



RDC PROPERTIES LIMITED

(Incorporated in the Republic of Botswana on 18 April 1996)

(Company number: BW00000877423)

BSE Ordinary Unit Code: RDCP

("RDC" or "the Company")

ANNOUNCEMENT

The Company refers Unitholders to the Circular containing the Notice for the Extraordinary General Meeting to be held on 13 August 2021, and containing information in respect of a distribution to Unitholders, a bonus award, a proposed investment, a borrowing and a rights offer, issued on the 14 July 2021 and published on Xnews on 15 July 2021 and sent to Unitholders on 15 and 16 July 2021 ("the Circular").

Exemption from time period within which to refund subscription monies

The Circular indicated that, in the event the Scheme Offer (as defined in the Circular) is not approved by 29 October 2021, or not approved at all and the Standby General Offer (as defined in the Circular) is implemented there would be a period of approximately 30 days from date of the announcement of the results of the rights offer and allocation and issue of rights offer linked units to date of refund of subscription monies or excess subscription monies, as the case may be (as opposed to the 7 day period required by the Listing Requirements).

On 26 July 2021, the BSE granted exemption from compliance by the company with section 3.4 (a) (iv) (3) of the Listing Requirements and allowed such extended period.

Exemption for rights offer to be underwritten

The Circular at section 19.8 indicated that application had been made to the BSE to waive the requirement that subscription for Rights Offer Linked Units not the subject of the irrevocable letters of commitment from major shareholders, be underwritten.

On the 26 July 2021 the BSE granted exemption from compliance with section 3.8 (d) of the Listing Requirements that 8.25% of the Rights Offer Linked Units, representing those units not the subject of the irrevocable letters of commitment from major Unitholders be underwritten.

Exemption from requirement to make mandatory offer to minorities

The Circular at section 19.11 indicated that the interest of Botswana Public Officers Pension Fund ("BPOPF") may, as a result of the rights offer and irrevocable commitment by BPOPF in respect of unsubscribed Rights Offer Linked Units, increase beyond 35% of the voting securities in the Company and that application had been made to the BSE to waive in such event, the requirement for BPOPF to make offer to Unitholders other than BPOPF.

Unitholders are advised that on 26 July 2021 the BSE granted exemption from compliance with section 123 (4) of the M&A Rules with a result that BPOPF is not obliged, in the event that its interest in the Company is elevated beyond 35% of the voting securities in the Company, from making an offer to minority Unitholders.

Update with regard to borrowing, and amendment to the proposed Special Resolution Two

The Circular at section 4.5 stated that the Company intended to borrow ZAR400 000 000 from a South African bank.

Pursuant to discussions with the lender it has been agreed that the borrower in respect of the ZAR400 million will be RDC Properties South Africa Proprietary Limited, a company incorporated in South Africa and a wholly owned subsidiary of RDC (“RDCSA”), and that the Company as holding company will guarantee the due repayment of capital and payment of interest by RDCSA to the lender.

The board of directors deemed it prudent to cover off the possibility that the provisions of section 128 of the Companies Act may apply, and therefore proposed consideration of and passing of Special Resolution 2 as set out in the Notice of the Extraordinary General Meeting.

In so far as a liability of a wholly owned subsidiary is to be calculated, in terms of IFRS, as a liability of the Group, the Company, and the Company is to stand as guarantor for RDCSA in respect thereof, and hence the Company has incurred an obligation in respect of the intended borrowing, Special Resolution 2, as proposed by the Directors remains appropriate, but however should be amended to reflect the structure of the intended borrowing.

Therefore at the Extraordinary General Meeting of 13 August 2021 the Directors will propose an amendment to Special Resolution 2 the subject of the Notice of the Extraordinary General Meeting.

The Directors propose that Special Resolution 2 be amended to read as follows:

“To specially resolve that the borrowing of an amount up to ZAR400,000,000 from a financial institution in South Africa, on the basis that the capital of such loan be repaid over a period of 4 years and on the basis that such capital advanced bear interest at the rate of JIBAR + 3.5%, with scheduled repayments of interest and capital amortising to have 50% residual and on the other salient terms set out in the Circular, by a wholly owned subsidiary of the Company be approved and that the guarantee by the Company for the due repayment of capital and payment of interest in terms of the loan and borrowing by the wholly owned subsidiary, be approved”.

Errata

On page 30 of the Circular the information in respect of “current liabilities” should have read and is accordingly amended to read

Current Liabilities			
Trade and other payables	50,800	40,479	91,279
Bank overdraft	6,884		-
Current portion of long-term borrowings	418,902	7,584	426,486
Current tax liabilities	65	13,510	13,575
	476,651	61,574	531,341
Total Equity and Liabilities	2,518,950	3,513,371	6,006,263

BY ORDER OF THE BOARD

2 August 2021

Company Secretary
PricewaterhouseCoopers Proprietary Limited



Sponsoring Broker



Legal Advisor

