



KGORI CAPITAL
INVEST WITH PRIDE

9 October 2023



COMPANY ANNOUNCEMENTS

Notice of Management Change and Share Capital and Voting Rights Update



- Notice of Management Change
 - Lucara announced the resignations of Z Boldt as its Chief Financial Officer and Corporate Secretary as well as J Armstrong as the Vice President of Technical Services of the company. The resignations are effective 29 Dec 23 and 1 Dec 23 respectively.
- Share Capital and Voting Rights Update
 - Lucara announced that as a result of the vesting of employee share units, the number of issued and outstanding shares of the company has increased to 455,599,893 common shares with voting rights as at 29 Sep 23. The total number of voting rights in the Company is therefore 455,599,893.
- P5.00 (YTD: -23.08%) PE: 2.6 PB: 0.6 D/Y: 0.00% Mkt Cap: 2,272.9mn

Board Changes



- SeedCo announced the retirement of D Long as an Independent Non-Executive Director (INED) and Board Chairman, effective 20 Sep 2023, alongside the retirement of P Spadin as INED, effective 8 Sep 23.
- SeedCo further announced the appointment of P Gowero as INED and Board Chairman, effective 28 Sep 23. Additionally, A Carvalho, M Karombo, and K Mafukidze were appointed as INEDs, effective 21 Sep 23.
- P2.86 (YTD: +5.93%) PE: 29.1 PB: 1.0 D/Y: 1.17% Mkt Cap: P1,125.8mn

Trading Statement



- Turnstar announced that its Profit Before Tax (PBT) for the 31 Jul 23 interim period will be P14.3mn (26.5%) higher than the P68.3mn PBT reported for 31 Jul 22 interim period.
- The improvement is due to a combination of increased rental revenues and nominal reduction in operational expenses.
- Results will be released by 31 Oct 23.
- P2.00 (YTD: +12.99%) PE: 10.6 PB: 0.6 D/Y: 9.00% Mkt Cap: 1,144.3mn

Completion of Private Placement and Proposed Issue of Securities



- Completion of Private Placement
 - Tlou announced that it has raised A\$678,976.62 (~BWP5.85mn) pursuant to placing 19,399,332 new ordinary share of no par value at an issue price of A\$0.035/share.
 - The funds have been raised from Australian and UK based investors and will go towards development of Lesedi project.
 - The issue price represents approximately a 25% premium to the closing ASX share price on 5 Oct 23 of A\$0.028.
 - Following the issue of the New Shares, the Company's enlarged share capital will comprise 1,043,982,357 ordinary shares.
- Proposed Issue of Securities
 - Tlou further announced it has proposed a total number of 19,339,332 of securities to be issued for placement.
- P0.50 (YTD: 0.00%) PE: N/A PB: 1.1 D/Y: 0.00% Mkt Cap: 512.3mn



Director's Dealing in Linked Units by Related Party

- RDCP announced the purchase of 133,349 linked units by its Property and Asset Management company at P2.25/Linked unit.
- P2.25 (YTD: +1.35%) PE: 12.6 PB: 0.6 D/Y: 1.89% Mkt Cap: 1,706.0

Agreement For Acquisition of 35% Shareholding of Kibo Energy Botswana



- Shumba announced that it has entered into a definitive purchase agreement with Kibo Energy for the acquisition of 35% equity holding in Kibo Energy Botswana (KEB)
 - Shumba announced KEB held its 35% interest in the coal resources associated with Mabesekwa project (MCIPP) while Shumba held the other 65% interest.
 - The Sale to Shumba is for a consideration of US\$375,000.00, which is payable by means of ordinary shares in the authorized unissued Share Capital of Shumba.
 - Shumba further announced that this transaction results in the return of 100% control of MCIPP and enables Shumba to freely pursue its strategy of developing into a private non-state-controlled power utility.
- P0.90 (YTD: 0.00%) PE: N/A PB: 2.6 D/Y: 0.00% Mkt Cap: 265.5mn

CGL FY23 RESULTS – PROFITS RISE ON HIGHER INCOME

Income Statement N Mn	FY 23	FY 22	% Δ
Interest income	5 626	4 187	34%
Interest expense	(2 908)	(1 850)	57%
Net interest income	2 718	2 337	16%
Impairment charges	(236)	(367)	(36%)
Net interest income after impairment	2 483	1 970	26%
Non-interest income	1 887	1 669	13%
Operating income	4 370	3 639	20%
Operating expenses	(2 444)	(2 131)	15%
Operating profit	1 926	1 508	28%
Share of associates after tax	65	68	(4%)
Profit before taxation	1 991	1 575	26%
Tax	(516)	(429)	20%
Profit for the period (PAT)	1 474	1 146	29%
Balance Sheet extract N Mn	FY 23	FY 22	% Δ
Cash and cash equivalents	6 081	6 480	(6%)
Loans to customers	45 397	43 226	5%
Financial assets through other comprehensive income	5 884	5 398	9%
Deposits from customers	45 785	43 647	5%
Debt securities in issue	5 581	6 245	(11%)
Equity	8 255	7 287	13%

- Interest income + 34% due to higher interest rates and increase in loans to customers.
- Interest expenses +57% due to higher interest rates in Namibia, Botswana and South Africa, as well as a rise in deposits from customers.
- Non-interest income +13% due to increased transaction volumes and improved economic conditions in the region.
- Impairment charges -36% due to improved operating conditions and pro-active management of key credit risk indicators.
- Operating expenses +15% due to high inflation and a weaker Namibian dollar to US dollar exchange rate.
- (PAT) +29% due to the higher interest rates environment, growing loan book and non-interest income.
- Loans to customer +5% due to growth in Net unsecured loans and advances.
- Debt securities in issue -11% due to increase debt repayments.

ENGEN HY23 RESULTS – PROFITS PLUMMET ON LOWER GLOBAL OIL PRICES

Income Statement P Mn	HY 23	HY 22	% Δ
Revenue	1 585	1 907	(17%)
Cost of sales	(1 455)	(1 489)	(2%)
Gross Profit	130	418	(69%)
Other operating income	7	7	4%
FX Gains	2	4	(55%)
Administrative Expenses	(9)	(9)	1%
Distribution and marketing expenses	(54)	(52)	4%
Other operating expenses	(2)	(1)	73%
Share of profit of JVs	2	2	5%
Operational Earnings	76	369	(79%)
Finance Income	4	3	14%
Finance costs	(10)	(7)	35%
Profit before taxation	69	365	(81%)
Tax	(32)	(88)	(63%)
Profit after tax (PAT)	37	277	(87%)
Balance Sheet extract P Mn	HY 23	HY 22	% Δ
Cash and cash equivalents	548	314	75%
PPE	337	320	5%
Trade and other receivables	238	779	(69%)
Trade and other payables	297	502	(41%)
Equity	784	881	(11%)

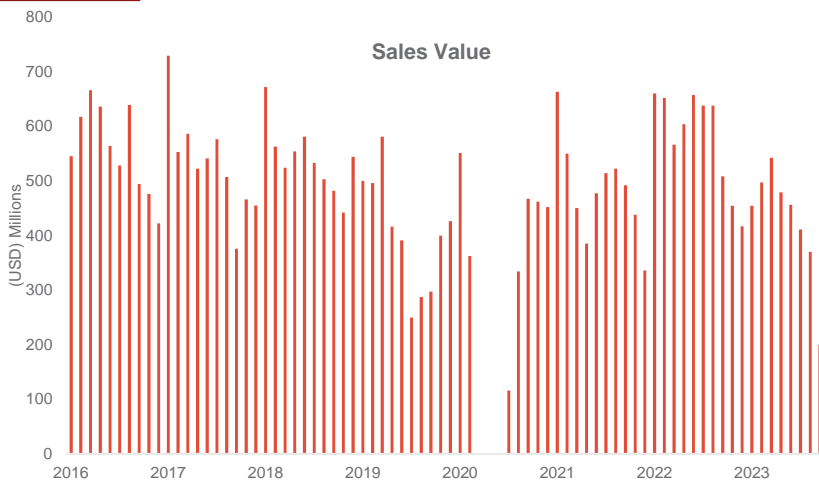
- Revenue -17% due to the significant decrease in global crude oil prices and lower trading activity in both the retail and commercial front.
- Cost of sales -2% in line with reduced trading revenues.
- PAT decreased -87% due to a decline in revenue.
- Trade and other receivables -69% as the government slate receivable position reduced.
- Interim dividend of 162t/share declared, payable 23 Oct 23.
- P13.05 (YTD: +14.47%)
PE: 78.3
PB: 2.7
D/Y: 19.05%
Mkt Cap: P2,084.4mn

ACCESS HY23 RESULTS – SURGE IN EXPENSES WIPE OUT PROFITS

Income Statement P Mn	HY 23	HY 22	% Δ
Interest Income	443	373	19%
Interest expense	(247)	(187)	32%
Net Interest Income (NII)	196	186	5%
Impairment of financial assets	9	11	(16%)
Net trading income	15	18	(17%)
Net fee & commission income	70	59	19%
Operating income	290	274	6%
Personnel expenses	(92)	(88)	5%
General & admin expenses	(111)	(80)	39%
Depreciation & amortisation	(36)	(29)	27%
Other operating expenses	(33)	(34)	(1%)
Profit before taxation	18	44	(59%)
Tax	(4)	(9)	(55%)
Profit for the period (PAT)	14	35	(60%)
Balance Sheet extract P Mn	HY 23	HY 22	% Δ
Cash and cash equivalents	282	269	5%
Loans to customers	6 427	6 594	(3%)
Borrowed funds	564	530	6%
Deposits from customers	7 219	6 745	7%
Equity	1 042	1 205	-13%

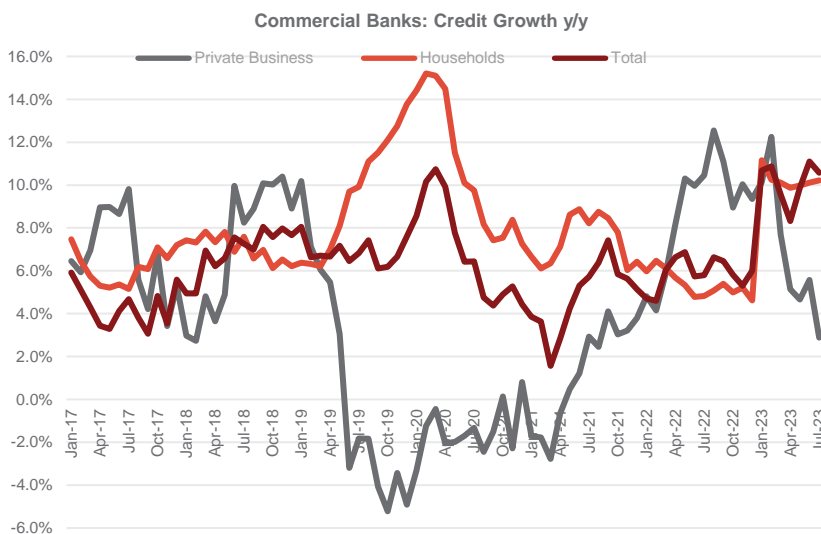
- NII +5% due to an improvement in loan yields spurred by a higher interest rate environment.
- Impairment expense -16% on account of good recoveries from written off loans and the reduction in expected credit losses.
- Overall expenses rose, due to continued spending in strategic expansion of the company and introduction of new products.
- PAT -50% due to increases interest expense and increased overall costs in support of opening new ATMS and launching new products.
- Deposits +7% due to growth in customers and positive outcomes of current customer value proposition.
- No dividend declared.
- P2.05 (YTD: +1.49%)
PE: N/A
PB: 1.4
D/Y: 10.10%
Mkt Cap: P1,486.3mn

DE BEERS (DB) CYCLE 8 SALES 2023 – DIAMOND SALES SLOW DOWN



- DB Cycle 8 2023 Sales \$200mn v \$370mn (Cycle 7 2023) v \$508mn (Cycle 8 2022)
- Sales contracted 45.9% c/c and 60.6% y/y.
- The decline is due to the diamond industry midstream rebalancing areas of stock accumulation and De beers making a strategic decision to reduce the availability of their rough diamonds.

JUL23 CREDIT GROWTH (CG) – CREDIT GROWTH DECLINES



- Jul23 CG y/y 10.6% v 11.1% (Jun23) vs 5.8% (Jul22)
 - Decline driven by a slowdown in credit uptake by private businesses.
- Jul23 Private Business CG y/y 2.9% v 5.6% (Jun23) v 10.5% (Jul22)
 - This decline was due to a contraction in credit uptake by the Manufacturing, Business services and Finance sectors.
- Jul23 Household CG y/y 10.2% v 10.1% (Jun23) v 4.8% (Jun22)
 - Uptick due to increases in Property and Motor vehicle loans.

REGIONAL

SOUTH AFRICA

- Sep23 Manufacturing PMI 45.4 v 49.5 (e) v 49.7 (Aug23)
- Sep23 Composite PMI 49.9 v 51.0 (Aug23)
- Eskom implemented Stage 2 of load shedding until further notice citing maintenance repairs of four additional generating units.

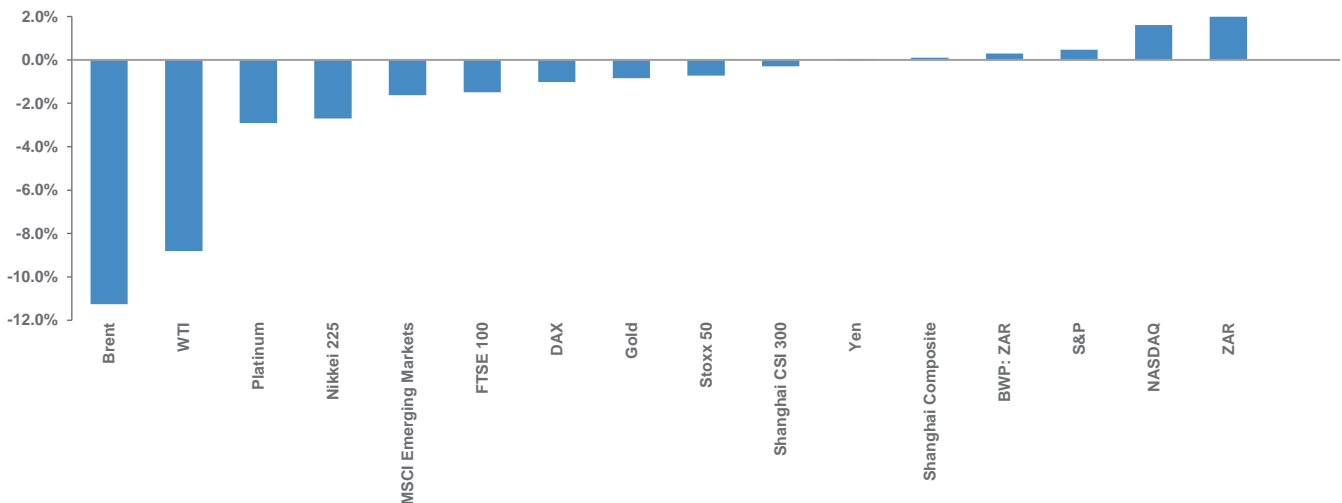
ZAR PERFORMANCE

- The ZAR weakened against the USD following better than expected US jobs data, which fuelled expectations of continued interest hikes by the US Fed as well as the possibility of a recession.
- ZAR 19.30 (WTD: +1.99%) v 18.92 (29 Sep 23)

Rand weakness against the Dollar persists.

INTERNATIONAL

INTERNATIONAL SNAPSHOT – 6 OCT 23 WEEKLY PERFORMANCE





- Sep23 Final Manufacturing PMI 48.5 v 48.6 (Aug23)
- Japanese stocks ended the week in the red as US treasury yields reached a record high, which may fuel further rate hikes by the Fed.
- Nikkei 225: 30,995 (WTD: -2.71%), Yen: 149.32 (WTD: -0.03%)



- Eurozone Sep23 Final Manufacturing PMI 43.4 v 43.4 (e) v 43.5 (Aug23)
- France Sep23 Final Manufacturing PMI 44.2 v 43.6 (e) v 46.0 (Aug23)
- Germany Sep23 Final Manufacturing PMI 39.6 v 39.8 (e) v 39.1 (Aug23)
- UK Sep23 Final Manufacturing PMI 44.3 v 44.2 (e) v 43.0 (Aug23)
- European markets ended the week in the red as manufacturing activity data continued to weigh on investor sentiment and concerns of higher rates were bolstered.
- DAX: 15,230 (WTD: -1.02%), Stoxx50: 4,144 (WTD: -0.72%), FTSE100: 7,495 (WTD: -1.49%)



- Sep23 Manufacturing PMI 50.2 v 50.1 (e) v 49.7 (Aug23)
- Chinese markets were closed for the Golden Week holiday.
- SHSZ300: 3,690 (WTD: 0.00%), SHCOMP: 3,110 (WTD: 0.00%)



- 30 Sep 23 Initial Jobless Claims 207k v 210k (e) v 205k (23 Sep 23)
- Sep23 Final Manufacturing PMI 49.8 v 48.9 (e) v 47.9 (Aug23)
- Sep23 ISM Manufacturing 49.0 v 47.9 (e) v 47.6 (Aug23)
- Sep23 Δ Non-Farm Payrolls 336k v 170k (e) v 227k (Aug23)
 - Unemployment rate 3.8% v 3.7% (e) v 3.8% (Aug23)
 - Labour Force Participation Rate 62.8% v 62.8% (e) v 62.8% (Aug23)
- US equities ended the week in the green as investor sentiment was bolstered by softer wage growth pressures.
- NASDAQ: 13,431 (WTD: +1.60%), S&P 500: 4,309 (WTD: +0.48%)

COMMODITIES



- Δ US Crude Inventories -2,224k bbl. (29 Sep 23) v -171k bbl. (e) v -2,169k bbl. (22 Sep 23)
- Δ US Oil Rigs -4; 619 (06 Oct 23) v 623 (29 Sep 23)
- Δ North American Oil Rigs -15; 799 (06 Oct 23) v 814 (29 Sep 23)
 - Oil prices were down for the week as the stronger than expected US jobs economic data accelerated fears of further interest rate hikes this year, which is likely to dampen oil demand.
 - WTI: \$82.79 (WTD: -8.81%)
 - Brent Crude: \$84.58 (WTD: -11.26%)



- Precious metals closed the week in the red due to a stronger dollar.
 - Gold: \$1,833 (WTD: -0.84%)
 - Platinum: \$882 (WTD: -2.90%)

Oil prices decline as fears of further rate hikes expected to curb global oil demand.



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1st Floor Exponential,
Plot 54351, CBD, Gaborone

T +267 3915 990
F +267 3915 980

PO Box 1253 ABG,
Sebele, Gaborone

www.kgoricapital.com

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

Reg No BW00000988897

