



**KGORI CAPITAL**  
INVEST WITH PRIDE

02 July 2024

## COMPANY ANNOUNCEMENTS



### Issuance of Bond

- RDCP announced the issuance of a fixed rate, P85mn bond, with an interest rate of 8.25%, maturing 25 Jun 24.
- The proceeds from the new issue will be used to retire existing debt.
- The issuance is part of the company's P500mn Medium Term Note Programme
- P2.40 (YTD: 0.00%) PE:14.1 PB: 0.6 D/Y: 7.19% Mkt Cap: P1,819.8mn



### Cautionary Announcement and Dividend Announcement

- Cautionary Announcement
  - LLR advised unitholders to exercise caution when dealing with shares of the company regarding the sale of the Red Square residential flats, as the company is still in phase 1 of the transaction, being the conclusion of sale agreements with sitting tenants.
- Dividend Announcement
  - LLR declared a final distribution of 5.29 thebe per linked unit for the period ending 30 Jun 24. The distribution is payable on 19 Jul 24.
  - The total distribution for the 23/24 FY is now 14.39 thebe per linked unit.
- P2.86 (YTD: +5.93%) PE:6.3 PB: 0.6 D/Y: 6.90% Mkt Cap: P800.8mn



### Notice of Extraordinary General Meeting (EGM) and Results of Annual General Meeting (AGM)

- Notice of Extraordinary General Meeting (EGM)
  - Absa will host an EGM at Avani Gaborone Resort on 04 July 24 at 2pm where shareholders will vote on a special resolution to amend the constitution as per the Companies Act.
- Results of Annual General Meeting (AGM)
  - ABSA announced the results of its 2023 AGM, where all resolutions were passed by 92.74% or more in favour
- P6.63 (YTD: +4.41%) PE:9.0 PB: 1.9 D/Y: 8.81% Mkt Cap: P5,649.8mn



### Results of Annual General Meeting (AGM)

- Cresta announced the results of its 2023 AGM, where all resolutions were passed by 99.7% or more votes in favour
- P1.08 (YTD: +2.86%) PE: 7.4 PB: 1.2 D/Y: 3.98% Mkt Cap: P199.4mn



### Results of Annual General Meeting (AGM)

- StanChart announced the results of its 2023 AGM, where all resolutions were passed by 99.99% or more votes in favour
- P6.52 (YTD: +23.02%) PE: 6.3 PB: 1.6 D/Y: 15.80% Mkt Cap: P1,945.2mn

## Dealing In Shares By Related Party and Notice of Annual General Meeting (AGM)



- Dealing In Shares By Related Party
    - Access announced the on market sale of 21,000,000 shares at P1.80 per share by Access Bank Plc.
    - The transaction has a total value of P37.8mn.
    - Access announced another on market sale of 38,087,500 shares at P2.04 per share by the company
    - The transaction has a total value of P77.7mn.
  - Notice of Annual General Meeting (AGM)
    - Access will virtually hold its AGM at 09.00am on 08 Aug 24. Shareholders will vote on:
      - Approving 31 Dec 23 financial statements.
      - Approving the re-elections of J Galeforolwe, N Mosetlhe and B Tema as Directors.
      - To ratify the appointments of O Mothooage and C Chijoro as Directors.
      - To ratify the appointment of S Aisam as Managing Director
      - Approving the P4.2mn remuneration of Directors for the year ended 31 Dec 23.
      - Approving the appointment of Pricewaterhouse Coopers as auditors for the ensuing year and approve their P5.4mn remuneration for the year ended 31 Dec 23.
- P2.04 (YTD: -0.49%) PE:35.4 PB: 1.4 D/Y: 1.96% Mkt Cap: P1,479.0mn

## Results of Annual General Meeting (AGM)



- Sechaba announced the results of its 2024 AGM, where all resolutions were passed by 91.82% or more votes in favour except:
- Ordinary resolution 1: To adopt the Audited Financial Statements for the year ended 31 December 2023 together with the Auditors Report, which received 65.70% votes in favour.
  - P23.15 (YTD: +2.21%) PE: 9.4 PB: 2.4 D/Y: 18.78% Mkt Cap: P2,560.8mn

## Dividend Declaration



- SeedCo declared a gross dividend of 0.31cents for the year ended 31 Mar 24. The dividend is payable on or about 07 Aug 24.
- P3.50 (YTD : 0.00%) PE: 31.3 PB: 1.3 D/Y: 0.95% Mkt Cap: P1,377.8mn

## BTCL FY24 RESULTS – STRONG REVENUE GROWTH RAISES PROFITS

Income Statement P Millions	FY24	FY23	% Δ
Revenue	1436	1400	3%
Cost of sales	(637)	(594)	7%
<b>Gross Profit</b>	<b>799</b>	<b>806</b>	<b>(1%)</b>
Interest income	63	48	30%
Interest expense	(15)	(19)	(21%)
Other income	2	5	(70%)
Selling and distribution costs	(18)	(23)	(21%)
Administrative expenses	(361)	(439)	(18%)
Impairment losses and gains on financial and contract assets	(12)	24	(150%)
Other expenses	(257)	(254)	1%
<b>Profit before taxation</b>	<b>200</b>	<b>149</b>	<b>35%</b>
Tax	(42)	(31)	38%
<b>Profit for the period</b>	<b>158</b>	<b>118</b>	<b>34%</b>
Balance Sheet extract P Millions	FY24	FY23	% Δ
Cash and cash equivalents	625	143	336%
PPE	1 507	1 489	1%
Equity	2 487	2 351	6%

- Revenue +3% due to increase in fixed voice services and strong demand for mobile data services
- Cost of Sales +7% due to high maintenance costs for the copper network as a result of increased copper cable theft and vandalism of network equipment.
- Admin costs -18% due to last years restructuring process.
- PAT+34% due to increasing revenues and improving cost structures.
- Dividend of 23.0t/share declared, payable on 14 Aug 24.
- P1.02 (YTD: +22.89%)  
PE: 6.8  
PB: 0.4  
D/Y: 24.56%  
Mkt Cap: P1,071.0mn

## BHC FY23 RESULTS – HIGHER RENTAL REVENUE IMPROVES PROFITS

Income Statement P Mn	FY 24	FY 23	% Δ
Revenue and rental income	525	553	(5%)
Cost of Sales	(155)	(239)	(35%)
<b>Gross Profit</b>	<b>370</b>	<b>314</b>	<b>18%</b>
Repairs and maintenance	(65)	(62)	5%
Employee benefit expenses	(154)	(143)	8%
Depreciation & ammortisation	(44)	(41)	6%
Other expenses	(89)	(77)	16%
Impairment	(27)	(4)	531%
Other income	8	2	253%
Gains from sale of investment property	24	25	(2%)
<b>Operating profit</b>	<b>24</b>	<b>13</b>	<b>81%</b>
Finance income	12	14	(15%)
Finance costs	(16)	(17)	(9%)
Share of profit (loss) in joint ventures	23	21	10%
<b>Profit before tax</b>	<b>42</b>	<b>30</b>	<b>40%</b>
Tax	(13)	(7)	84%
<b>Profit for the period</b>	<b>29</b>	<b>23</b>	<b>26%</b>
Balance Sheet extract P Mn	FY 24	FY 23	% Δ
Cash and cash equivalents	815	876	(7%)
Housing inventories	529	451	17%
Investment properties	1 274	1 309	(3%)
Borrowings	537	562	(4%)
Equity	1 648	1 619	2%

- Revenue -5% due to a decline in sales of housing inventories and external projects contract income
- Employee benefits expenses +8% due to inflationary adjustments, performance based pay increases and recruitment
- Operating costs went up on the back of high inflationary pressures and an unfavorable economic environment.
- PAT +26% driven by sales of high margin investment properties, growth in rental revenue and improved income from joint ventures.

## BSB FY24 RESULTS – INCREASED LENDING DRIVES UP PROFITS

Income Statement P Mn	FY 24	FY 23	% Δ
Interest income	358	337	6%
Interest expense	(190)	(173)	9%
<b>Net-interest income</b>	<b>168</b>	<b>164</b>	<b>3%</b>
Fee and commission income	40	10	280%
Fee and commission expense	(8)	(9)	(13%)
<b>Operating Profit</b>	<b>200</b>	<b>165</b>	<b>21%</b>
Staff expenses	(98)	(102)	(4%)
Amortisation of Government Grant Income	14	19	(26%)
Depreciation & Amort	(24)	(21)	14%
Other Income/(expenses)	9	4	162%
Net Impairment reversal of Financial Assets	(1)	6	(124%)
Administrative and General Expenses	(72)	(58)	23%
<b>Profit before taxation</b>	<b>29</b>	<b>13</b>	<b>120%</b>
Tax	(8)	(7)	18%
<b>Profit for the period</b>	<b>21</b>	<b>6</b>	<b>226%</b>
Balance Sheet extract P Mn	FY 24	FY 23	% Δ
Cash and cash equivalents	97	378	(74%)
Advances to customers	2 673	2 347	14%
Deposits due to Customers	2 499	2 429	3%
Borrowings	439	338	30%
Equity	267	246	9%

- BSB published unaudited FY24 results.
- Interest income +6% due to increases in advances to customers
- Interest expense +9% due to high interest rate environment.
- PAT +226% due to improved Fee & Commission income and lower staff costs.
- Cash and cash equivalents -74% due to increased lending to customers

## SEEDCO FY24 RESULTS – IMPROVED REVENUES INCREASE PROFITS

Income Statement \$'Mn	FY 24	FY 23	% Δ
Revenue	118,0	103,5	14%
Cost of sales	(62,9)	(57,5)	9%
<b>Gross Profit</b>	<b>55,2</b>	<b>46,0</b>	<b>20%</b>
Other Income and gains	(0,6)	(2,5)	(78%)
Operating expenses	(38,6)	(32,9)	18%
<b>Operating profit</b>	<b>16,0</b>	<b>10,6</b>	<b>51%</b>
Finance costs	(5,7)	(4,3)	35%
Finance Income	0,6	0,4	25%
Shares of results of associate and joint venture	(1,4)	(1,1)	32%
<b>Profit before taxation</b>	<b>9,4</b>	<b>5,7</b>	<b>64%</b>
Tax	(4,4)	(2,8)	59%
<b>Profit for the period</b>	<b>4,9</b>	<b>2,9</b>	<b>70%</b>
Balance Sheet \$'Mn	FY 24	FY 23	% Δ
Cash and cash equivalents	22,8	19,2	19%
Trade and other receivables	38,0	48,8	(22%)
PPE	40,5	38,8	4%
Trade and other payables	7,2	9,9	(28%)
Borrowings	36,5	46,2	(21%)
Equity	80,1	86,3	(7%)

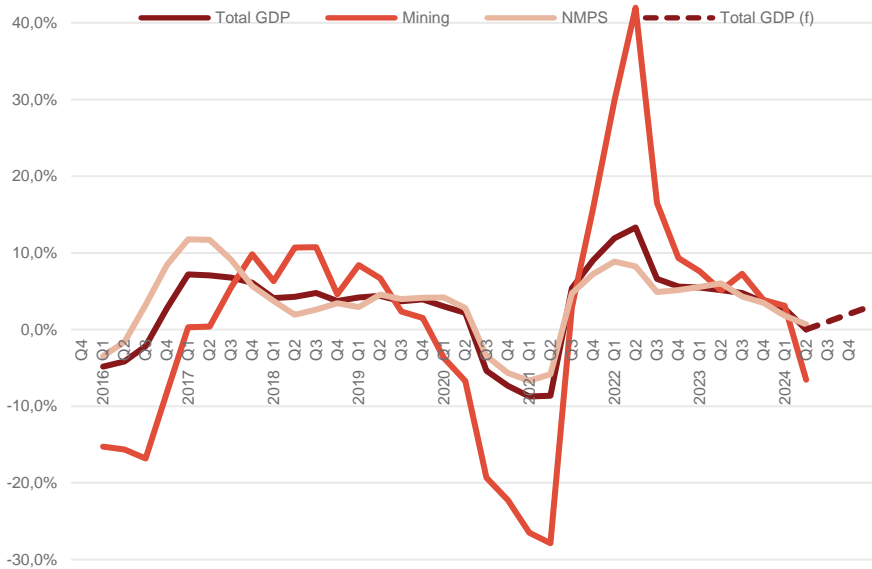
- Revenue +14% due to increased volume performance in Central and East Africa.
- Operating Expenses +18% due to increased General and Admin. costs
- PAT +70% due to higher revenues
- Dividend of 0.31c/share declared, payable on 07 Aug 24.
- P3.50 (YTD: 0.00%)  
PE: 20.9  
PB: 1.3  
D/Y: 1.18%  
Mkt Cap: P1,377.8mn

## G4S FY23 RESULTS – VAT PENALTY WORSENS LOSSES

Income Statement P Mn	FY 23	FY 22	% Δ
Revenue	215	212	1%
Cost of sales	(177)	(174)	2%
<b>Gross Profit</b>	<b>38</b>	<b>39</b>	<b>(3%)</b>
Other income/ (loss)	3	(0)	(901%)
Movement in credit loss allowances	(3)	(4)	(35%)
Impairment of goodwill	(1)	0	-
Administrative expenses	(48)	(44)	9%
<b>Profit from operations</b>	<b>(11)</b>	<b>(9)</b>	<b>16%</b>
Finance expense	(1)	(1)	9%
Finance income	2	2	(22%)
<b>Profit before taxation</b>	<b>(10)</b>	<b>(8)</b>	<b>26%</b>
Tax	0	0	381%
<b>Profit for the year</b>	<b>(10)</b>	<b>(8)</b>	<b>22%</b>
Balance Sheet extract P Mn	FY 23	FY 22	% Δ
Cash and Cash Equivalents	14	12	12%
Amount due from related parties	52	50	4%
Trade and other receivables	18	26	(30%)
PPE	23	23	(4%)
Trade and other payables	29	25	15%
Equity	100	110	(9%)

- G4S published unaudited FY23 results
- Revenue +1% due to growth in Cash services and security systems services.
- COS +2%, on the back of increasing vehicle maintenance cost and rising insurance premiums.
- Administrative expenses +9% due mainly to a penalty provision for a VAT delayed payment.
- PAT -22% due to subdued revenue growth and higher admin expenses.
- P2.45 (YTD: 0.00%)  
PE: N/A  
PB: 2.0  
D/Y: 0.00%  
Mkt Cap: P196.0mn

## 1Q24 GDP GROWTH – GDP GROWTH SLOWS



- Real GDP registered growth of 0.0% (y/y) in 1Q24 v 2.7% 4Q23.
  - Non-Mining Private sector growth slowed down from 1.8% (4Q23) to 0.7% (1Q24). This was further exasperated by a 6.5% contraction (1Q24) in Mining sector growth which fell from growth of 3.1% (4Q23).
  - The ongoing challenges to the diamond market dragged Botswana's economy as the Diamond Traders and Mining of Diamonds (sub)sectors contracted by 42.4% and 6.8% respectively
  - The fastest growing sectors were Fin., Insurance & Pen. Funding (5.7%), Public Admin. & Defence (5.4%), and Prof. Science. & Tech. Activities (5.8%).
- Real GDP growth is projected to rebound range of 2.8% - 3.2% in 2024.

## GOVERNMENT JUNE24 BOND AUCTION RESULTS – BOND AUCTION FULLY ALLOTTED

Bond	Description	Total Amount Offered (PMn)	Total Amount Allocated (PMn)	Allocation Ratio	Stop out Yield	Previous Auction Stop Out Yield	Δ Stop Out Yield
BOTSTB1024	3M T-Bill	600	300	50%	2,505%	2,522%	-2bps
BOTSTB0125	6M T-Bill	600	900	150%	2,516%	2,617%	-10bps
BOTSGB0527	3-Yr Bond	300	300	100%	4,500%	5,300%	-80bps
BOTSGB0635	11-Yr Bond	400	400	100%	7,750%	7,800%	-5bps
BOTSGB0640	16-Yr Bond	300	300	100%	8,265%	8,030%	24bps
Total		2,200	2,200	100%			

- Bond auction was fully allotted
- The 3M T-bill was under allotted (50%), this was offset by an overallotment (150%) in the 6M T-bill
- Bond stop-out yields decreased across the curve except for the 16 year bond which rose by 24bps

## REGIONAL

### SOUTH AFRICA

- May24 Trade Balance R20.1bn v R15.0bn (e) v R9.7bn (Apr24)
- May24 PPI y/y 4.6% v 4.9% (e) v 5.1% (Apr24)
- 2Q24 Consumer Confidence -12 v -15 (1Q24)

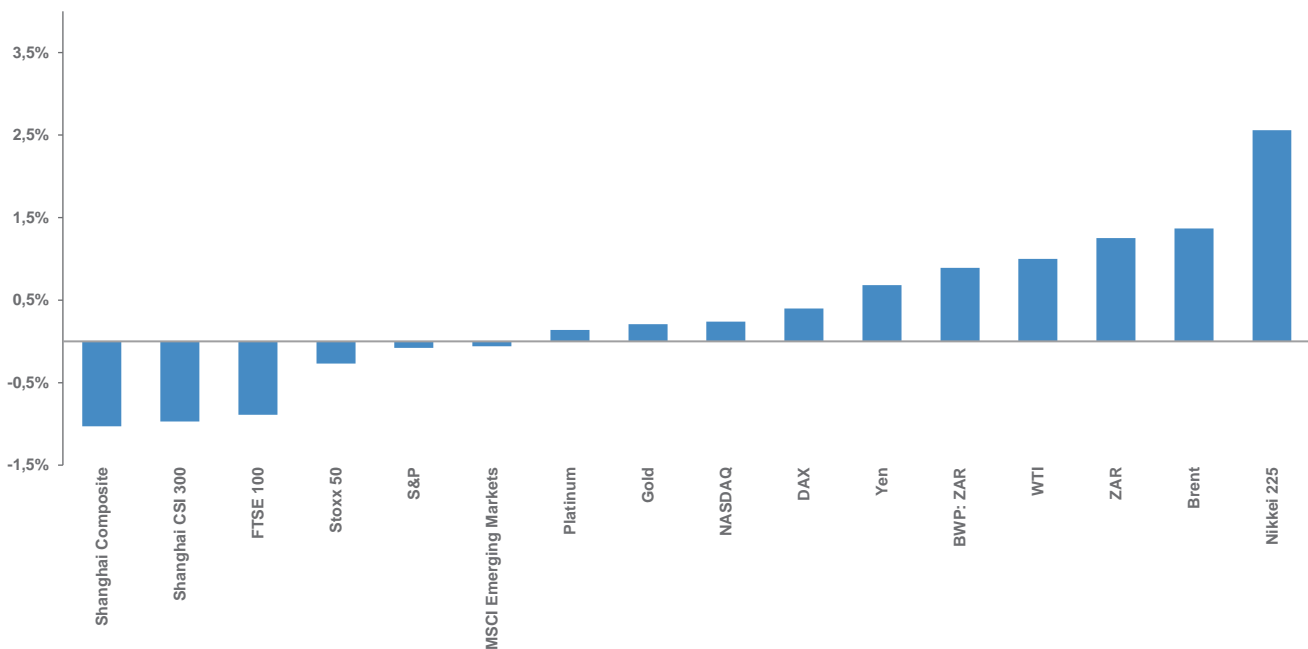
### ZAR PERFORMANCE

- The ZAR weakened against the US Dollar this week amid delays in the formation of President Ramaphosa's cabinet.
- ZAR 18.19 (WTD: +1.25%) v ZAR 17.97 (21 Jun 24)

# The South African rand weakened against the USD.

## INTERNATIONAL

### INTERNATIONAL SNAPSHOT – 28 JUNE 24 WEEKLY PERFORMANCE



- May24 Preliminary Industrial Production m/m 2.8% v 2.0% (e) v -0.9% (Apr24)
- May24 Retail Sales m/m 1.7% v 0.8% (e) v 0.8% (Apr24)
- Jun24 Tokyo CPI y/y 2.3% v 2.3% (e) v 2.2% (May24)
- Japanese markets closed the week higher on the back of a weakening Yen
- Nikkei 225: 39,583 (WTD: +2.56%), Yen: 160.88 (WTD: +0.68%)



- Eurozone Jun24 Final Consumer Confidence -14.0 v -14.0 (May24)
- France Jun24 Preliminary CPI y/y 2.1% v 2.2% (e) v 2.3% (May24)
- Germany Jul24 Consumer Confidence -21.8 v -19.5 (e) v -21.0 (Jun24)
- UK 1Q24 Final GDP q/q 0.7% v 0.6% (e) v 0.6% (4Q23)
- Euro stocks closed the week mixed following the release of softer inflation data and investor anxiety ahead of French snap elections.
- DAX: 18,235 (WTD: +0.40%), Stoxx50: 4,894 (WTD: -0.27%), FTSE100: 8,164 (WTD: -0.89%)



- May24 Industrial Profits y/y 0.7% v 4.0% (Apr24)
- Chinese stocks declined over the week following the release of weak economic data.
- SHSZ300: 3,462 (WTD: -0.97%), SHCOMP: 2,967 (WTD: -1.03%)



- 22 Jun 24 Initial Jobless Claims 233k v 235k (e) v 239k (15 Jun 24)
- 1Q24 Third Estimate GDP Annualised q/q 1.4% v 1.4% (e) v 1.3% (4Q23)
- Jun24 Final UoM Sentiment 68.2 v 66.0 (e) v 65.6 (May24)
- US stocks closed the week mixed following the first 2024 US presidential debate and positive economic data
- NASDAQ: 17,733 (WTD: +0.24%), S&P 500: 5,460 (WTD: -0.08%)

## COMMODITIES



- ΔUS Crude Inventories 3,591k bbl (14 Jun 24) v -2,381k bbl (e) v -2,547k bbl (07 Jun 24)
- ΔUS Oil Rigs -7; 581 (14 Jun 24) v 588 (21 Jun 24)
- ΔNorth American Oil Rigs +3; 757 (21 Jun 24) v 754 (21 Jun 24)
- Oil prices increased on the back of key inflation data suggesting rate cuts will take place in the near future.
- WTI: \$81.54 (WTD: +1.00%)
- Brent Crude: \$86.41 (WTD: +1.37%)



- Gold prices rose over the week following the release of positive US inflation data increasing the likelihood of future rate cuts.
- Gold: \$2,327 (WTD: +0.21%)
- Platinum: \$996 (WTD: +0.14%)

**Oil prices rise as easing inflation data points towards interest rate cuts.**



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