



RDC PROPERTIES LIMITED

(Registration number BW00000877423)

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ANNOUNCEMENT OF DISTRIBUTION TO LINKED UNIT HOLDERS, PROPERTY ACQUISITIONS AND UPDATE ON USA INVESTMENT

Distribution to Linked Unit Holders

Notice is hereby given that a second interim distribution comprising of a dividend of 0.489 thebe per share and interest of 5.282 thebe per debenture has been declared in respect of the period ended 30 September 2019. This dividend and interest will be payable on or about 29 April 2020 to those linked unit holders registered at the close of business on 17 April 2020. The ex-dividend date is therefore 15 April 2020.

In terms of the Botswana Income Tax Act as amended withholding tax at a rate of 7.5% will be deducted by the Company from all dividends paid and 15% from interest paid to foreign registered unitholders. As per the Seventh Schedule to the Income Tax Act, withholding tax of 10% will be deducted from gross interest paid to residents for amounts in excess of P1 950.00 per quarter wherever applicable.

Capitalgro Property Acquisitions

Capitalgro (Proprietary) Limited (“Capitalgro”) is a 63% subsidiary of RDC Properties Limited (“the Company”). Capitalgro is a commercial property investment and development company operating in the Western Cape of South Africa.

It has entered into two separate property purchase agreements for the acquisition of the following properties.

Capita buildings, Voortrekker Road 65 & 69 Maitland

Capitalgro has acquired the two Capita buildings for R171,000,000.00 from Panache Properties (Pty) Ltd, subject to financing and regulatory approval. The inter-joining properties are situated on erf 178287 and erf 23831 on 65 and 69 Voortrekker Road, Maitland, Cape Town, South Africa. The properties together form one unique office precinct and creates a perfect working environment for in excess of 1,850 employees of Capita UK (the tenant), a contact centre company listed on the London Stock Exchange. **[6.8i & 6.8ii]**

The purchase price will be settled through a combination of cash paid to the seller and Capitalgro shares. The cash will be raised through a Capitalgro rights issue and mortgage bond debt. **[6.8iii]**



The Rhino Africa building

Capitalgro has acquired a building known as the Rhino Africa building for R84,530,000 from Preston Guild Investments (Pty) Ltd, subject to financing and regulatory approval. The building is situated on erf 8132 on 9 Caxton Street, Woodstock, Cape Town, South Africa. The anchor tenant of the building is Rhino Africa, a travel and tour operator. **[6.8i & 6.8ii]**

The purchase price will be settled through a combination of cash paid to the seller and Capitalgro shares. The cash will be raised through a Capitalgro rights issue and mortgage bond debt. **[6.8iii]**



Investment Success - Nashville, Tennessee, USA

In September 2017, the Company broadened its portfolio by investing in the United States of America. By investing USD 3 million in the Class B Shares of Rutledge Development LLC, a Tennessee Limited Liability Company, RDC secured a 9.4% shareholding in the development of a multi-family residential project with 71 units and 5,000 square feet of commercial space know as as “City Lights”.

The Company’s investment in the company has now been liquidated and the Company is pleased to confirm a gross return of USD 1,561,624.

This equates to a pre-tax USD return of more than 52% in two years.

Net of taxes and transaction costs the Company shall receive Approx. USD 4.1 million from investing USD 3 million resulting in a:

- USD net return of 37%;
- BWP net return of 40% .

The Company is very pleased of the extraordinary performance of this investment in the USA. This investment has proven to be an efficient currency hedge and its performance is due to a well selected Management team operating in the specific market. The Company is pleased to confirm that it is considering further investments in the USA with the same Management team.

05 December 2019

**By order of the Board
PricewaterhouseCoopers (Pty) Limited
Company Secretary**

