23)
- $\Delta$ US Oil Rigs +1; 632 (08 Sep 23) v 631 (01 Sep 23)
- $\Delta$ North American Oil Rigs -4; 814 (01 Sep 23) v 818 (01 Sep 23)
  - Oil prices were up over the week on worries of tight oil supplies after Saudi Arabia and Russia extended supply cuts.
  - WTI: \$87.51 (WTD: +2.29%)
  - Brent Crude: \$90.65 (WTD: +2.37%)



- Precious metals closed the week in the red due to a stronger dollar.
  - Gold: \$1,919 (WTD: -1.08%)
  - Platinum: \$897 (WTD: -6.98%)

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# Oil prices increase driven by continued OPEC supply cuts.

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1st Floor Exponential,  
Plot 54351, CBD, Gaborone

PO Box 1253 ABG,  
Sebele, Gaborone

**T** +267 3915 990  
**F** +267 3915 980

[www.kgoricapital.com](http://www.kgoricapital.com)

**Directors** KI Melamu, AM Ndzinge, S Noor,  
MS Sibanda, AA Wellio-Moyo

**Reg No** BW00000988897

