Independent Auditors: Grant Thornton, Plot 50370, Fairgrounds Acumen Park, P.O. Box 1157, Gaborone

9.15%



COMPANY HIGHLIGHTS

Contractual revenue

Profit before tax

Net asset value

Occupancy levels

Railpark Mall now a subsidiary of LLR

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2023	GROUP UNAUDITED 6 months to Dec-2023	COMPANY UNAUDITED 6 months to Dec-2023	COMPANY UNAUDITED 6 months to Dec-2022	COMPANY AUDITED 12 months to Jun-2023
	P	P	P	P
Continuing Operations				
Revenue	76,511,094	53,596,257	50,185,445	102,146,703
Contractual revenue	71,062,494	52,187,596	47,987,296	98,731,227
Straight line lease rental adjustment	632,561	(605,470)	548,888	59,457
Operating cost recoveries	4,816,040	2,014,132	1,649,262	3,356,019
Other income	391,580	82,939	5,167,329	1,612,156
Movement in credit loss allowances	(821,769)	(821,769)	1,092,215	1,508,589
Other non operating gains	(885,675)	(885,675)	10,519	10,897,813
Property related expenses	(9,124,772)	(3,092,293)	(5,314,019)	(9,821,667)
Administrative expenses Operating Profit	(19,449,710)	(18,278,235)	(14,660,169)	(31,889,850)
Finance Income	46,620,749 4,294,745	30,601,225 10,220,018	36,481,320 9,391,610	74,453,744 20,734,401
Finance costs	(22,411,415)	(19,796,754)	(17,314,338)	(34,476,270)
Gain on disposal of equity accounted investment	6,947,948	6,947,948	(17,514,556)	(34,470,270)
Share of profit from associate	8,143,952	8,143,952	13,796,362	12,509,443
Profit before fair value adjustment	43,595,978	36,116,388	42,354,954	73,221,318
Fair value adjustment of investment properties	28,421,710	28,421,710	7,311,378	46,097,737
As per valuation	27,816,240	27,816,240	7,860,266	46,157,194
Straight line lease adjustment	605,470	605,470	(548,888)	(59,457)
Profit before tax	72,017,688	64,538,098	49,666,332	119,319,055
Taxation	4,007,185	3,366,443	(9,899,709)	(18,136,185)
Profit from continuing operations	76,024,874	67,904,540	39,766,623	101,182,870
Profit from discontinued operations	4,071,975	4,071,975	5,413,411	9,118,449
Total comprehensive income for the year	80,096,849	71,976,515	45,180,033	110,301,319
Total comprehensive income attributable to:				
Owners of the Company (date acquired 04/10/2023)	74,408,511			
Non-controlling interests	5,688,338			
	80,096,849			
Number of linked units in issue at end of the year	280,000,000	280,000,000	280,000,000	280,000,000
Weighted average number of linked units in issue	280,000,000	280,000,000	280,000,000	280,000,000
Earnings per linked unit (thebe)	30.60	27.70	18.08	43.72
Earnings per linked unit is calculated based on the average				
number of linked units in issue and total comprehensive				
income for the year, adjustedby the taxation on debenture				
	05 (7(040	77 555 745	EQ (04 000	400 007 ===
interest credited to the statement of changes in equity of:	85,676,049	77,555,715	50,621,038	122,397,799
Distribution per linked unit (thebe)	9.11	9.11	9.11	19.74
Dividends per linked unit (thebe)	0.05	0.05	0.05	0.10
Debenture interest per linked unit (thebe)	9.06	9.06	9.06	19.64

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023	GROUP UNAUDITED Dec-2023	COMPANY UNAUDITED Dec-2023	COMPANY UNAUDITED Dec-2022	COMPANY AUDITED Jun-2023
	P	P	Р	P
ASSETS				
Non-current assets	. === =			
Investment properties	1,753,847,848	998,011,403	914,837,710	967,983,900
Operating lease asset Right of use asset	34,672,649 3,533,330	20,065,219 3,533,330	21,052,291 399,599	20,716,721 98,348
Investment in associates	57,308,136	57,308,136	238,540,392	234,624,422
Investment in subsidiary	51,500,150	340,322,482	230,340,392	234,024,422
Goodwill	3,986,858	-	_	-
Loan to associate	100,427,891	100,427,891	94,288,121	99,224,484
Investments at fair value	6,250,000	6,250,000	6,250,000	6,250,000
Property, plant & equipment	4,382,288	1,308,488	1,699,383	1,607,628
Deferred tax	10,271,605	10,271,605	13,475,936	12,843,591
Deferred taxation recoverable - related party	3,136,699	3,136,699	3,205,026	3,200,048
Total non-current assets	1,977,817,304	1,540,635,252	1,293,748,458	1,346,549,142
Current assets				
Taxation refundable	4,038,102	3,814,191	2,050,805	2,992,181
Trade and other receivables	16,110,748	5,496,403	5,989,945	6,091,038
Cash and cash equivalents	94,132,784	78,375,203	63,811,078	66,797,614
'	114,281,634	87,685,797	71,851,828	75,880,833
Non-current assets held for sale	42,640,000	42,640,000	103,900,000	96,500,000
Total current assets	156,921,634	130,325,797	175,751,828	172,380,833
Total Assets	2,134,738,938	1,670,961,049	1,469,500,286	1,518,929,975
EOUITY AND LIABILITIES				
Capital and Reserves				
Stated capital	2,718,884	2,718,884	2,718,884	2,718,884
Debentures - linked units	405,113,547	405,113,547	405,113,547	405,113,547
Retained income	557,422,528	557,941,620	464,011,339	505,885,904
Equity attributable to owners of the parent	965,254,958	965,774,051	871,843,770	913,718,335
Non-controlling interests	245,300,036	-	-	-
Total Capital and Reserves	1,210,554,996	965,774,051	871,843,770	913,718,335
Liabilities				
Non- Current Liabilities				
Long term borrowings	724,808,345	589,661,743	477,969,166	476,346,426
Deferred taxation	128,945,897	58,045,618	68,544,723	69,626,596
Lease liability	3,024,480	3,024,480	-	-
Total Non- Current Liabilities	856,778,721	650,731,841	546,513,889	545,973,022
Current Liabilities				
Debenture interest and dividend payable	25,500,000	25,500,000	25,500,000	29,764,000
Trade and other payables Current portion of borrowings	35,373,118	22,423,054	19,992,098	24,111,238
Current portion of borrowings Current portion of lease liability	5,948,054 584,050	5,948,054 584,050	5,153,503 497,027	5,237,180 126,200
Total Current Liabilities	67,405,222	54,455,158	51,142,628	59,238,618
Total Sallent Elabitities	01,700,222	JT, TJJ, 1J0	31,172,020	37,230,010
Total Equity and Liabilities	2,134,738,938	1,670,961,049	1,469,500,286	1,518,929,975

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2023	Stated capital P	Debentures P	Retained Income P	Non-controlling Interest P	Total P
Balance at 01 July 2022	2,718,884	405,113,547	438,752,106	-	846,584,537
Total profit and comprehensive income for the year Dividends declared Debenture interest declared Taxation attributable to debenture interest Balance at 31 December 2022	2,718,884	405,113,547	45,180,033 (140,000) (25,360,000) 5,579,200 464,011,339	- - - -	45,180,033 (140,000) (25,360,000) 5,579,200 871,843,770
Total profit and comprehensive income for the year Dividends declared Debenture interest declared Taxation attributable to debenture interest Balance at 30 June 2023	- - - 2,718,884	405,113,547	65,121,280 (140,000) (29,624,000) 6,517,280 505,885,904	- - - -	65,121,280 (140,000) (29,624,000) 6,517,280 913,718,335
Equity attributable to non-controlling Interest Total profit and comprehensive income for the year attributable to owners of the company Total profit and comprehensive income for the year	-	-	74,408,511	245,660,611	245,660,611 74,408,511
attributable to noncontrolling interests Distribution declared - Subsidiary Dividends declared Debenture interest declared Taxation attributable to debenture interest	- - - -	- - - -	(2,951,087) (140,000) (25,360,000) 5.579.200	5,688,338 (6,048,913) - - -	5,688,338 (9,000,000) (140,000) (25,360,000) 5,579,200
Balance at 31 December 2023	2,718,884	405,113,547	557,422,527	245,300,036	1,210,554,996

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2023	GROUP UNAUDITED 6 months to Dec-2023 P	COMPANY UNAUDITED 6 months to Dec-2023 P	COMPANY UNAUDITED 6 months to Dec-2022 P	COMPANY AUDITED 12 months to Jun-2023
Cash flows from operating activities				
Profit before taxation	72,017,688	64,538,098	49,666,332	119,319,055
Profit/(loss) before taxation from discontinued operations	4,071,975	4,071,975	5,413,411	9,118,449
Adjustments for:				,
Fair value adjustment of investment properties	(28,421,710)	(28,421,710)	(7,664,394)	(46,268,986)
Gain on disposal of equity accounted investment	(6,947,948)	(6,947,948)	(7,664,394)	(46,268,986)
Share of profit from associate Loss/(profit) on sale of plant & equipment	(6,637,548)	(6,637,548)	(13,796,362)	(12,509,443)
Loss/(gain) on investment property	(2,814,325)	2,814,325)	3,161	35,722
Finance costs	22,411,415	19,796,754	17,336,386	34,476,270
Finance income	(4,294,744)	(10,220,018)	(9,391,610)	(20,734,401)
Depreciation expense	601,257	758,785	672,880	1,372,579
Movement in credit loss allowances	821,769	821,769	(1,092,215)	(1,508,589)
Movements in operating lease assets	651,503	651,503	(465,871)	(164,240)
Operating income before working capital changes	51,459,333	35,597,336	40,681,717	83,136,416
Working capital changes				
(Increase)/decrease in trade and other receivables	(1,980,936)	(227,134)	28,902,361	2,597,271
Increase/(decrease) in trade and other payables	1,330,787	(1,688,184)	(8,140,603)	(3,829,492)
Taxation paid	(815,005)	(822,010)	(139,214)	(1,080,590)
Net cash generated from operating activities	49,994,179	32,860,009	61,304,261	80,823,605
Cash flows (used in)/from investing activities				
Additions to investment properties	(1,911,926)	(1,559,759)	(7,709,734)	(14,817,394)
Proceeds from sale of investment property	53,000,000	53,000,000	-	-
Distribution from associate	1,506,404	1,506,404	6,090	3,080,445
Investment in associate	65,217	65,217	(7,663,384)	(8,108,689)
Investment in subsidiary	(149,485,917)	(149,485,917)	-	-
Cash and bank at acquisition Other receivable	12,078,221	-	-	26,620,370
Finance income	4,294,745	10,220,018	9,391,610	20,734,401
Acquisition of property, plant & equipment	(1,691,539)	(132,137)	(928,210)	(1,267,464)
Loan to associate	(1,203,407)	(1,203,407)	(94,288,121)	(99,224,484)
Net cash used in investing activities	(83,348,202)	(87,589,581)	(101,191,748)	(72,982,815)
Cash flows used in financing activities				
Net movement in borrowings	(6,099,809)	(6,099,809)	7,004,516	(2,534,548)
New borrowings	120,126,000	120,126,000	-	8,000,000
Finance costs	(22,411,415)	(19,796,754)	(17,314,338)	(34,476,270)
Dividends paid	(148,999)	(140,000)	(140,000)	(280,000)
Debenture interest paid	(30,391,988)	(27,397,677)	(27,752,030)	(53,304,000)
Payment on lease liability	(384,596)	(384,596)	(373,239)	(722,018)
Net cash generated from/(used in) financing activities	60,689,193	66,307,164	(38,575,091)	(83,316,836)
Net increase/(decrease) in cash and cash equivalents	27,335,170	11,577,589	(78,462,582)	(75,476,046)
Cash and cash equivalents at beginning of the year	66,797,614	66,797,614	142,273,660	142,273,660
Cash and cash equivalents at end of the period	94,132,784	78,375,203	63,811,078	66,797,614

Net cash generated from/(used m) illianting activities		00,007,173	00,307,104	(30,373,091)	(03,310,030
Net increase/(decrease) in cash and cash equivalents		27,335,170	11,577,589	(78,462,582)	(75,476,046
Cash and cash equivalents at beginning of the year		66,797,614	66,797,614	142,273,660	142,273,66
Cash and cash equivalents at end of the period		94,132,784	78,375,203	63,811,078	66,797,61
SEGMENTAL REPORTING	Corporate	Commercial	Industrial	Residential	Tota
		& Retail			
CONSOLIDATED SEGMENTAL STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2023 - UNAUDITED	Р	Р	Р	Р	·
Segment revenue	_	33,365,477	43,145,618	_	76,511,094
Other income	21,039	319,355	51,186	-	391,580
Movement in credit loss allowance	(821,769)	-	-	-	(821,769
Other non operating losses Property related expenses	(885,675) (884,472)	(7,144,399)	(1,095,901)	-	(885,675 (9,124,772
Administrative expenses	(17,460,879)	(1,278,884)	(709,947)	-	(19,449,710
Operating profit	(20,031,756)	25,261,549	41,390,956	-	46,620,74
Finance income Finance costs	4,223,327 (13,319,082)	71,418 (7,800,263)	(1,292,070)	-	4,294,74 (22,411,415
Gain on disposal of equity accounted investment	6,947,948	(1,000,203)	(1,292,070)	-	6,947,94
Share of profit from associate	8,143,952	-	-	-	8,143,95
Fair value gain on investment property net of adjustment resulting from straight lining Tax expense	4,007,186	1,429,557	26,992,153	-	28,421,71
rax expense Profit from continuing operations	(10,028,426)	18,962,261	67,091,039	-	4,007,186 76,024,876
Discontinued operations	(1)1 1)	2, 2, 2	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,.,.
Profit from discontinued operations	- (40,000,404)	2,323,516	-	1,748,459	4,071,97
Profit for the period	(10,028,426)	21,285,777	67,091,039	1,748,459	80,096,84
SEGMENTAL STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2023 - UNAUDITED					
Command annual of		10.450 (40	42.445.740		F2 F2
Segment revenue Other income	21,039	10,450,640 10,714	43,145,618 51,186	-	53,596,25 82,93
Movement in credit loss allowance	(821,769)	-	-	_	(821,769
Other non operating losses	(885,675)	-	- (-	(885,675
Property related expenses Administrative expenses	(884,472) (17,460,879)	(1,111,920) (107,409)	(1,095,901) (709,947)	-	(3,092,293
Operating profit	(20,031,756)	9,242,025	41,390,956	-	30,601,22
Finance income	10,220,018		- 1	-	10,220,01
Finance costs Gain on disposal of equity accounted investment	(13,319,082) 6,947,948	(5,185,602)	(1,292,070)	-	(19,796,754 6,947,94
Share of profit from associate	8,143,952	-	_	_	8,143,95
Fair value gain on investment property net of adjustment resulting from straight lining	-	1,429,557	26,992,153	-	28,421,71
Tax expense	3,366,443	-	-	-	3,366,44
Profit from continuing operations Discontinued operations	(4,672,479)	5,485,980	67,091,039	-	67,904,54
Profit from discontinued operations Profit for the period	(4,672,479)	2,323,516 7,809,496	67,091,039	1,748,459 1,748,459	4,071,975 71,976,515
SEGMENTAL STATEMENT OF COMPREHENSIVE INCOME	(1,112,1117	.,,		-,,	
FOR THE HALF YEAR ENDED 31 DECEMBER 2022 - UNAUDITED					
Segment revenue	-	9,701,068	40,484,377	-	50,185,44
Other income Movement in credit loss allowance	5,130,929	16,600	19,800	-	5,167,32
Other non operating losses	1,092,215 10,519	-	-	-	1,092,21 10,51
Property related expenses	(437,754)	(1,051,546)	(3,824,719)	-	(5,314,019
Administrative expenses Operating profit	(13,998,160)	(134,673)	(527,336)	-	(14,660,169
Finance income	(8,202,251) 9,391,610	8,531,449	36,152,123	_	36,481,32 9,391,61
Finance costs	(10,774,935)	(5,242,275)	(1,297,128)	-	(17,314,339
Dividends per linked unit (thebe)	13,796,362	- 4 44 4 554	2.407.027	-	13,796,36
Fair value gain on investment property net of adjustment resulting from straight lining Tax expense	(9,899,709)	4,114,551	3,196,827	-	7,311,37 (9,899,709
Profit from continuing operations	(5,688,923)	7,403,724	38,051,822	-	39,766,62
Discontinued operations					
Profit from discontinued operations Profit for the period	(5,688,923)	3,103,179 10,506,902	543,375 38,595,197	1,766,857 1,766,857	5,413,41 45,180,03
·	(1)1111	.,,	, ,	, ,	., ,
CONSOLIDATED SEGMENTAL STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2023 - UNAUDITED					
Investment property including operating lease asset	_	990,451,044	798,069,453	_	1,788,520,49
Non-current assets held for sale	-	-	-	42,718,948	42,718,94
Other assets Total Assets	276,061,353 276,061,353	20,099,651 1,010,550,695	6,913,770 804,983,223	424,719 43,143,667	303,499,49 2,134,738,93
	0,001,000	.,5 10,000,070	231,703,223	10,110,007	_,101,100,73
31 DECEMBER 2022 - UNAUDITED		214 050 000	720 040 001		025 000 00
Investment property including operating lease asset Non-current assets held for sale		214,950,000 49,300,000	720,940,001 7,400,000	47,200,000	935,890,00 103,900,00
Other assets	419,898,509	2,419,437	6,943,272	449,067	429,710,28
Total Assets	419,898,509	266,669,437	735,283,273	47,649,067	1,469,500,28
30 JUNE 2023 - AUDITED					
Investment property including operating lease asset	-	223,847,133	764,853,488	_	988,700,62
Non-current assets held for sale	-	49,300,000	-	47,200,000	96,500,00

431.157.855

431,157,855

273,654,904

766,815,643

OPERATIONAL OVERVIEW

In line with International Financial Reporting Standards (IFRS), we are proud to present our first set of group financial statements which comprise of the Company and Group consolidated results. It must be noted that in the prior year, LLR did not prepare Consolidated Financial Statements and therefore for comparability, the focus of the commentry is on the company accounts of December 2023 and December

We are pleased to announce that during the period under review, our portfolio continued to demonstrate strong performance, with high occupancy rates of 99.15% as at 31 December 2023, an improvement from the previous year's 96.97%. The Company strives to give its shareholders security of income and in efforts to do so, we are proud to have signed a longterm lease (10 years) with one of our new tenants post year-end. We expect this, together with other leases that are up for renewal, to improve our lease expiry profile from the current level of 3.01years.

As a result of the above as well as the Company's enhanced collection efforts, monthly collection rates have averaged above 100%, including arrears thus maintaining a healthy cash position and arrears within acceptable levels.

In October 2023, the Company acquired an additional 25% shareholding in JTTM Properties (Proprietary) Limited (JTTM), the holding company of Railpark Mall, which resulted in JTTM becoming a subsidiary of the Company at a shareholding of 57.79%. This has significantly uplifted the value of our investment portfolio from the prior year's P1.4 billion to close at P1.6 billion as at 31 December 2023. As a result of this, at group level, the investment portfolio value increased from P1.5 billion to P2.0 billion.

FINANCIAL PERFORMANCE

At a group level, our revenue closed the six months period at P77 million, a fair value gain of P28 million and profit before tax from continuing operations at P72 million, this is mainly due to the consolidation of the Railpark Mall results for the post acquisition period October 2023 to December 2023. The Group also realised a gain on the disposal of equity accounted investment of P6.9 million at the time of acquisition of the additional stake in JTTM.

Strong performance was recorded at a company level with profit before tax from continuing operations up 30% year-on-year. Revenue from continuing operations increased by 9% driven by average annual lease escalations of 6-7%.

In the prior year, the company experienced foreign exchange gains on the Orbit Africa Limited (OAL) (our property investment in Kenya) shareholder loan which was once off, thus resulting in a significant drop in other operating income year-on-year. Due to a significant increase in the cost of funding at both OAL and tenant level in Kenya since the time of investment in July 2022 to date, this has adversely impacted the performance of OAL, thereby resulting in cashflow challenges. We are currently reviewing our position on OAL as part of our ongoing investment performance monitoring process.

Finance income increased on the back of strong performance from the investment in associates, coupled with efficient cash management strategies. Finance costs increased by 14%, driven by the increase in the bank loan by circa P120 million which was utilised to fund the acquisition of an additional 25% stake in JTTM in October 2023. Fair value gains increased significantly on the back of refurbishments that were done in the prior year as these were netted off against the gross revaluations on investment property.

Unit holders are advised that the Board of Directors declared an interim distribution of 9.11 thebe per linked unit on 25 March 2024 in respect of the half year period to 31 December 2023, comprising of a dividend of 0.05 thebe and debenture interest of 9.06 thebe per linked unit. The declared distribution will be paid to linked unit holders registered in the books of the company at the close of business on 15th April 2024. The ex-div date is 11 April 2024. The Transfer Secretary will execute the distribution on or around the 25 April 2024. In line with the requirements of the Botswana Income Tax Act (CAP 52.01), withholding are specifically exempted

6 months to December	2023	2022
Linked units in issue	280m	280m
Distribution per linked unit	9.11 thebe	9.11 thebe

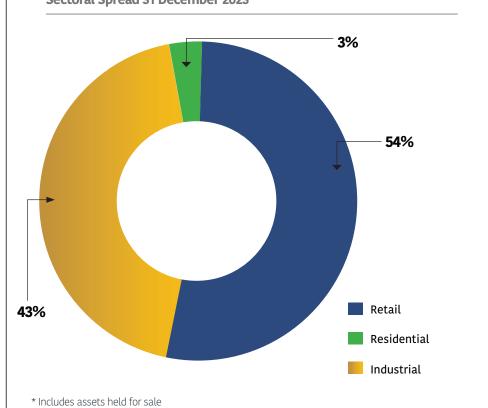
4. GROUP INVESTMENT PORTFOLIO

47,301,573

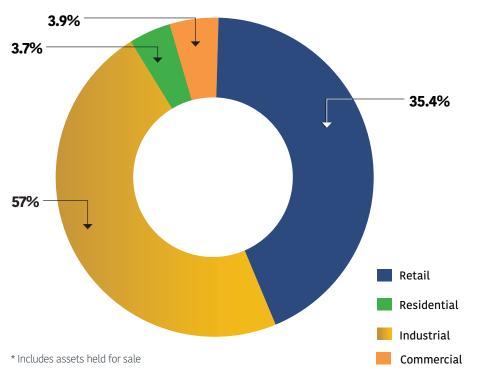
433,729,354

1,518,929,975

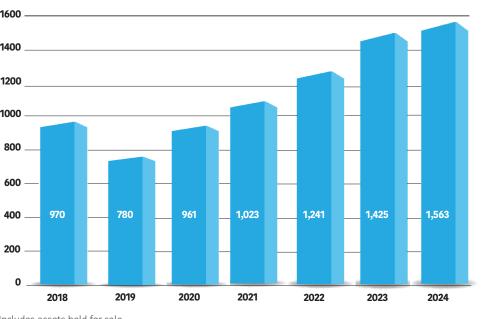
Sectoral Spread 31 December 2023*



Sectoral Spread 31 December 2022 *



Company Investment Portfolio P(m) as at 31 December 2023*



* Includes assets held for sale

5. BASIS OF PRESENTATION

The summarised financial results have been prepared by applying the recognition and measurement criteria in accordance with the International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRICS Interpretations Committee. In preparing the underlying financial statements from which these summarised financial results were extracted, all International Financial Reporting Standards and International Financial Reporting Interpretations Committee interpretations issued and effective for annual periods ended 31 December 2023 have been applied.

In the preparation of the summarised financial results, the company has applied key assumptions concerning the future and other inherent uncertainties in recording various assets and liabilities. These assumptions were applied consistently to the financial results for the half year ended 31 December 2023. The assumptions are subject to ongoing review and possible amendments.

GOVERNANCE

The Board of Directors recognises the need to conduct the business of the Company with utmost integrity and in accordance with generally accepted practices and endorses the internationally accepted principles of Corporate Governance and public responsibility.

7. BOARD CHANGES

During the period under review, Mr. Mooketsi Maphane was appointed as Deputy Chairman of the Board effective 21 September 2023. As Deputy Board Chairman, Mr Maphane is responsible for assisting the Chairperson in the overall leadership and governance. At the Company's last Annual General Meeting (AGM) held on 14 December 2023, Mr Khuto Balosang and Mr Mooketsi Maphane retired by rotation in terms of section 20.9.1 of the company's constitution and being eligible they offered themselves for reelection. The two directors were unanimously re-elected into the board.

Having had a successful first half of the 2024 financial year by executing on the growth and asset recycling strategy through the acquisition of the further stake in Railpark Mall, the conclusion of the sale of Moedi House and the ongoing sale of the sectional titles at Red Square Apartments, the group continues to explore opportunities for balance sheet growth and funding options that can be deployed to finance that growth. In addition to that, the Company took over the property and asset management services of JTTM in November 2023 so focus will also be on assimilating the group to ensure a smooth transition and enhance efficiencies in our processes.

We would like to thank our valued stakeholders for their continued support and look forward to unlocking further value in the group.

By Order of the Board

Mr. Khuto Balosang Ms. Kamogelo Mowaneng Chief Executive Officer Chairman

Total Assets