

TRADING UPDATE – FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2022

Shareholders are advised that Letlole La Rona Limited (“the Company”) is currently finalising its audited results for the financial year ended 30 June 2022.

In line with section 5.4c of the Botswana Stock Exchange Limited Listing Requirements, an issuer must publish a cautionary announcement as soon as they are satisfied that a reasonable degree of certainty exists that the expected profit or loss (before tax) for the period to be reported upon next, will differ by at least 10% from the most recent financial results for the previous corresponding period.

The Board of Directors is pleased to announce that the Company is expecting the profit before tax (from continuing operations) for the year ended 30 June 2022 to be between 60% and 80% (between P38 million and P50 million) higher than the prior year profit of P63 million.

The increase is primarily driven by higher fair value gains of P25 million in the current year when compared to the prior year’s P8 million, as well as the Company’s investment in JTTM Properties (Proprietary) Limited (“JTTM”), which is the sole owner of Rail Park Mall.

The increase in fair value is mainly due to an improvement in trading conditions as economic activity returned to normal, leading to lower vacancy rates and average annual lease escalations being maintained at between 6%-8%.

In December 2021, the Company acquired a 32.79% shareholding in JTTM for a cash consideration of P152 million. The investment has been value-accretive, closing the year off at P171 million, a 13% increase in value from acquisition date.

The Company’s cash position remained strong and enabled the Company to maintain its distribution to shareholders, with the distribution in the current year being 6% above the prior year distribution.

The Company will be publishing its audited financial results for the year ended 30 June 2022 on or before 30 September 2022.

Accordingly, shareholders and investors are advised to exercise caution when trading in the Company’s securities until the results are announced.

By order of the Board

15 September 2022