



Letlole La Rona Limited

Strategic Plan

2023

2027





Strategic Foundations

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LLR Strategic Foundations

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Strategic Intent



LLR Strategic Foundations

LLR strategic foundations comprise the mission, vision and values of the company.

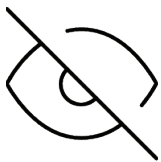
The LLR mission statement clearly articulates the company's core purpose and promise to our stakeholders.



Mission

To integrate our basket of wealth into the African Economy through value enhancing Real Estate Investments, which unlock superior returns for our Shareholders, whilst connecting and empowering our communities.

Our vision statement paints a clear picture of what we intend to achieve in five (5) years. We aim to lead in the property market in Botswana



Vision

We are the Real Estate Leader in Botswana and a partner of choice in selected African markets

Our strategic intent represents the choice we have made to diversify our portfolio, grow the company balance sheet and exceed market weighted average total return sustainably for five (5) years.



Our Promise

We will leverage strong partnerships and networks, optimise our assets, expand the Botswana portfolio and grow into Africa to create a diversified portfolio of P 3.0 billion and exceed the market weighted average total return year on year until F/Y 2027.

Values



We Play To Win. [Excellence]

We strive to exceed stakeholder expectations/value in all we do.



We Act Swiftly. [Agility]

We respond timeously to opportunities and our stakeholder needs.



We are Creative [Innovation]

We infuse innovation when delivering impactful real estate solutions.



We Always Do Right. [Integrity]

We act with integrity, honesty and transparency.

Strategic Intent

Our strategic intent represents the logic of how LLR will win in the market. It summarises what LLR will do and the outcomes we will see by the end of our five (5) year strategic planning period in 2027. Our strategic choice is to leverage partnerships and networks we have, optimise our assets, expand the Botswana portfolio and enter selected African markets. This strategic choice will yield two desirable outcomes – creation of a diversified and balanced portfolio of BWP 3 billion and a weighted average total return that exceeds the market average every year for a period of five (5) years.

Our strategic choice is represented in the graphic below.

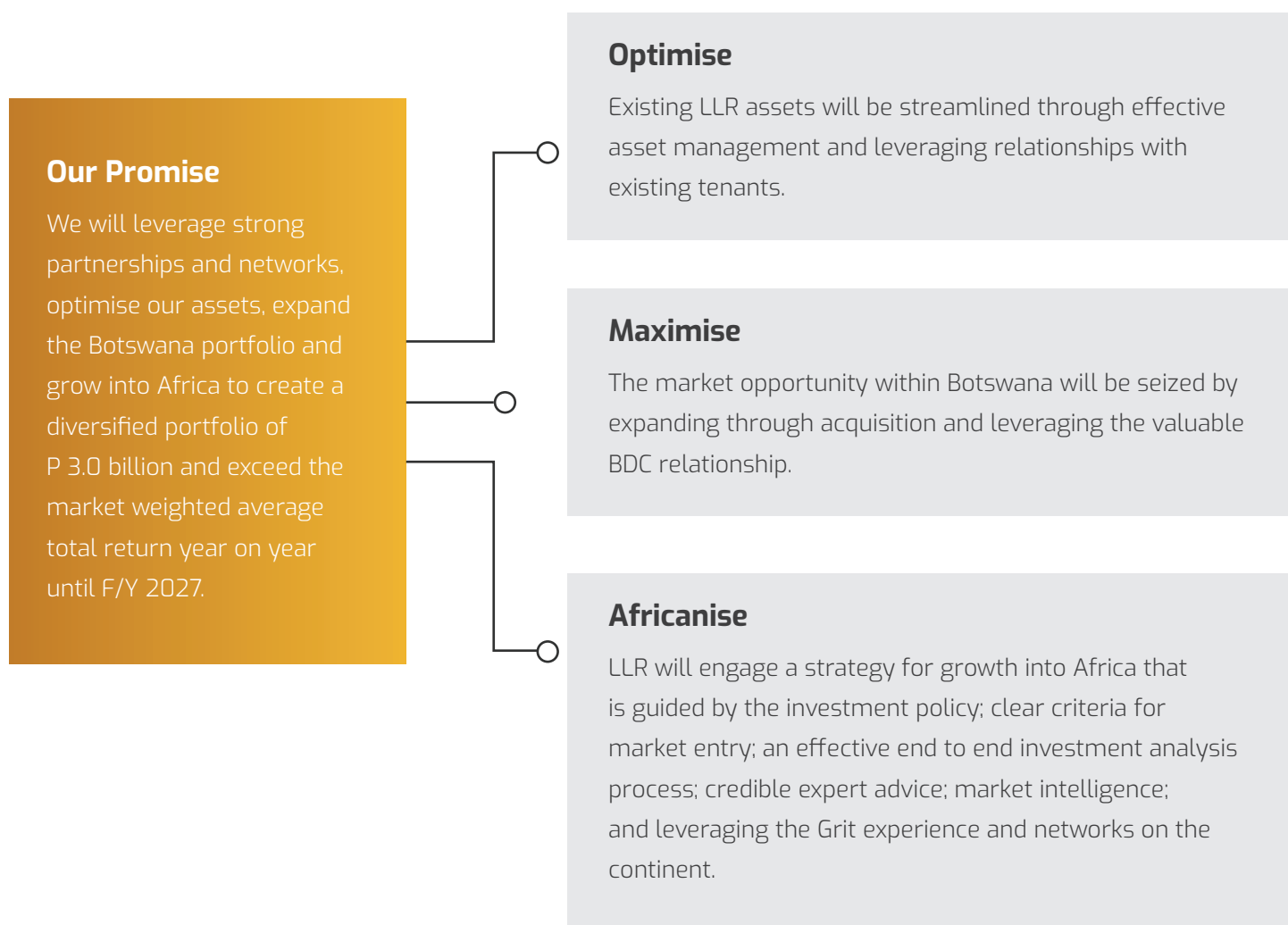


Figure 4: LLR Strategic Intent







Strategic Priorities

30 Strategic Pillars



Strategic Pillars

Our strategic pillars represent the priorities that support and embolden the strategic intent. These are areas that will drive successful growth and entry into the African market. They serve as enablers of our strategy where positive results are expected. Strategic pillars that will support our strategy comprise a streamlined and expanded Botswana portfolio; Optimised Balance Sheet; quality African assets; strong partnerships and networks, operational excellence and a talented and competent team. Pillars of our strategy are presented and articulated below.



Figure 5: Strategic Pillars

1. Streamlined & Expanded Botswana Portfolio

The Botswana property portfolio has grown through acquisitions that added individual or a portfolio of assets based on the investment policy of the company. Some assets are old and could be candidates for disposal or are inappropriately located to facilitate efficiency and management excellence. Upon renewal of some of the leases and with a deep understanding of the clients' business and operations developed over time, LLR enter into discussion to retain each tenant by right sizing the property at a competitive and affordable rental amount. Value accretive projects such as developing solar solutions and selling back to tenants can further enhance their incentive to stay at higher rentals. Subject to the longevity of the asset, LLR will explore the option to exit the property at a premium by selling on sectional title to sitting tenants. LLR will leverage strategic partnerships, trusted relationships with clients and understanding of their business models to discuss becoming the preferred property partner in their value chain for market growth and/or logistics, among others.

Strategic Pillars

Continued

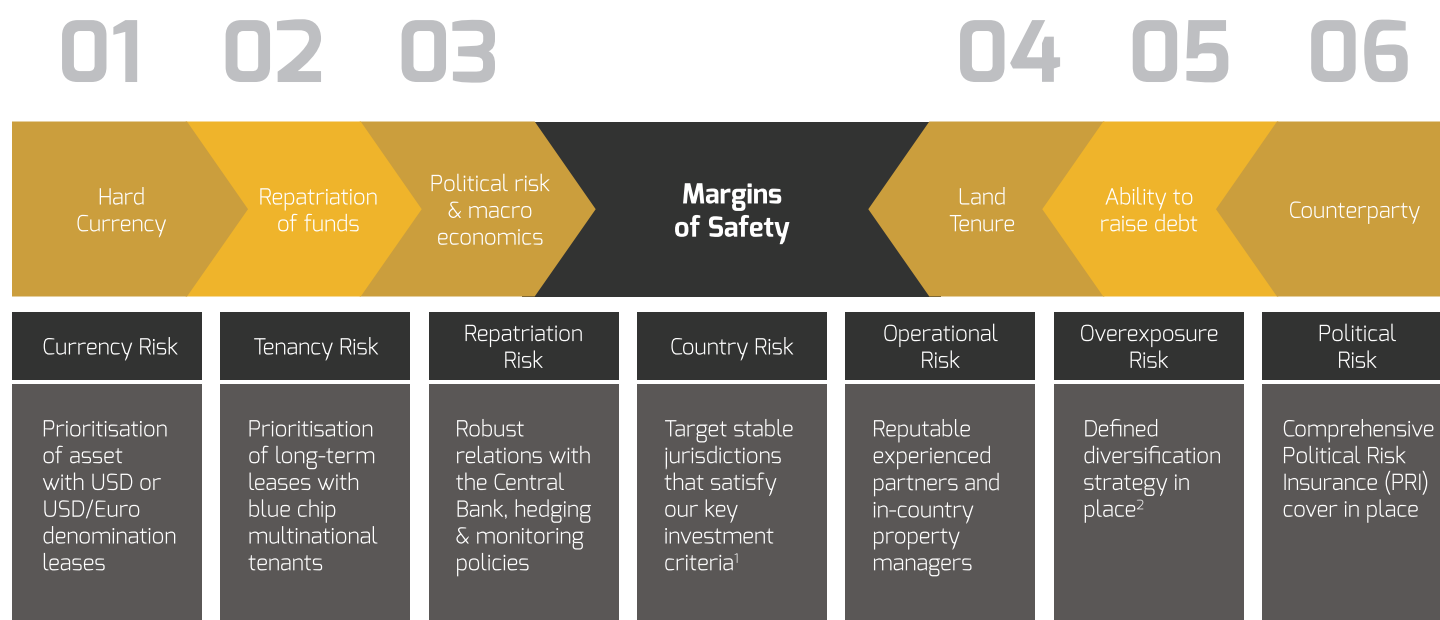
2. Optimised Balance Sheet

LLR aims to ensure that the Balance sheet is optimized in order to unlock value and deliver on the strategic intent. The Company seeks to "sweat the assets" to derive the maximum value from them, and form multi-bank relationship. A Security Special Purpose Vehicle (SPV) to be formed to house all LLR properties in order to allow financiers to have a proportionate share of LLR's prime properties as collateral.

3. Quality African Assets

LLR seeks to expand its investment footprint into the rest of Africa through the acquisition of value accretive assets. A bottom-up investment approach will be followed to identify investment opportunities.

The below highlight the margins of safety that the Company will adopt when exploring opportunities within the Region.



Notes:

ie stable governance/political maturity, strong USD/FDI inflows, USD -based economy, high growth rates, acceptable sovereign ratings and outlook by rating agencies, solid economic fundamentals, clear tax regime

Target not more than 45% of the GAV ex-Botswana

Table 8: Investment Attractive Markets

Strategic Pillars

Continued

4. Strong Partnerships and Networks

A critical aspect of the LLR's competitive advantage is the strong and influential shareholders and investors that could be leveraged for the envisaged growth of the business. The company will develop and leverage relationships with BDC and major institutional investors (e.g. pension funds) to access local opportunities and innovative ventures in the market. On the African continent an opportunity exists to leverage the deep experience of Grit to access trusted regional networks and conduct arms length transactions. These partnerships and collaborations will follow the proper channels as per good corporate governance and will be subject to Board approval.

5. Operational Excellence

In ensuring the delivery of the strategic intent, LLR commits to driving operational excellence. This will be evidenced through good corporate governance as well as optimized and documented business processes. Additionally, LLR seeks to improve customer experience and strategically position technology for effective and efficient delivery.

6. Talented and Competent People

LLR places people at the core of effective execution of strategy. Therefore, investments will be channeled towards developing a strong team that will drive the growth strategy of LLR and build a performance driven culture. This will include the institution of a robust performance management system, needs based training and development of staff as well as standardizing the implementation of approved remuneration and incentive structures. An HR specialist will be engaged to continuously review and align key policies in line with driving the desired culture – anchored on the corporate values.



Strategic Objectives & Scorecard

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Strategic Objectives

Strategic objectives that will drive the strategy of LLR are presented in the strategy map below across four perspectives – people, internal processes, stakeholders and financial perspectives. The LLR strategy map shows a logical, cause-and-effect connection between strategic objectives (shown as ovals on the map). It is a powerful mechanism that is used to communicate how the company will create value for shareholders and key stakeholders.

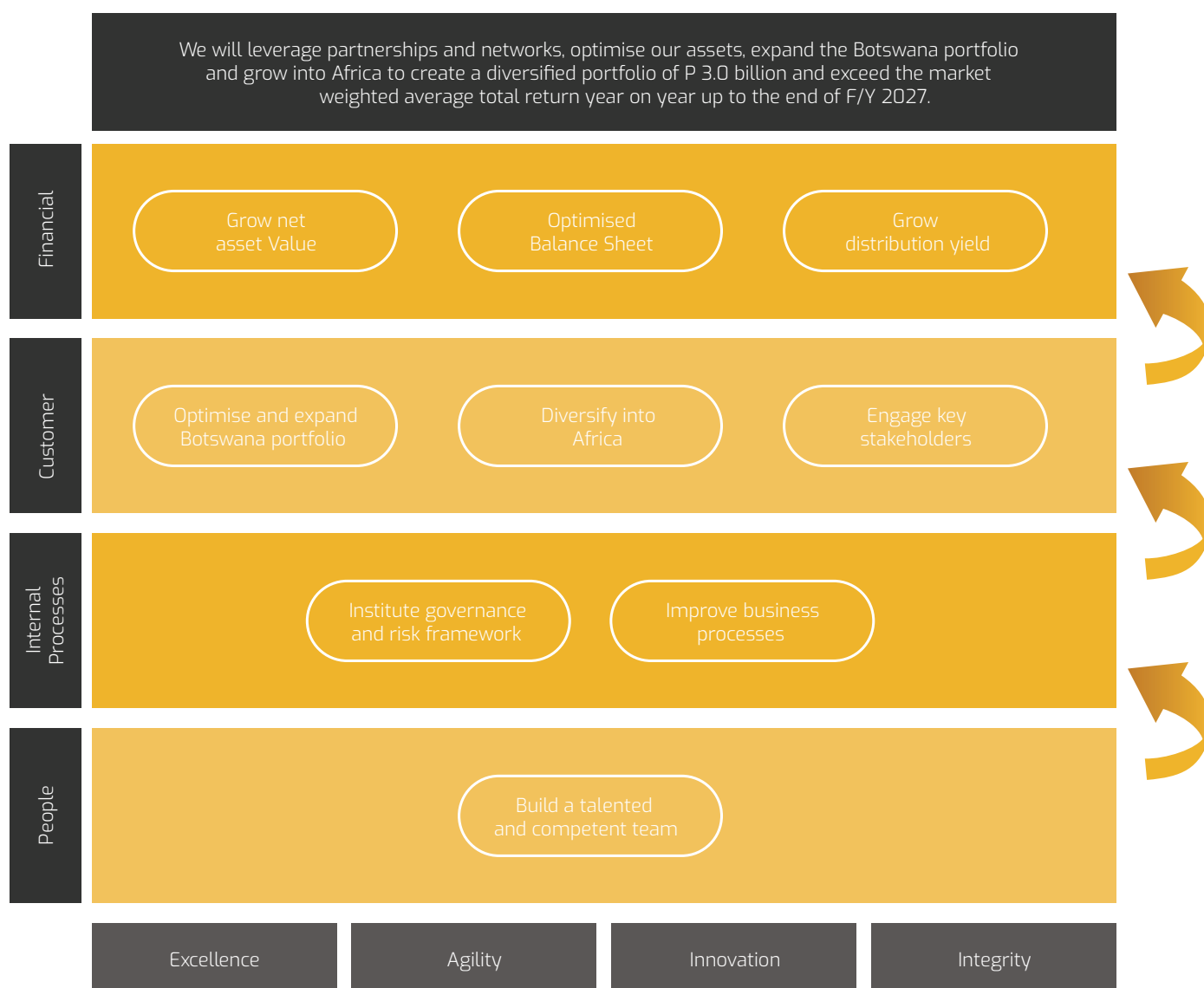


Figure 6: Strategic Objectives