



## **RDC PROPERTIES LIMITED**

(Registration number BW00000877423)

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### **PROPOSED APPOINTMENT OF AUDITORS**

1. Reference is made to Ordinary Resolution No. 1 contained in the Company's Notice of Meeting published on 02 June 2020.
2. Ordinary Resolution No. 1 requires unitholders to vote "To appoint Grant Thornton as auditors for the ensuing year" at the Extraordinary General Meeting to be held via Webinar on 25 June 2020.

#### Background

3. At the annual general meeting of the Company held on 28 May 2020 the Chairman proposed a motion to defer the consideration of the appointment of auditors in order to address the concerns of a major unitholder surrounding the re-appointment of Grant Thornton as auditors. The concerns related to the audit firm itself and were not at all related to the audit of the Company. The motion was approved by the unitholders present at the annual general meeting.
4. The Board of Directors of the Company confirmed that the concerns of the major unitholder surrounding the appointment of Grant Thornton had been investigated and the Board proposed the appointment of Grant Thornton as auditors.
5. A general meeting of unitholders was called, to be held on 25 June 2020, in compliance with the provisions of the Companies Act, 2003 CAP 42:01, to consider the appointment of auditors.

#### Steps taken by Management

6. Management of the Company can confirm that the following steps were taken to address the concerns of unitholders:
  - a. Discussions were held with Grant Thornton and with the representatives of the major unitholders to better understand the concerns raised and to encourage an engagement with Grant Thornton for their own enquiries and verifications.
  - b. Correspondence between Grant Thornton and the representatives of a few unitholders was reviewed.
  - c. It was confirmed that the issues raised were referencing an investigation report dated 6<sup>th</sup> August 2019 regarding certain transactions of Choppies Enterprises Limited where Grant Thornton Botswana was named.
  - d. It was confirmed with the unitholders representatives that the concerns raised were related to the audit firm itself and were not at all related to the audit of the Company.
  - e. Based on the learnings noted above, Grant Thornton confirmed further strengthening their internal systems.

- f. It was confirmed that Grant Thornton Botswana is in good standing with the authority regulating auditors.

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

**24 June 2020**