



KGORI CAPITAL
INVEST WITH PRIDE

25 March 2024

COMPANY ANNOUNCEMENTS



Letlole La Rona Limited

Trading Statement

- LLR announced that profit before tax (from continuing operations) is expected to be P12.0mn-P17.4mn (25%-35%) higher than prior year profit before tax of P49.7mn.
- Increase driven by revenue growth, fair value gains on investment property portfolio on the back of high occupancies and strong performance of associate investments.
- LLR acquired additional 25% shareholding in JTTM Properties (the holding company of Railpark Mall) in Oct 23. This resulted in JTTM becoming a subsidiary of LLR at a shareholding of 57.79% and will be consolidated into the company's financials.
- P2.80 (YTD: +3.70%) PE: 7.7 PB: 0.9 D/Y: 7.05% Mkt Cap: P784.0mn



standard
chartered

Cautionary Announcement

- StanChart announced that its profit before tax (PBT) for the 31 Dec 23 year end will be P137mn-P162mn (54%-64%) higher than the P253mn reported for the year ended 31 Dec 22.
- Results shall be published before 31 Mar 24.
- P5.48 (YTD: +3.40%) PE: 4.9 PB: 1.4 D/Y: 12.45% Mkt Cap: P1,635.0mn



Renewal of Cautionary

- PrimeTime reissued cautionary announcements regarding a potential corporate action, which may lead to RDC proposing a partial offer to PrimeTime's linked unitholders, pending unitholder support and approval. As of now, PrimeTime has not received any offer from RDC. If such an offer is made, the PrimeTime board will evaluate it accordingly.
- P1.70 (YTD: -2.30%) PE: 5.4 PB: 0.5 D/Y: 2.54% Mkt Cap: P449.3mn



Renewal of Cautionary

- RDC announced that following engagements with major unitholders in the company, PrimeTime and the Botswana Stock Exchange, a proposed partial offer to the unitholders of PrimeTime remains under active consideration.
- P2.40 (YTD: 0.00%) PE: 14.1 PB: 0.5 D/Y: 2.88% Mkt Cap: P1,819.8mn



Trading Statement

- Cresta announced that its profit before tax for the 31 Dec 23 year end is expected to be between P10.8mn-P13.0mn (50%-60%) higher than the P21.7mn reported for the year ended 31 Dec 2022.
- Cresta leveraged on the recovery of the inbound international tourism, increased activity in the meeting, incentive, conference and exhibitions space and continuous cost optimisation focus.
- Results will be published by 31 Mar 24.
- P1.07 (YTD: +1.90%) PE: 10.3 PB: 1.4 D/Y: 0.00% Mkt Cap: P197.6mn



Cautionary Announcement

- Stanbic announced that its profit before tax (PBT) for the 31 Dec 23 year end is expected to be between P59mn-P118mn (10%-20%) higher than the P594mn reported for the year ended 31 Dec 2022.
- Results will be published by 31 Mar 24.

MINERGY HY24 RESULTS – OPERATIONAL CHALLENGES LEADS TO LOSSES

Income Statement P Mn	HY 24	HY 23	% Δ
Revenue	53	330	(84%)
Cost of sales	(108)	(326)	(67%)
Gross loss	(55)	4	(1,452%)
Other income	49	8	546%
Operating expenses	(8)	(10)	(25%)
Operating earnings	(14)	2	(1,012%)
Finance income/(expense)	(79)	(59)	34%
EBT	(93)	(58)	61%
Tax	20	13	61%
Net loss for the period	(72)	(45)	61%
Balance Sheet extract P Mn	HY 24	FY 23	% Δ
Cash and cash equivalents	29	13	122%
PPE	556	548	2%
Inventories	91	119	(24%)
Rehabilitation provision	250	244	3%
Non-current Borrowings	889	55	1,525%
Equity	(364)	(319)	14%

- Revenue -84% due to transition of mining contractors which led to suspension of operations. This was partially mitigated by sales from existing product inventory.
- Due to reduced production levels, the cost of sales decreased by 67%.
- Non-Current Borrowings up 15.3x, Minergy received additional funding of P90mn from MDCB in Aug 23 and P299m in Dec 23 to aid in the strategic turnaround plan and settling obligations with the former mining contractor.
- The period was also characterised by depressed coal prices and increased inland inventories, further compounded by logistical challenges in South Africa.
- No dividends declared.
- P0.40 (YTD: 0.00%)
PE: N/A
PB: N/A
D/Y: 0.00%
Mkt Cap: P188.0mn

LETSHEGO FY23 UNAUDITED RESULTS – EXPECTED CREDIT LOSSES, HYPERINFLATION AND FX LOSSES RESULTS IN LOSSES

Income Statement P' Mn	FY 23	FY 22	% Δ
Interest Income	3,425	3,146	9%
Interest expense	(1,690)	(1,377)	23%
Other Interest expense	(12)	(13)	(2%)
Net interest income	1,722	1,756	(2%)
Other Operating income	256	252	2%
Fee & commission income	57	90	(36%)
Insurance Service result	201	188	7%
Operating Profit	2,237	2,286	(2%)
Expected credit loss	(457)	(216)	111%
Net operating income	1,780	2,070	(14%)
Employee costs	(612)	(586)	4%
Other operating expenses	(1,047)	(800)	31%
Profit before taxation	121	684	(82%)
Tax	(270)	(332)	(19%)
Profit for the period	(149)	352	(142%)
Balance Sheet extract P' Mn	FY 23	FY 22	% Δ
Cash and cash equivalents	1,402	1,021	37%
Advances	13,488	12,655	7%
Customer Deposits	1,538	1,121	37%
Borrowings	9,626	8,028	20%
Equity	4,920	5,586	(12%)

- 9% topline growth due to increased advances but due to interest rate pressure, a marginal 2% decline was observed on net interest income.
- Expected credit loss +1.1x The 2019 to 2023 calculations were incorrect due to the inclusion of a discount factor to Stage 3 default exposures. As a result, Prior year audited financial statement are restated.
- Letshego had to reflect Ghana as a hyperinflationary economy within its financial statements.
- Nigeria and Kenya recorded material currency depreciation in 2023, which lead to foreign exchange losses of P52mn.
- Advances +7% supported by Mozambique, Botswana, Namibia and Lesotho with pleasing Deduction at Source performance.
- No dividends declared.
- P1.24 (YTD: -0.80%)
PE: N/A
PB: 0.5
D/Y: 11.94%
Mkt Cap: P2,697.0mn

RDCP FY23 RESULTS –FAIR VALUE REDUCTIONS & FINANCE COSTS REDUCE PROFITS

Income Statement P'Mn	FY 23	FY 23	% Δ
Revenue	561	525	7%
Sale of inventory	2	77	(97%)
Cost of Sales	(2)	(78)	(97%)
Other income	10	16	(33%)
Operating expenses	(268)	(256)	5%
Profit/(loss) from JV	1	0	73%
Net foreign exchange losses	(1)	2	(141%)
Inventory write-down	6	(13)	(147%)
Profit before FV adjustment	309	274	13%
Surplus arising on fair valuation of investments	(20)	2	(1217%)
Surplus/(deficit) arising on revaluation of investment properties	107	98	10%
Surplus/(deficit) arising on revaluation of interest rate derivatives	(16)	39	(141%)
Profit from operations	380	412	(8%)
Investment income	14	9	60%
Net finance costs	(242)	(212)	14%
Bargain purchase gain	27	-	
Profit before tax	180	209	(14%)
Tax	(46)	(25)	87%
Profit for the period	133	184	(28%)
Balance Sheet extract P'Mn	FY 23	FY 23	% Δ
Investment Properties	5,429	5,575	(3%)
Current Liabilities	157	149	100%
Equity	2,610	2,497	4%
Borrowings	2 602	2 764	(6%)

- Revenue +7% driven by the rebound in the hospitality sector, the acquisition of David Livingstone Safari Lodge and lower vacancy rates.
- Revenue increased despite sales of non-core assets, Sale agreements of 12 properties have been concluded.
- Sales receipts to date have been employed in the reduction of debt and improvement of Loan to Value ratio.
- Investment Properties -3% due to the sale of properties
- Gross dividend of 0.130t/share and interest of 2.507/debenture, payable 30 Apr 24
- P2.40 (YTD: 0.00%)
PE: 14.1
PB: 0.6
D/Y: 2.88%
Mkt Cap: P1,819.8mn

REGIONAL

SOUTH AFRICA

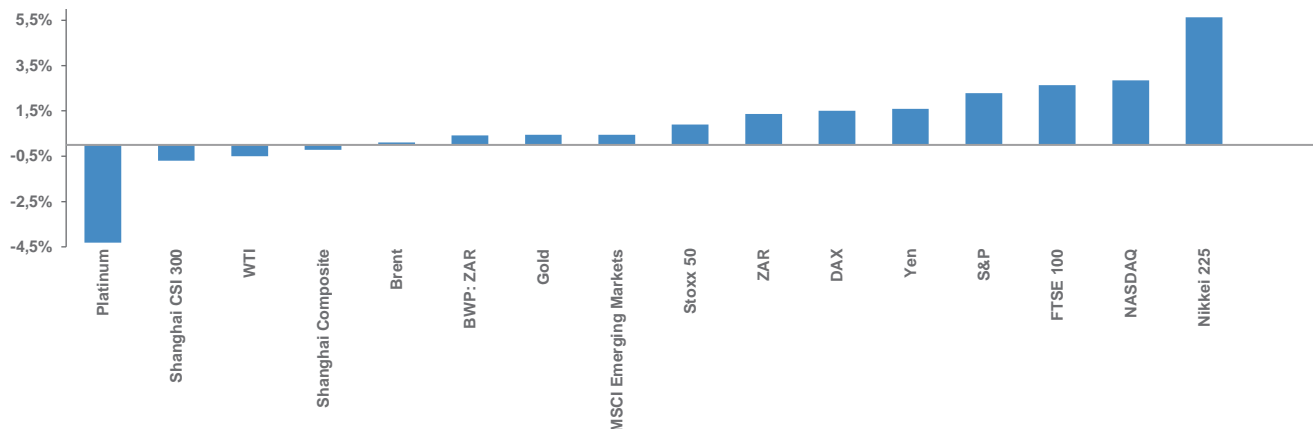
- Feb24 CPI y/y 5.6% v 5.5% (e) v 5.3% (Jan24)
- Jan24 Retail Sales m/m 3.2% v 1.3% (Dec23)
- Eskom has escalated load shedding intensity to continuous Stage 2 until further notice after loss of generation units and higher planned maintenance.

ZAR PERFORMANCE

- The ZAR weakened against on global risk-off sentiment.
- ZAR 19.03 (WTD: +1.36%) v 18.77 (15 Mar 24)

The South African rand weakens against USD.

INTERNATIONAL SNAPSHOT – 22 MAR 24 WEEKLY PERFORMANCE



- Feb24 National CPI y/y 2.8% v 2.9% (e) v 2.2% (Jan24)
- Jan24 Final Industrial Production m/m -6.7% v -7.5% (Dec23)
- Jan24 Core Machine Orders m/m -1.7% v -0.7% (e) v 1.9% (Dec23)
- The Bank of Japan (BoJ) Monetary Policy Committee (MPC) met during the week and decided to:
 - Raise its interest rate from 0.1% to a range of 0%-0.10%
 - Scrap a policy known as yield curve control, which saw it buying Japanese Government Bonds (JGB) to control interest rates.
 - Continue the purchase of JGBs with broadly the same amount as before.
- Japan equities closed the week higher on a dovish Fed .
- Nikkei 225: 40,888 (WTD: +5.63%), Yen: 151.41 (WTD: +1.59%)



- Eurozone Feb24 Final CPI y/y 2.6% v 2.6% (e) v 2.8% (Jan24)
- France Mar24 Preliminary Manufacturing PMI 45.8 v 47.5 (e) v 47.1 (Feb24)
- Germany Mar24 Preliminary Manufacturing PMI 41.6 v 43.0 (e) v 42.5 (Feb24)
- UK Feb24 CPI y/y 3.4% v 3.5% (e) v 4.0% (Jan24)
- The Bank of England (BoE) Monetary Policy Committee (MPC) met during the week and decided to hold its policy rate at 5.25%, as a majority of policy-makers warned inflation was still too persistent.
- Euro stocks closed in the green on dovish Fed and expectation of rate cuts from the European Central Bank.
- DAX: 18,206 (WTD: +1.50%), Stoxx50: 5,031 (WTD: +0.91%), FTSE100: 7,931 (WTD: +2.63%)



- Feb24 Industrial Production YTD y/y 7.0% v 5.2% (e) v 4.6 (Dec23)
- Feb24 Retail sales YTD y/y 5.5% v 5.6% (e) v 7.2% (Dec23)
- Chinese stocks closed in the red as a raft of disappointing corporate earnings undermined expectations for a strong market recovery.
- SHSZ300: 3,545 (WTD: -0.70%), SHCOMP: 3,048 (WTD: -0.22%)



- 16 Mar 24 Initial Jobless Claims 210k v 213k (e) v 209k (9 Mar 24)
- Mar24 Preliminary Manufacturing PMI 52.5 v 51.8 (e) v 52.2 (Feb24)
- The Federal Open Market Committee met during the week and decided to:
 - Maintain its federal funds interest rate at the current target range of 5.25% to 5.5%.
 - Continue to allow up to \$60bn in Treasury securities and \$35bn in agency mortgage-backed securities to mature and roll off its more than \$7.5tn balance sheet per month.
- US stocks closed the week high after the Fed left interest rates unchanged.
- NASDAQ: 16,429 (WTD: +2.85%), S&P 500: 5,234 (WTD: +2.29%)



- Δ US Crude Inventories -1,952k bbl (15 Mar 24) v -444k bbl (e) v -1,536k bbl (8 Mar 24)
- Δ US Oil Rigs -5; 624 (22 Mar 24) v 629 (15 Mar 24)
- Δ North American Oil Rigs -43; 793 (22 Mar 24) v 836 (15 Mar 24)
 - Oil prices slipped on a possibility of a ceasefire in Gaza, while the war in Europe and shrinking US rig count cushioned the fall.
 - WTI: \$80.63 (WTD: -0.51%)
 - Brent Crude: \$85.43 (WTD: +0.11%)



- Gold prices closed higher as bond yields declined after the Fed reiterated its Dovish stance while Platinum faced a structural hit to demand from electric vehicle revolution.
 - Gold: \$2,165 (WTD: +0.44%)
 - Platinum: \$898 (WTD: -4.32%)

Oil prices close mixed.



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