



KGORI CAPITAL
INVEST WITH PRIDE

19 February 2024

COMPANY ANNOUNCEMENTS

Cautionary Announcement and Small Related Party Transactions

- Cautionary Announcement
 - RDC has advised unitholders to exercise caution as it has engaged with major unitholders to propose a corporate action that, if approved, could result in the company proposing an offer to another entity whose units are listed on the BSE.
- Small Related Party Transactions
 - RDC announced plans to sell Tribal Lot 443 Serowe (PEP Serowe Property) and Phakalane Warehouses Lot 21306 to Botswana Public Officers Pension Fund (BPOPF), a significant shareholder, for P5mn and P19mn respectively.
 - The Audit Committee has confirmed the fairness of both transactions to unitholders, and they are categorized as small, related party transactions as BPOPF currently holds 34% shareholding in RDC.
 - Proceeds from the sales will be used for new investments and debt reduction, with negligible impact on net assets and earnings per share.
 - The proposed disposals of the properties have been agreed with Seventy5 degrees which is acting on behalf of BPOPF as the acquiring enterprise.
- P2.40 (YTD: 0.00%) PE: 13.4 PB: 0.6 D/Y: 1.78% Mkt Cap: P1,819.8mn.



Issue of New Shares

- Shumba announced that 286,405 new ordinary shares are to be issued in settlement of an obligation amounting to \$18.6k, incurred by the company for development of company assets.
- Following the issuance, Shumba's share capital will comprise 301,085,016 shares, effective 14 Feb 24.
- P0.90 (YTD: 0.00%) PE: N/A PB: 2.7 D/Y: 0.00% Mkt Cap: P271.0mn



Changes to the Board

- CGL announced the appointment J Alders-Sheya as an Independent Non-Executive director of Bank Windhoek Ltd, effective 9 Feb 24.



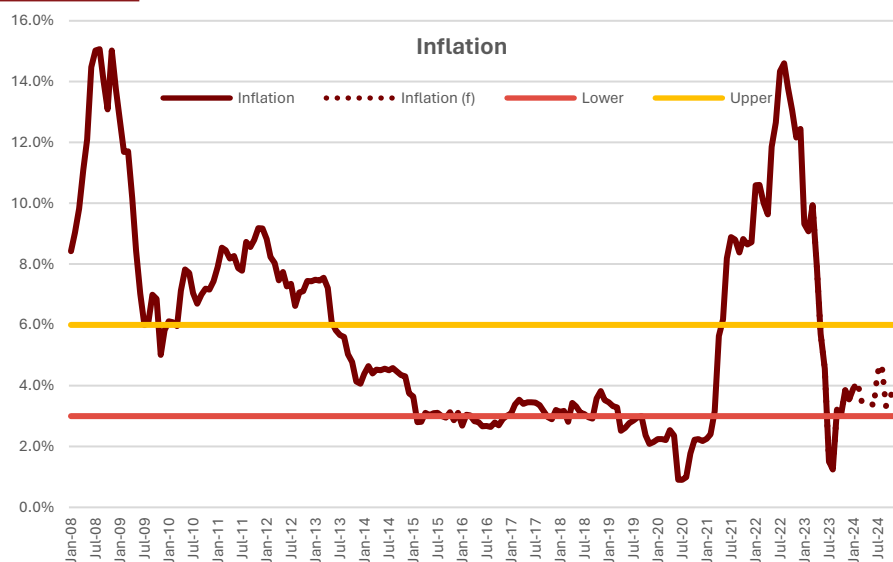
BDC FY23 RESULTS – TAX CREDIT BRINGS PROFITS

Income Statement P Mn	FY 23	FY 22	% Δ
Income from trade	69	57	21%
Gross profit	69	57	21%
Interest Income	227	200	14%
Finance and other Income	87	115	(24%)
Expected credit losses	(13)	(26)	(53%)
Unrealised FX losses	(35)	(33)	6%
Other expenses	(124)	(189)	(35%)
Operating profit	212	123	72%
Finance costs	(207)	(152)	36%
Change in Fair Value of Equity Investments	(6)	26	(121%)
Profit/Loss before taxation	(1)	(3)	(80%)
Tax	3	(10)	(127%)
Profit/(Loss) For the Period	2	(13)	117%

Balance Sheet extract P Mn	FY 23	FY 22	% Δ
Cash and cash equivalents	1 107	584	89%
Investment Assets	3 488	3 717	(6%)
Non-Current Liabilities	2 405	2 634	(9%)
Equity	2 246	2 094	7%

- Interest income +14% due to investments deployed in the year as well as market movements in interest rates.
- Expected Credit Losses -53% driven by reversals of previous impairments on equity investments.
- Unrealised FX losses +6.0% driven by the strengthening of the USD against the Pula.
- PAT +1.17x driven by an increase in income from trade, cost containment and positive tax credit.

JAN24 INFLATION – INFLATION TICKS UP



- Jan24 Inflation was 3.9% v 4.2% (Kgori) v 3.5% (Dec23)
- The rise in inflation was due to mainly base effects as inflation normalized.
- On a m/m basis, CPI declined by 0.3%.
 - This was mainly due to the reduction in fuel prices that took place in Dec23. Subsequently, the Transport index declined 1.9%. All other group indices rose m/m, the greatest increase being in the Furnishing, H/H Equipment & Maintenance (+0.7% m/m)
- We do not expect any changes to the MoPR in 2024 as inflation is projected to remain within the BoB's objective range.

REGIONAL

SOUTH AFRICA

- Dec23 Retail Sales m/m 1.4% v 0.1% (e) v 1.1% (Nov23)
- During the week, Eskom reduced load shedding to Stage 3 and Stage 4 until further notice. This attributed to the return to serve of five generation units.

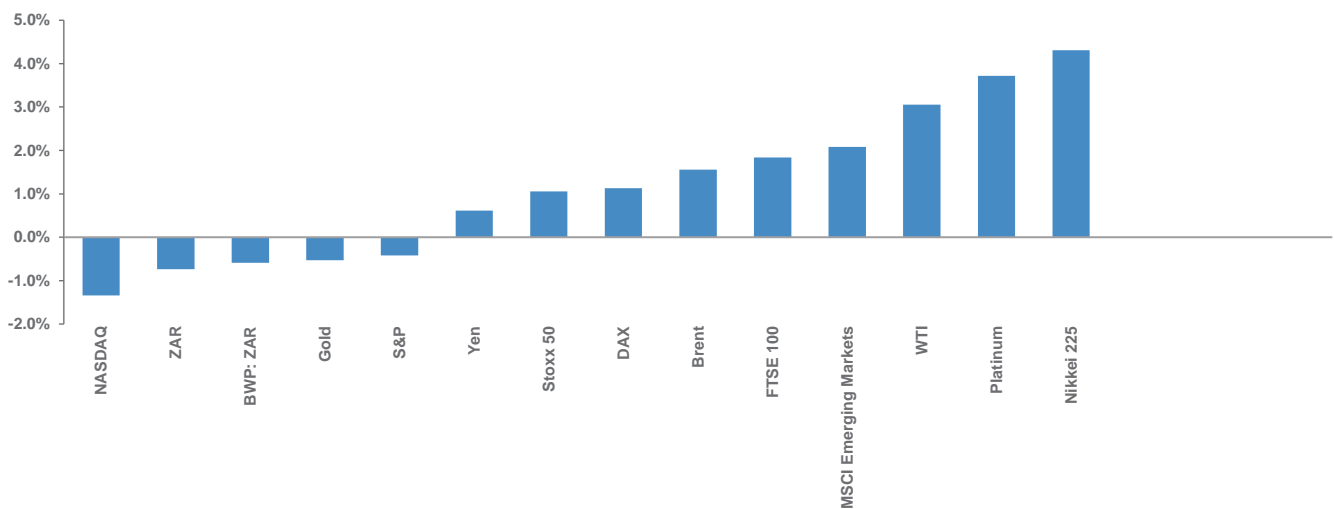
ZAR PERFORMANCE

- The ZAR strengthened against the USD on stronger platinum prices.
- ZAR 18.88 (WTD: -0.74%) v 19.02 (09 Feb 24)

Rand strengthens against the US Dollar.

INTERNATIONAL

INTERNATIONAL SNAPSHOT – 16 FEB 24 WEEKLY PERFORMANCE



- Dec23 Final Industrial Production m/m 1.4% v 1.8% (Nov23)
- 4Q23 Preliminary GDP q/q -0.1% v 0.2% (e) v -0.8% (3Q23)
- Jan24 PPI y/y 0.2% v 0.1% (e) v 0.2% (Dec23)
- Japanese stocks ended the week in the green despite data that the economy has dipped into a recession, but rather investors' morale boosted by Japan's exit from deflation territory.
- Nikkei 225: 38,487 (WTD: +4.31%), Yen: 150.21 (WTD: +0.62%)



- Eurozone 4Q23 Preliminary GDP q/q 0.0% v 0.0% (e) v 0.0% (3Q23)
- France Jan24 Final CPI y/y 3.1% v 3.1% (e) v 3.7% (Dec23)
- UK Jan24 CPI y/y 4.0% v 4.1% (e) v 4.0% (Dec23)
- European markets concluded the week in the green following the release of cooler than expected inflation data.
- DAX: 17,117 (WTD: +1.13%), Stoxx50: 4,766 (WTD: +1.06%), FTSE100: 7,712 (WTD: +1.84%)



- Chinese markets were closed for the week for the Chinese New Year's holidays.
- SHSZ300: 3,180 (WTD: 0.00%), SHCOMP: 2,730 (WTD: 0.00%)



- 10 Feb 24 Initial Jobless Claims 212k v 220k (e) v 220k (03 Feb 24)
- Jan24 CPI y/y 3.1% v 2.9% (e) v 3.4% (Dec23)
- Jan24 PPI Final Demand y/y 0.9% v 0.6% (e) v 1.0% (Dec23)
- Jan24 Industrial Production m/m -0.1% v 0.2% (e) v 0.0% (Dec23)
- US equities ended the week in the red amid the release of hotter-than-anticipated inflation data, curbing investor enthusiasm that rate cuts will come sooner in 2024.
- NASDAQ: 15,776 (WTD: -1.34%), S&P 500: 5,006 (WTD: -0.42%)

COMMODITIES



- ΔUS Crude Inventories 12,018k bbl (9 Feb 24) v 3,299k bbl (e) v 5,520k bbl (2 Feb 24)
- ΔUS Oil Rigs -2; 621 (16 Feb 24) v 623 (9 Feb 24)
- ΔNorth American Oil Rigs 0; 855 (16 Feb 24) v 855 (9 Feb 24)
 - Oil prices ended the week in the green amid escalating Middle east tensions raising prospects of continued disruption to supply lines.
 - WTI: \$79.19 (WTD: +3.06%)
 - Brent Crude: \$83.47 (WTD: +1.56%)



- Precious metals closed the week mixed as hotter than expected US inflation data decreased likelihood of early rate cuts, dimming Gold's appeal while a weaker US Dollar supported Platinum.
 - Gold: \$2,014 (WTD: -0.53%)
 - Platinum: \$910 (WTD: +3.72%)

Oil prices rise continues, as fears of a broader regional Middle east war dim supply outlook.



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