



Letlole La Rona Limited

**INTEGRATED  
ANNUAL  
REPORT**

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**20  
25**

**Rooted in Purpose.  
Empowered for Growth.**



# TABLE OF CONTENTS

In direct translation, **Letlole La Rona means ‘our basket of wealth’.**

To us, the basket of wealth is symbolic of a collection of principles that nurture true wealth and success. In everything we do, we strive to create a basket of wealth for Batswana.

## VALUES

- Inclusive Excellence**  
We strive to exceed stakeholder expectation.
- Customer Focus**  
We put the customer first and trust our team to serve them diligently.
- Agile Innovation**  
We respond timeously and infuse innovation in delivering impactful solutions.
- Integrity**  
We are respectful and act with honesty and transparency.
- People Powered**  
We empower our people to drive real value.

## VISION

We are the Real Estate Leader and a Partner of choice in selected African markets.

## MISSION

To integrate our basket of wealth into Africa through value enhancing Real Estate investments, which meet our customer needs and unlock superior returns for our shareholders whilst connecting and empowering our communities.



Letlole La Rona Limited

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## ROOTED IN PURPOSE, EMPOWERED FOR GROWTH

Our report theme “rooted in purpose, empowered for growth” reflects Letlole La Rona’s (LLR or the Group) intentional and strategic transformation. With a foundation built on integrity, long-term vision and value creation, LLR has consistently driven sustainable growth by fostering strong partnerships and delivering meaningful returns to shareholders, tenants, and communities.

Now at a critical turning point, our focus is on broadening local and regional geographic footprint, sectoral diversification and adopting innovative practices to set new standards in responsible property investment across Botswana and select African markets.

This Integrated Report (IR) highlights our journey of purposeful growth

and bold innovation and showcases a business confidently evolving to meet future challenges while staying true to our core values. The theme captures the essence of our evolution: a business deeply rooted in purpose yet empowered to design and drive its next chapter of growth.

# NAVIGATING OUR REPORT

## Navigation icons

This IR has been specifically designed to offer an enhanced digital experience to ensure ease of use and accessibility. Its intuitive layout improves readability, while interactive digital navigation features allow the reader to seamlessly move between sections and topics of interest.

This improves the user experience and aligns with the Group's commitment to transparency and stakeholder engagement in a digital-first environment.

The online version of this report is available at <https://letlola.com/annual-reports/>. Printed copies are available on request.

The capitals	Interactive PDF
Financial capital	Home/Contents
Manufactured capital	Back
Intellectual capital	Forward
Human capital	This page reference icon is applied throughout the report to improve usability and shows the integration between relevant elements of this report.
Social and relationship capital	Additional information can be found on the Letlola La Rona website at <a href="http://www.letlola.com">www.letlola.com</a>
Natural capital	

### Strategic pillars

To streamline and expand the Botswana portfolio	To build strong partnerships and networks
To optimise our balance sheet	To achieve operational excellence
To invest in quality African assets	To build a talented and competent team

### Material matters

External operating environment	Compliance with laws and regulations
Financial performance	Cybersecurity and data protection
Corporate strategy investments	Relations with stakeholders
Property quality	Employee satisfaction and development
Providing properties relevant to users' evolving needs	Local community development
Corporate governance	Preservation of natural capital

### Our reporting suite for FY2025

Our reporting suite provides us with an opportunity to share our achievements for the year ended 30 June 2025. This suite is supplemented by various online publications, stakeholder communications and additional information which is available on our website, <https://letlola.com/>



IR



Annual financial statements (AFS)



Notice of annual general meeting (AGM)

# PERFORMANCE AT A GLANCE

Our commitment to delivering value remains at the forefront of everything we do and ensures that our purpose is fulfilled and our stakeholders' expectations are met.

## Key:



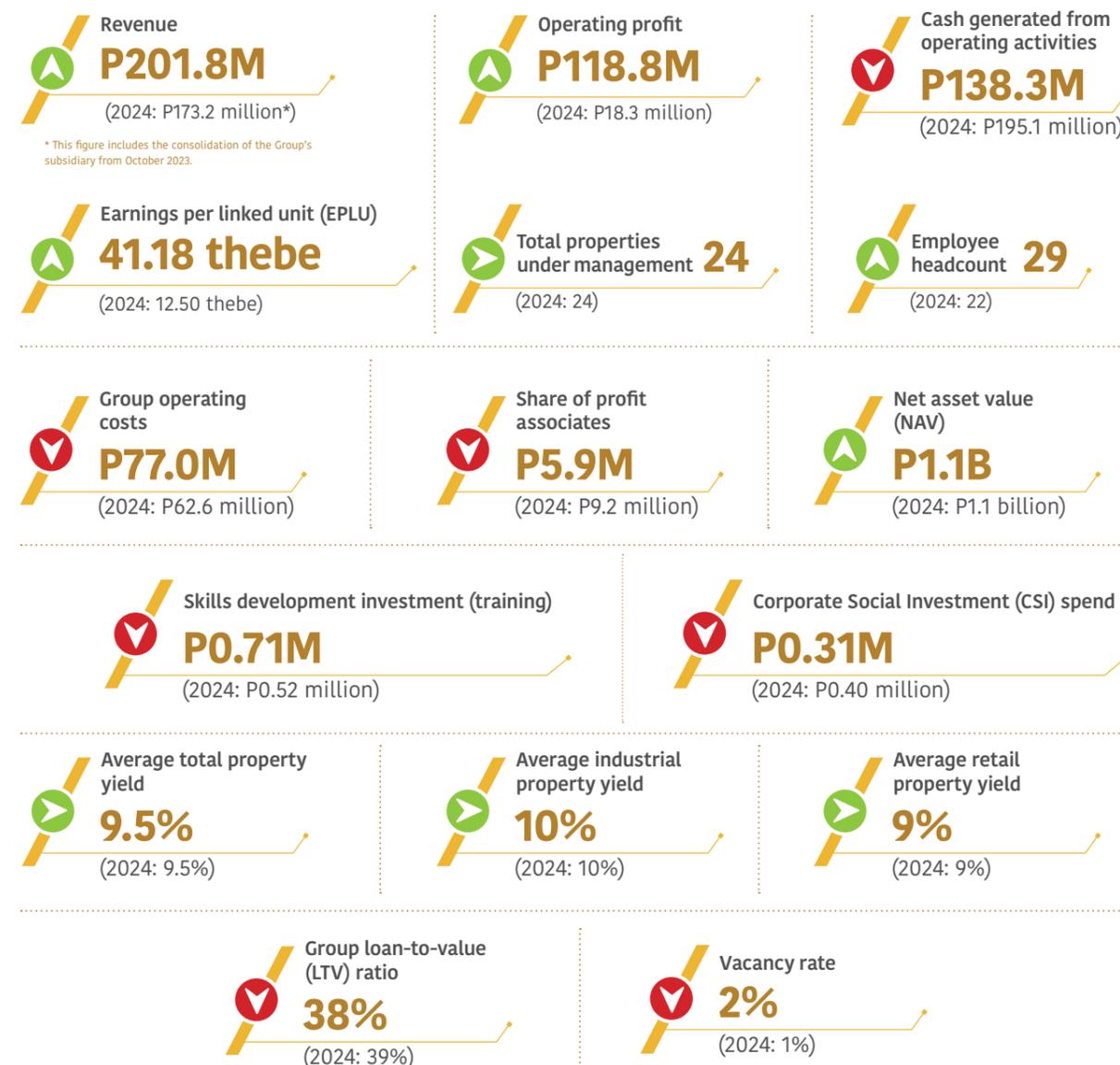
Positive:  
Net increase



Neutral:  
No movement



Negative:  
Net decrease



### Our reporting suite for FY2025

Our goal is to future-proof the business and position us for long-term value creation. To do so, we focused on the following:

Governance and strategic direction

Read more on pages 86.

Stakeholder engagement

Read more on pages 50 to 53.

# ABOUT THIS REPORT

This IR for the period 1 July 2024 to 30 June 2025 is central to LLR's stakeholder engagement and accountability. It clearly presents how we execute our strategy, achieve our mission and create long-term value to reflect our commitment to responsible governance, integrated thinking and sustainable performance. This report provides insights into our strategic priorities, financial results, growth outlook and governance principles. While it is aimed primarily at financial capital providers, it also serves a wider stakeholder audience to ensure transparency.

This IR covers the Group and provides a balanced overview of LLR's financial and non-financial performance including growth, efficiency, service quality, sustainability, governance and accountability. It highlights risks, opportunities and factors supporting portfolio growth. We have identified opportunities that reinforce our strategy, with a collaborative culture driving long-term value, by adapting to market changes.

The IR reflects how our purpose continues to ground every aspect of our governance, strategy and reporting, even as empowerment through innovation and transformation shapes our next phase of growth.

<p><b>Operating environment</b> We assess economic and environmental, social and governance (ESG) factors that could impact our ability to create value. This includes macro-economic trends, developments in the property sector, regulatory and compliance changes and the broader political climate.</p>	Pages 4-31
<p><b>Stakeholder engagement</b> We engage regularly with our key stakeholders to understand their priorities and concerns. These include investors, capital providers, asset managers, employees, tenants, regulators, Government bodies, suppliers, business partners and the communities where we operate.</p>	Pages 50-53
<p><b>Risks and opportunities</b> We identify key risks and opportunities through our risk management processes. These cover interest rate fluctuations, legal and regulatory compliance, market liquidity, cybersecurity, business continuity, legislative changes, funding challenges, tenant defaults and concentration risks.</p>	Pages 42-44
<p><b>Purpose-led governance</b> Our governance framework is rooted in purpose to ensure accountability and alignment with our mission and values.</p>	Pages 66-90
<p><b>Our approach to remuneration</b> We design our remuneration to attract, motivate and retain talent that's aligned with our strategic goals and sustainable value creation. We balance fixed and variable pay to reward performance fairly, while considering market standards and roles.</p>	Page 91
<p><b>Financial reporting boundary</b> Our financial reporting boundary includes all subsidiaries and associates under LLR's control or significant influence. This ensures that consolidated financial statements accurately reflect the Group's position and performance. We regularly review this boundary to capture structural changes, ensuring clarity, transparency and compliance with accounting standards.</p>	Pages 93-166

## Applicable Laws and Frameworks

This report is prepared in accordance with relevant local and international frameworks and reporting standards to ensure transparency and alignment with best practices. Key references include:

- Botswana Stock Exchange (BSE) Equity Listings Requirements
- King III Report on Corporate Governance
- International Integrated Reporting Council (IIRC) – Integrated Reporting Framework
- International Financial Reporting Standards (IFRS)
- BSE Sustainability Disclosure Guidelines
- ESG disclosures align with BSE Sustainability Related Disclosures, Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (UN SDGs)

## Reporting Timeframes

We use the following general classifications when making timeframe references in this report:

- **Short term:** Less than one year
- **Medium term:** One to three years
- **Long term:** Three to 10 years

## Materiality

This report assesses how internal and external factors impact our ability to create sustainable value, highlighting our resilience, adaptability and focus on opportunities. We include all relevant events up to approval and concentrate on material issues affecting our sustainability and value creation.

We have embraced the “double materiality” concept that considers financial and ESG impacts. This improves our transparency and aligns with best practices and BSE standards. We continue to enhance data collection and stakeholder engagement to provide a fuller picture of our sustainability efforts. We believe this report provides a balanced, reliable view of our performance and prospects, with all material information disclosed.

Read more on pages 18 to 31. ➔

## Disclosure and assurance

We strive for the highest standards in this IR to provide stakeholders with clear, accurate and balanced information. The Board, its committees and management take responsibility for finalising the disclosures. Our financial data follows IFRS and is independently assured by Grant Thornton Botswana.

We use a combined assurance model involving management, internal and external auditors and other assurance providers – all overseen by the Board – to ensure the integrity and credibility of our reporting. Key non-financial data, including environmental and health compliance, is also externally assured.

The Board, with support from the Audit, Risk and Compliance (ARAC) Committee, is confident in the effectiveness of our internal controls and assurance processes for the year under review.

## Board responsibility

The Board approved this IR on 25 November 2025 and takes full responsibility for its accuracy and integrity. With support from the ARAC Committee, the Board confirms that this report addresses all material matters and presents a balanced view of the Group's performance and value creation.

We believe this report has been prepared in line with the Integrated Reporting Framework and is supported by effective assurance processes and a sound control environment that ensures the reliability of the information presented.

## Forward-looking statements

This report includes forward-looking statements that reflect the Group's expectations as at 25 November 2025. They are not guarantees of future performance and are subject to risks and uncertainties beyond our control. Actual outcomes may differ, and we caution readers not to place undue reliance on these statements. LLR assumes no obligation to update forward-looking statements, except when required by the BSE Listings Requirements or applicable laws and regulations.

## Feedback on our IAR

Your feedback is important to us, and we are committed to continuously improving the quality, relevance and transparency of our IR. We welcome your comments, suggestions or questions regarding any aspect of this report, as well as recommendations for how we can better meet the information needs of our stakeholders in future editions as we continue to evolve – staying rooted in purpose and empowered for growth.

Please share your feedback by contacting [compliance@letlola.com](mailto:compliance@letlola.com).

# ABOUT LETLOLE LA RONA

Letlole La Rona (LLR or the Group) is a Botswana-based real estate investment company listed on the BSE. Since our establishment on 8 July 2010, we have focused on generating sustainable value through property investment and management, delivering stable cash flows, quality earnings and long-term returns for our stakeholders. Our journey embodies the balance between being firmly rooted in Botswana's economic and social fabric and being empowered to expand beyond borders.

The name Letlole La Rona, meaning "Our Basket of Wealth", represents more than ownership – it symbolises shared prosperity, built on purpose, resilience and collective success for the people of Botswana and beyond.

Headquartered in Gaborone and originally formed under the Botswana Development Corporation (BDC), LLR consolidated assets from one subsidiary and two associates to create a diversified portfolio spanning industrial and retail sectors. Listed on the BSE since 15 June 2011, we now directly

manage 23 properties (2024: 23 properties) and hold interests in three real estate vehicles, with a total portfolio value of P1.9 billion (2024: P1.9 billion).

Our growth is guided by a focused "Go-to-Africa" strategy that targets property-specific investments across the continent. Backed by strong governance and a clear strategic direction, LLR remains a key player in Botswana's property market and is well-positioned for sustainable growth across Africa.

## Our integrated approach to value creation

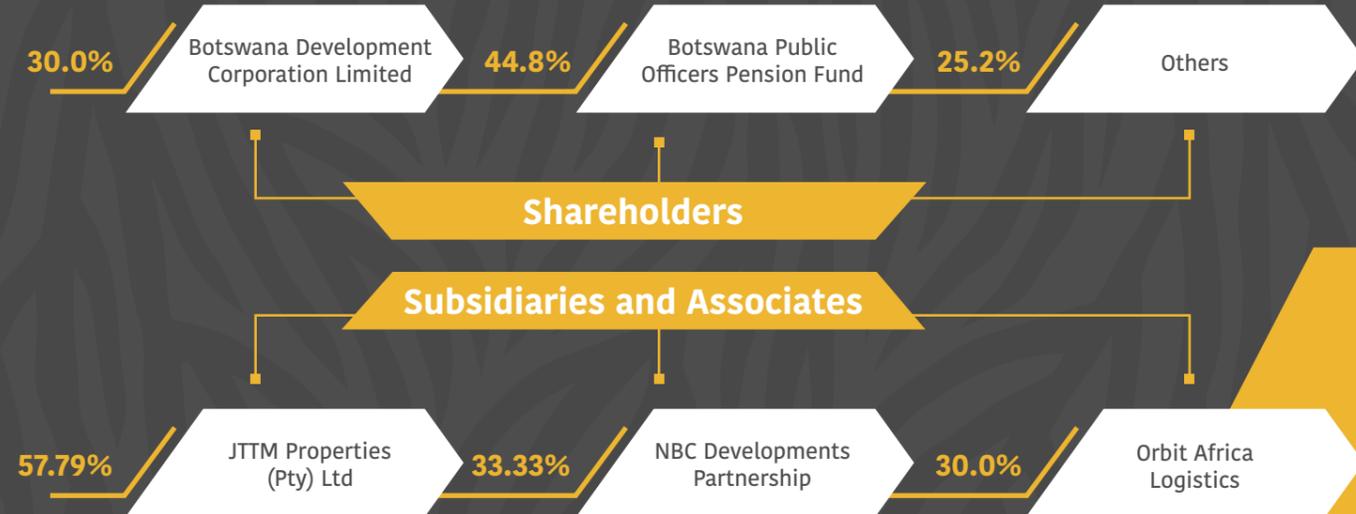
Our business is driven by a strong sense of purpose. We understand that sustainable value creation demands a holistic, integrated approach. Through integrated thinking, we consider the interconnectedness and trade-offs between our resources to better understand their influence on long-term value. This perspective shapes our strategy, informs decisions and supports transparent, meaningful reporting. By connecting our purpose with empowerment through innovation, we are building the internal capacity and partnerships to sustain long-term growth. This report reflects that commitment and demonstrates how we generate financial returns, empower our people, uplift communities and manage our environmental and economic impacts while navigating evolving risks and opportunities.

## Our vision, mission and Group values

Our mission, vision and values are the foundation of our approach. Our mission defines why we exist: to create lasting value for all stakeholders. Our vision expresses our goal to lead Botswana's property sector and grow our footprint across Africa. Our values guide our conduct to ensure integrity, accountability and transparency in everything we do. These principles collectively shape how we operate, grow and build long-term success and deliver a meaningful impact.

<b>Mission</b>	To integrate our basket of wealth into Africa through value enhancing Real Estate investments, which meet our customer needs and unlock superior returns for our shareholders whilst connecting and empowering our communities.
<b>Vision</b>	We are the real estate leader in Botswana and a partner of choice in selected African markets.
<b>Values</b>	
<b>Inclusive Excellence</b>	We strive to exceed stakeholder expectation.
<b>Customer Focus</b>	We put the customer first and trust our team to serve them diligently.
<b>Agile Innovation</b>	We respond timeously and infuse innovation in delivering impactful solutions.
<b>Integrity</b>	We are respectful and act with honesty and transparency.
<b>People Powered</b>	We empower our people to drive real value.

# GROUP OVERVIEW



# OUR OPERATING FOOTPRINT



Number of Properties:

**23**

Value of Botswana Portfolio:

**P1.94 billion**

Total m2/GLA:

**207,126 m<sup>2</sup>**

## WHAT WE DO

Our business model is built on a simple yet powerful ambition: to create, preserve and grow value for our tenants, shareholders and communities. We do this by applying integrated, forward-thinking strategies across every stage of the real estate life cycle – from investment and development, to leasing and capital recycling.

### Invest

- Source and assess real estate opportunities
- Invest in value and yield accretive assets with sustainable returns

### Lease

- Drive value through leasing and tenant service

### Create and develop

- Develop smart, safe and sustainable spaces

### Sell

- Dispose of non-core assets and recycle capital
- Use proceeds to reduce debt or enhance core portfolio

Our business model on page 40 expands on how these activities create sustainable value. >

## KEY TENANTS

Our portfolio has approximately 245 tenants (2024: 238 tenants) with a balanced tenant base and can be classified as follows:

Industrial property tenant classification	2025	2024
Multinationals	42%	41%
Nationals	27%	26%
Small, Medium and Micro Enterprises (SMMEs)	23%	27%
State-owned	5%	5%
Vacant	2%	1%
<b>Retail property tenant classification</b>	<b>2025</b>	<b>2024</b>
Multinational	49%	50%
Nationals	35%	29%
SMMEs	12%	17%
State-owned	1%	1%
Vacant	2%	2%
Other	1%	1%
	<b>100%</b>	<b>100%</b>

## PRODUCTS AND SERVICES OVERVIEW

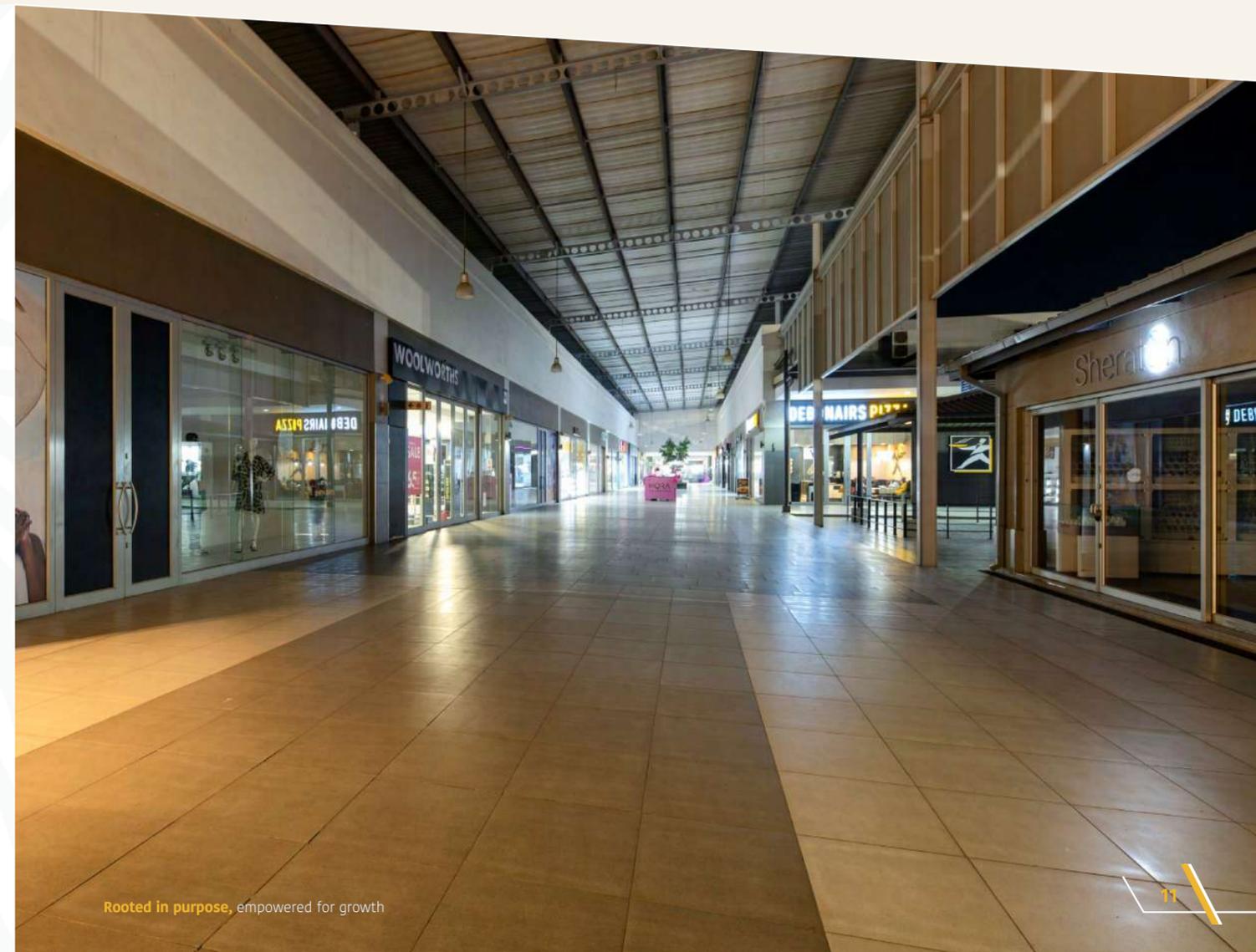
Segmental investment property*	2025	2024
Retail	55%	56%
Industrial	45%	44%

\* Excludes assets held for sale

Occupancy rates	2025	2024
Retail	98%	99%
Industrial	98%	99%

Segmental revenue*	2025	2024
Retail	57%	48%
Industrial	43%	52%

\* Excludes assets held for sale



# WHAT SETS US APART

We set ourselves apart in the real estate investment landscape through a combination of strategic strengths that are unique and impactful. These advantages form the foundation of our resilience, growth, and ability to deliver lasting value to all our stakeholders. Rooted in trust and integrity and empowered by partnerships, people and purpose, we continue to redefine what sustainable real estate leadership looks like.

1

## DIVERSIFIED AND QUALITY ASSET PORTFOLIO

We take pride in maintaining a well-balanced, high-quality portfolio that spans industrial and retail properties. This allows us to tap into various market segments while reducing sector-specific risks, which helps ensure consistent and reliable income streams. Our blend of cyclical and countercyclical assets is key to maintaining portfolio resilience during operating challenges, showcasing our ability to navigate economic shifts effectively.

2

## INVESTMENT POSITIONING

Our properties are strategically located in Botswana's most vibrant and upcoming areas and provides access to prime real estate that attracts a diverse tenant base. This strong positioning drives high occupancy rates, steady revenues and robust cash flow, all of which strengthen our competitive advantage.

Moving forward, we are committed to expanding our footprint by acquiring properties in other economically diverse parts of Botswana that further enhance our portfolio's resilience and growth potential. Our continuous focus on effective portfolio management and high-yield investments underscores our commitment to long-term value creation.

3

## DIVERSE AND STABLE TENANT COMPOSITION

We believe our tenant mix is a key pillar of our operational strength. Our portfolio includes a balanced combination of tenants – multinationals (42%), national corporations (27%), small to medium-sized enterprises (23%) and state-owned enterprises (5%). This diversity helps us to manage risk and maintain income stability.

Among our key tenants are leading companies such as Spar, Kromberg, Choppies, Shoprite and PST, whose presence supports our financial stability and steady rental income.

4

## DEDICATION TO SUSTAINABILITY

Sustainability is at the heart of everything we do. We align our operations with ESG standards while remaining deeply committed to meeting local community needs. Our initiatives include improving waste management, reducing plastic usage and developing a comprehensive ESG strategy.

We are investing in renewable energy projects to boost energy efficiency and support Botswana's green transition. On the social side, we contribute to education, local economic development and community health and wellness. These initiatives position us as leaders in sustainable real estate and connect our business goals with wider societal objectives, including the UN SDGs.

5

## SOLID LOCAL OWNERSHIP

With significant Government-related ownership, we are aligned with national development priorities. This strengthens our role as a key player in Botswana's economy and ensures that our investments contribute directly to the socio-economic upliftment of local communities.

6

## FOCUSED STRATEGIC DIRECTION

Our "Go-to-Africa" strategy drives our growth beyond Botswana and focuses on select high-potential markets across the continent. This allows us to seize emerging opportunities while diversifying geographic risk.

Recent strategic moves into developments. These decisions allow us to reallocate resources to higher-yield, more strategic investments, which reinforce our commitment to sustainable growth and align with our long-term vision for continental expansion.

We commit to leveraging strong partnerships and networks, optimising our assets, expanding our Botswana portfolio and growing across Africa. Our goal is to build a diversified portfolio valued at P3.0 billion and to consistently exceed the market-weighted average total return year- on-year by FY2027.

## HOW WE ARE LEADING

**We maintain an industry-leading 2% vacancy rate**, which highlights our strong tenant retention and the high demand for our properties.

**Our GLA is 207,126 m<sup>2</sup>** making us one of Botswana's largest landlords. This gives us the flexibility to offer tailored leasing solutions to national and international tenants.

**With a 100% rent collection rate**, we demonstrate impeccable cash flow management and effective rent collection processes.

**Our investment portfolio value increased by 2% to P1.94 billion** (2024: P1.9 billion), bringing us closer to our target portfolio value of **P3 billion by 2027**.

**Our Group revenue grew to P201.8 million** (2024: P173.2 million), which reflects our ability to drive growth and generate solid returns from our assets.

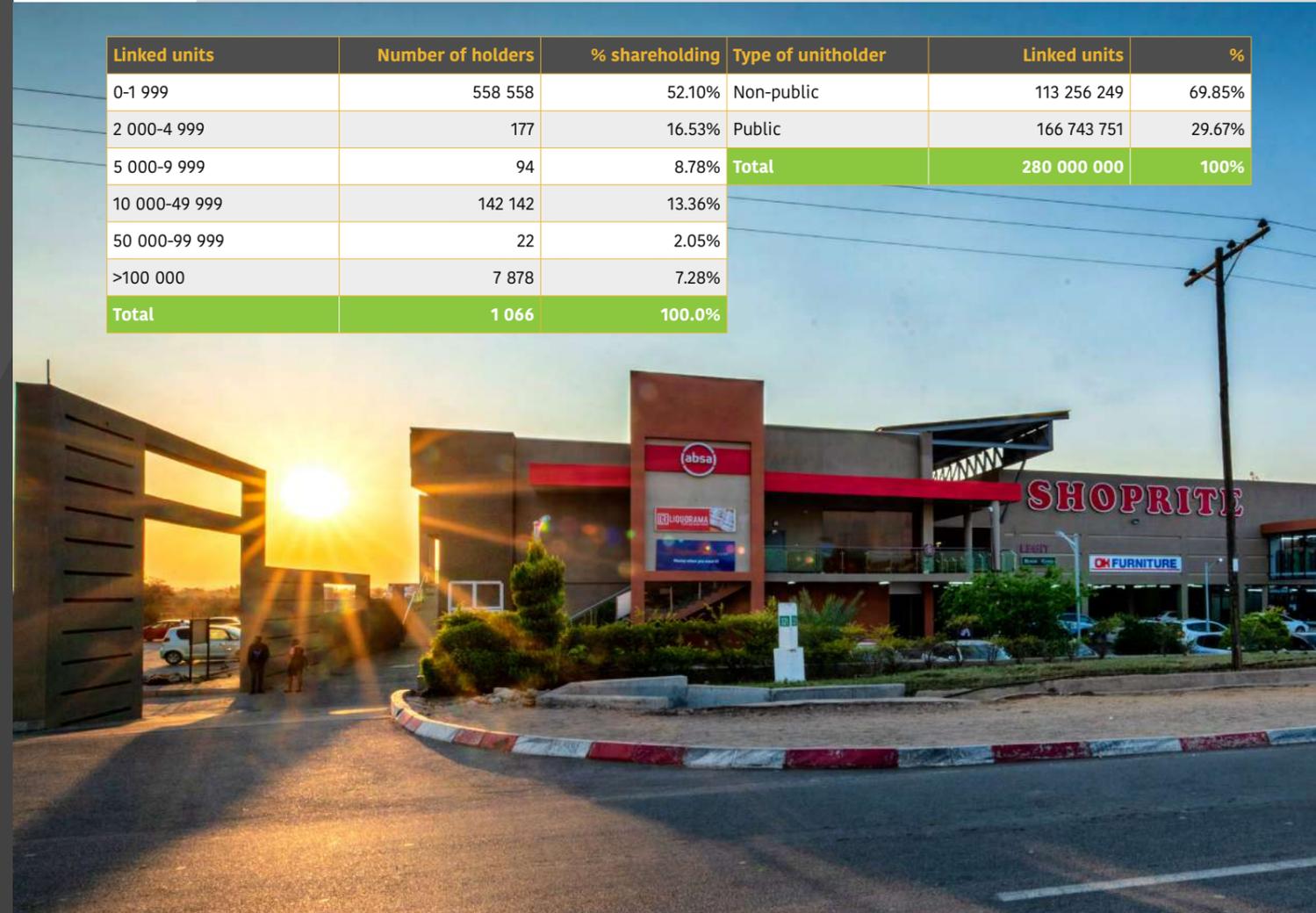
## OWNERSHIP

### TOP 10 UNITHOLDERS

For the year ended 30 June 2025

Beneficial shareholder	Linked units	% shareholding
BOTSWANA DEVELOPMENT CORPORATION LIMITED	82 853 035	30%
BPOPF MORULA ACT MEM DEP EQ	43 629 550	15.58%
FNB BOTSWANA NOMINEES RE: BIFM – ACT MEM & DP EQ	24 220 347	8.65%
BOTSWANA PUBLIC OFFICERS PENSION FUND	23 563 678	8.42%
STANBIC NOMINEES BOTSWANA RE MORULA RE DPF	14 454 210	5.23%
BOTSWANA PUBLIC OFFICERS PENSION FUND Botswana Public Officers Pension Fund	14 639 519	5.16%
STANBIC NOMINEES BOTSWANA RE BPOPF WT PRO PORT MCP	9 623 434	3.44%
STANBIC NOMINEES BOTSWANA RE BPOPF NON-PROFIT-MCP	9 278 166	2.31%
STANBIC NOMINEES BOTSWANA RE BIFM PLEF	6 499 315	2.32%
STANBIC NOMINEES BOTSWANA RE BIFM MLF	3 103 245	1.11%

Linked units	Number of holders	% shareholding	Type of unitholder	Linked units	%
0-1 999	558 558	52.10%	Non-public	113 256 249	69.85%
2 000-4 999	177	16.53%	Public	166 743 751	29.67%
5 000-9 999	94	8.78%	<b>Total</b>	<b>280 000 000</b>	<b>100%</b>
10 000-49 999	142 142	13.36%			
50 000-99 999	22	2.05%			
>100 000	7 878	7.28%			
<b>Total</b>	<b>1 066</b>	<b>100.0%</b>			



## MILESTONES

**2010**

Incorporated

BSE Listing Investments:  
**P407.5 million**

**2011**

**2011-15**

Property and asset management services outsourced

Property and asset management services brought in-house.

- Red Square acquisition: **P45 million**
- Portfolio Value: **P710.1 million**

**2016**

**2018-19**

**2018**

- Watershed Mall acquisition: **P157 million**
- 2018 Portfolio Value: **P970 million**

**2019**

- Block 3 mini warehouse acquisition: **P36 million**
- Hospitality assets disposed: **P240 million**
- 2019 Portfolio Value: **P780 million**

- Acquisition of five industrial assets: **P146 million**
- 2020 Portfolio Value: **P961.1 million**
- 2021: One industrial acquisition: **P61 million**
- 2021 Portfolio Value: **P1 billion**

**2020-21**

**2022-23**

**2022**

Acquisition of a **32.79%** stake in Rail Park Mall: **P150 million**

**2023**

- Acquisition of a **30%** stake in an industrial asset in Kenya: **P100 million**
- 2023 Portfolio Value: **P1.4 billion**

- Disposed of a significant number of units at Red Square

- Acquisition of **25%** additional stake in Rail Park Mall
- The acquisition of **25%** additional stake in Rail Park Mall resulted in LLR transitioning from a company to Group
- 2024 Portfolio Value: **P1.9 billion**

**2024**

**2025 and beyond**

- Approval to co-develop a retail mall development in Selibe Phikwe through JTM
- Our journey continues
- 2025 Portfolio Value: **P1.9 billion**

## OUR MATERIAL MATTERS

Our material matters are key to how we manage to achieve our strategic objectives and meet the expectations of our stakeholders, especially our shareholders and long-term tenants. These matters are central to our ability to create shared value, support socio-economic development and act as responsible stewards of the environment.

### OUR APPROACH TO MATERIALITY

Guided by the King III principles, we identify material matters through a transparent, judgement-based process that considers our operating context, value chain and stakeholder expectations. These matters reflect our strategic priorities and highlight risks and opportunities that influence value creation, shape stakeholder perceptions, drive resource allocation and guide integrated and sustainability reporting.

Guided by the principle of double materiality, we assess the financial impacts on LLR and the broader societal and environmental effects of our operations. For 2025, we built upon our 2024 foundation, engaging senior leadership and Board members to capture evolving trends and stakeholder priorities to enable us to prioritise the issues most critical to our strategy, resilience and long-term performance.

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## OUR MATERIAL MATTERS

Material matters	
	External operating environment
	Financial performance
	Corporate strategy investments
	Property quality
	Providing properties relevant to users' evolving needs
	Corporate governance
	Compliance with laws and regulations
	Cybersecurity and data protection
	Relations with stakeholders
	Employee satisfaction and development
	Local community development
	Preservation of natural capital

## OUR MATERIALITY PROCESS

We built on the solid foundation laid in 2024 by streamlining this year's process. Focused interviews were conducted with our leadership team to validate and refine the material matters that are most relevant for the FY 2025.

### Scope and inputs

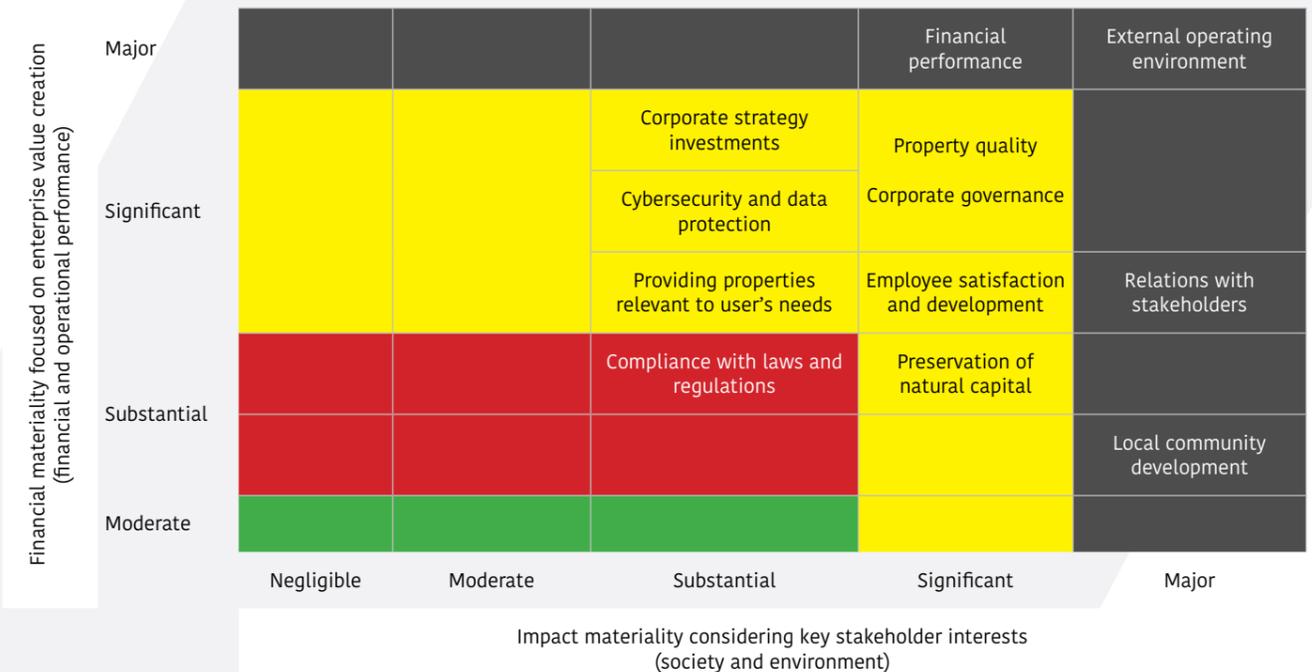
The insights gathered were independently analysed and aligned with our principal risks and strategic opportunities. This informed a revised ranking of our material themes. The Group Executive Committee (Exco) then prioritised these matters to ensure they reflected our ability to deliver sustainable value over time.

### Review and prioritisation

Our Board reviewed and approved the FY 2025 material matters and related improvement plans. This was done on the recommendation of the Audit Committee as part of the broader approval of our IR.

### Board oversight

## MATERIALITY BY HEATMAP



# OUR MATERIAL MATTER CHANGES FROM FY2024 TO FY2025

Economic Governance Social Environmental

Key:

Increased 
 Decreased 
 No change

Investors, providers of capital and asset managers

Tenants

Suppliers and business partners

Employees

Regulators, Government and authorities

Communities

## EXTERNAL OPERATING ENVIRONMENT

Timeframes: Short to medium term

Economic Governance Social Environmental

Context	<ul style="list-style-type: none"> <li>• Macroeconomic volatility affects investment returns and long-term value creation</li> <li>• Rising property rates and weak consumer demand pressure tenant viability and income</li> <li>• Global policy shifts dampen investor sentiment and capital flows</li> <li>• Infrastructure and service delivery challenges limit operational efficiency and growth</li> <li>• Supply chain disruptions drive inflation and raise operating costs</li> <li>• LLR engages industry bodies to influence policy and support a stable business environment</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>• Economic and geopolitical risks affect access to and cost of financial capital</li> <li>• Market uncertainty impacts demand for built assets, occupancy and rental income</li> <li>• Regulatory shifts in pension funds increase competition and drive up property prices</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>• Economic disruptions may reduce returns and influence investor decisions</li> <li>• Financial pressures affect employee wellness, job security and morale</li> <li>• Tenants may struggle with rent payments or request lease adjustments</li> <li>• Suppliers and partners may face challenges in meeting obligations</li> <li>• Broader economic and social factors impact community development and well-being</li> </ul>
Our response to protect value	Refer to External environmental analysis on page 58
Governance line of sight	<ul style="list-style-type: none"> <li>• Board</li> <li>• Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>• Global and local geopolitical risks</li> <li>• Economic and financial risks</li> <li>• Interest rate risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>• To streamline and expand the Botswana portfolio</li> <li>• To optimise our balance sheet</li> <li>• To invest in quality African assets</li> <li>• To build strong partnerships and networks</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



## FINANCIAL PERFORMANCE

Timeframes: Short to medium term

Economic

Context	<ul style="list-style-type: none"> <li>• Ensure financial stability and prudent capital management</li> <li>• Maintain operational efficiency and business model resilience</li> <li>• Monitor lease escalations and vacancy rates</li> <li>• Influence linked unit prices and unitholder returns</li> <li>• Shape stakeholder perceptions of economic value</li> <li>• Strengthen reputation and social standing in the market</li> <li>• Interest rate risk</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>• Growth and refinancing capacity constrained</li> <li>• High interest rates are constraining access to capital and limiting growth opportunities</li> <li>• Higher interest rates increase borrowing costs and add pressure to cash flows</li> <li>• Active debt mix management and selective hedging in place</li> <li>• Balance sheet optimisation completed to strengthen capital structure</li> <li>• Exploring new funding relationships with three banks to maintain agility and protect profitability</li> <li>• Foster trust and strengthen social and relationship capital</li> <li>• Fund employee training and development</li> <li>• Maintain, refurbish and improve built assets</li> <li>• Sensitivity analyses conducted to assess profitability impact</li> <li>• Support sustainability initiatives through stable performance</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>• Affect investors and capital providers through profitability, liquidity and dividends</li> <li>• Maintain and improve property quality for tenants</li> <li>• Meet financial obligations, including taxes and regulatory requirements</li> <li>• Ensure timely supplier payments and strong partner relationships</li> <li>• Fund community development programmes</li> <li>• Remunerate and reward staff fairly</li> </ul>
Our response to protect value	Refer to Performance review on page 54
Governance line of sight	<ul style="list-style-type: none"> <li>• Board</li> <li>• ARAC Committee</li> <li>• Investment Committee</li> <li>• Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>• Economic and financial risks</li> <li>• Interest rate risk</li> <li>• Depressed investment returns</li> <li>• Strategy execution risk</li> <li>• Investment policy</li> <li>• Non-compliance with laws and regulations</li> </ul>
Related strategic pillars	To optimise our balance sheet

Stakeholders with an interest in this matter



Capitals impacted



# OUR MATERIAL MATTER CHANGES (Continued)



## CORPORATE STRATEGY INVESTMENTS

Timeframes: Short, medium to long term

Economic

Context	<ul style="list-style-type: none"> <li>• Strategy, investments and partnerships drive long-term sustainability and value</li> <li>• Aligned to achieve goals and adapt to a changing market</li> <li>• Continuously identify trends and opportunities to remain competitive</li> <li>• Use technology and data to boost performance and efficiency</li> <li>• Strong partnerships with Government, investors and communities broaden impact</li> <li>• Approach strengthens financial stability and social/environmental impact</li> <li>• Helps navigate regulatory, economic and stakeholder challenges</li> <li>• Position LLR as a trusted leader in Botswana and African real estate</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>• Strategic execution depends on prudent financial planning and capital allocation</li> <li>• Investments in properties and maintenance require effective use of built capital</li> <li>• Skilled workforce and expertise are critical to assess and execute investment opportunities</li> <li>• Intellectual capital supports due diligence and informed decision-making</li> <li>• Ethical, sustainable investments strengthen social capital and stakeholder trust</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>• Investment performance influences investor confidence and decision-making</li> <li>• Strategic shifts may affect employee growth, roles and job security</li> <li>• Property investments impact tenant offerings and service levels</li> <li>• Corporate strategy shapes supplier and partner relationships</li> </ul>
Our response to protect value	Refer to Our performance review on page 54
Governance line of sight	<ul style="list-style-type: none"> <li>• Board</li> <li>• ARAC Committee</li> <li>• Investment Committee</li> <li>• Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>• Global and local geopolitical risks</li> <li>• Economic and financial risks</li> <li>• Interest rate risk</li> <li>• Depressed investment returns</li> <li>• Strategy execution risk</li> <li>• Investment policy</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>• To streamline and expand the Botswana portfolio</li> <li>• To optimise our balance sheet</li> <li>• To invest in quality African assets</li> <li>• To achieve operational excellence</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



## PROPERTY QUALITY

Timeframes: Short, medium to long term

Governance

Social

Environmental

Context	<ul style="list-style-type: none"> <li>• Prioritise customer needs with a focus on top building and safety standards</li> <li>• Create smart, safe and sustainable living and working environments</li> <li>• Deliver reliable maintenance and structural integrity to meet tenant expectations</li> <li>• Commit to environmentally responsible and sustainable property development</li> <li>• Maintain properties to ensure safety, comfort and efficiency</li> <li>• Support tenant well-being and satisfaction through quality asset management</li> <li>• Maximise rental yields and preserve long-term asset value</li> <li>• Strengthen LLR's reputation as a trusted, quality property provider</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>• Protect financial investments through effective property quality management</li> <li>• Preserve property value and extend building lifespan via regular maintenance and refurbishment</li> <li>• Optimise manufactured capital and reduce long-term capital expenditure</li> <li>• Apply intellectual capital through innovative solutions and best practices</li> <li>• Rely on skilled employees to maintain and enhance asset quality</li> <li>• Support environmental, social and relationship capital by delivering safe, sustainable properties</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>• Maintain asset value and attractiveness for investors</li> <li>• Drive higher occupancy rates, rental income and returns on investment</li> <li>• Provide tenants with comfortable, attractive and functional spaces</li> <li>• Ensure compliance with regulations and building codes for tenant and employee safety</li> <li>• Enhance community development and overall neighbourhood appeal</li> </ul>
Governance line of sight	<ul style="list-style-type: none"> <li>• Board</li> <li>• Investment Committee</li> <li>• Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>• Depressed investment returns</li> <li>• Strategy execution risk</li> <li>• Investment policy</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>• To streamline and expand the Botswana portfolio</li> <li>• To invest in quality African assets</li> <li>• To build strong partnerships and networks</li> <li>• To achieve operational excellence</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



# OUR MATERIAL MATTER CHANGES (Continued)



## PROVIDING PROPERTIES RELEVANT TO USER'S NEEDS

Timeframes: Short to medium term

Environmental

Context	<ul style="list-style-type: none"> <li>Stay attuned to evolving consumer preferences and lifestyle changes</li> <li>Understand and anticipate current and future customer needs</li> <li>Offer tailored properties with innovative design, sustainability and enhanced amenities</li> <li>Attract a broader, more diverse customer base</li> <li>Position LLR as a forward-thinking, customer-centric brand</li> <li>Strengthen competitive advantage in a dynamic market</li> <li>Ensure long-term relevance, client loyalty and sustainable growth</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>Require significant capital investment for new acquisitions or property renovation</li> <li>Improve property quality, enabling higher rental income and sustainable cash flow</li> <li>Well-maintained, upgraded properties appreciate over time, strengthening asset value</li> <li>Enhance long-term financial stability through increased asset base</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>Align properties with tenant needs boosts tenant satisfaction and retention</li> <li>Help maintain high occupancy and lowers vacancy rates</li> <li>Build investor confidence by demonstrating responsiveness to market demand</li> <li>Support stronger community engagement and upliftment initiatives</li> </ul>
Governance line of sight	<ul style="list-style-type: none"> <li>Investment Committee</li> <li>Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>Depressed investment returns</li> <li>Strategy execution risk</li> <li>Investment policy</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>To streamline and expand the Botswana portfolio</li> <li>To optimise our balance sheet</li> <li>To invest in quality African assets</li> <li>To build strong partnerships and networks</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



## CORPORATE GOVERNANCE

Timeframes: Short to medium term

Governance

Context	<ul style="list-style-type: none"> <li>Corporate governance is key to responsible management</li> <li>Implement effective risk management and anti-corruption measures</li> <li>Embed sustainability practices in our governance framework</li> <li>Ensure integrity, transparency and protect stakeholder interests</li> <li>Uphold ethical behaviour and proactively address risks</li> <li>Safeguard sensitive information</li> <li>Support long-term financial stability and reputation</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>Protect financial interests and safeguard investor capital</li> <li>Ensure proper asset management and maintenance</li> <li>Optimise manufactured capital and preserve natural capital</li> <li>Strengthen intellectual capital through robust policies</li> <li>Enhance social and relationship capital with transparent governance</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>Ensure transparent and accountable management to build investor confidence</li> <li>Build credibility with regulators and authorities</li> <li>Foster positive work culture, employee satisfaction and retention</li> <li>Enhance tenant trust and support stable tenancy relationships</li> <li>Align actions with local community interests</li> </ul>
Our response to protect value	Refer to Advancing through effective governance on page 66
Governance line of sight	<ul style="list-style-type: none"> <li>Board</li> <li>ARAC Committee</li> <li>Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>Global and local geopolitical risks</li> <li>Economic and financial risks</li> <li>Strategy execution risk</li> <li>Non-compliance with laws and regulations</li> <li>Cybersecurity risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>To build strong partnerships and networks</li> <li>To achieve operational excellence</li> <li>To build a talented and competent team</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



# OUR MATERIAL MATTER CHANGES (Continued)



## COMPLIANCE WITH LAWS AND REGULATIONS

Timeframes: Short to medium term

Governance

Context	<ul style="list-style-type: none"> <li>Fully committed to compliance and transparency across all legal, regulatory and ESG-related obligations</li> <li>View regulatory compliance as a cornerstone of our reputation and a reflection of our commitment to integrity</li> <li>Continuously monitor and proactively respond to current and emerging legislation to remain ahead of regulatory developments</li> <li>Adopt a forward-looking compliance approach to effectively manage risk and build stakeholder trust.</li> <li>Recognise that while compliance may be complex and resource-intensive, it is a valuable investment in long-term sustainability</li> <li>Promote positive societal and community outcomes through ethical and responsible business practices</li> <li>Cultivate a culture rooted in accountability, sustainability and principled leadership across the organisation</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>Ensure proper use and protection of financial capital, avoiding legal costs and fines</li> <li>Safeguard property investments and reduce environmental risks through compliance with building and environmental laws</li> <li>Onerous and significant impact where sanctions are applied</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>Uphold reputation and licence to operate, reinforcing confidence among investors and capital providers</li> <li>Promote a fair, safe work environment, building employee trust and loyalty</li> <li>Ensure quality property management and fair lease terms for tenants</li> <li>Build trust with regulators and authorities, enabling smoother engagements and future project support</li> <li>Build trust with suppliers and partners through ethical practices and compliance, fostering strong, sustainable relationships</li> </ul>
Our response to protect value	Refer to Governance review on page 66
Governance line of sight	<ul style="list-style-type: none"> <li>Board</li> <li>ARAC Committee</li> <li>Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>Depressed investment returns</li> <li>Strategy execution risk</li> <li>Investment policy</li> <li>Strengthened governance and ethical culture</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>To achieve operational excellence</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



## CYBERSECURITY AND DATA PROTECTION

Timeframes: Short to medium term

Governance

Context	<ul style="list-style-type: none"> <li>Cybersecurity is essential for business continuity and strategy execution</li> <li>Risk of data breaches exposing sensitive information</li> <li>Potential financial losses and reputational damage</li> <li>Non-compliance may lead to fines and legal issues</li> <li>Cyberattacks can disrupt operations and productivity</li> <li>Intellectual property theft could harm competitive advantage</li> <li>We comply with the new provisions of the Data Protection Act 2024, which strengthen individual rights (access, correction, erasure) and impose stricter obligations on data controllers and processors. The Act also requires the appointment of Data Protection Officers in specific cases, Data Protection Impact Assessments for high-risk processing, and tighter controls on cross-border data transfers</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>Mitigate risks from data breaches and cyberattacks</li> <li>Require investment in advanced security technologies and infrastructure</li> <li>Demand financial and human resources for cybersecurity measures</li> <li>Include ongoing employee training on threat recognition and data protection</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>Enhance client trust through rigorous information protection</li> <li>Build trust with regulators by complying with data protection laws</li> <li>Support consumer protection and strengthen community relations</li> <li>Boost LLR's reputation as a responsible business</li> </ul>
Our response to protect value	Refer to Advancing through effective governance on page 66
Governance line of sight	<ul style="list-style-type: none"> <li>Board</li> <li>ARAC Committee</li> <li>Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>Global and local geopolitical risks</li> <li>Non-compliance with laws and regulations</li> <li>Cybersecurity risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>To achieve operational excellence</li> <li>To build a talented and competent team</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



# OUR MATERIAL MATTER CHANGES (Continued)



## RELATIONS WITH STAKEHOLDERS

Timeframes: Short to medium term

Environmental

Context	<ul style="list-style-type: none"> <li>Maintain secure relationships with all stakeholders</li> <li>Differentiate LLR in the real estate market</li> <li>Shape and protect our reputation</li> <li>Listen to stakeholders and understand their needs</li> <li>Align strategies to foster trust and collaboration</li> <li>Drive efficiency, sustainability and relevance</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>Build trust and strengthen relationships</li> <li>Enhance LLR's reputation and credibility</li> <li>Attract investment and procure funding</li> <li>Grow intellectual capital through knowledge sharing</li> <li>Support human capital with a positive work environment</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>Maintain investor confidence</li> <li>Increase cooperation with business partners</li> <li>Enhance employee morale and satisfaction</li> <li>Retain tenants</li> <li>Strengthen relationships with regulators and authorities</li> <li>Support community development initiatives</li> </ul>
Our response to protect value	Refer to stakeholder management on page 50
Governance line of sight	<ul style="list-style-type: none"> <li>Board</li> <li>Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>Global and local geopolitical risks</li> <li>Strategy execution risk</li> <li>Non-compliance with laws and regulations</li> <li>Climate change risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>To build strong partnerships and networks</li> <li>To achieve operational excellence</li> <li>To build a talented and competent team</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



## EMPLOYEE SATISFACTION AND DEVELOPMENT

Timeframes: Short to medium term

Social

Context	<ul style="list-style-type: none"> <li>Employees' expertise and commitment drive efficiency, innovation and long-term sustainability</li> <li>Employee performance directly impacts LLR's reputation, client relationships and market differentiation</li> <li>Invest in professional development through training, mentorship and continuous learning opportunities</li> <li>Support career growth with access to upskilling and education</li> <li>Prioritise employee well-being with a people-centred culture and inclusive work environment</li> <li>Promote work-life balance and mental health support to foster a resilient, motivated workforce</li> <li>Attract and retain top talent by aligning personal and professional growth opportunities</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>Require upfront financial investment in training, development and employee benefits</li> <li>Lead to improved operational efficiency and long-term financial performance</li> <li>Enhance intellectual capital through knowledge sharing and innovation</li> <li>Strengthen human capital by building a skilled, motivated and engaged workforce</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>Drive long-term value creation and stronger financial performance for investors</li> <li>Enhance employee morale and motivation through growth, training and a positive work environment</li> <li>Support improved tenant service and overall client satisfaction</li> <li>Encourage employee participation in community upliftment and social impact initiatives</li> </ul>
Our response to protect value	Refer to ESG review on page 56
Governance line of sight	<ul style="list-style-type: none"> <li>Board</li> <li>Nominations and Remunerations Committee</li> <li>Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>Strategy execution risk</li> <li>Staff retention risk</li> <li>Business Continuity risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>To achieve operational excellence</li> <li>To build a talented and competent team</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



# OUR MATERIAL MATTER CHANGES (Continued)



## LOCAL COMMUNITY DEVELOPMENT

Timeframes: Short to medium term

Social

Context	<ul style="list-style-type: none"> <li>• Create positive social impact and foster community goodwill</li> <li>• Recognise the private sector's role in developing young leaders</li> <li>• Invest in the future growth and empowerment of Botswana</li> <li>• Enhance reputation as a responsible, socially conscious organisation</li> <li>• Prioritise projects focused on children's well-being and education</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>• Invest financial, intellectual and human resources in CSI programmes</li> <li>• Support community well-being and prosperity</li> <li>• Strengthen social and relationship capital</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>• Support community well-being and prosperity through CSI investments</li> <li>• Enhance reputation with investors, tenants, employees and Government</li> <li>• Demonstrate commitment to social responsibility and community development</li> <li>• Attract further investment and stakeholder support</li> </ul>
Our response to protect value	Refer to ESG review on page 56
Governance line of sight	<ul style="list-style-type: none"> <li>• Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>• Global and local geopolitical risk</li> <li>• Strategy execution risk</li> <li>• Climate change risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>• To streamline and expand the Botswana portfolio</li> <li>• To build strong partnerships and networks</li> <li>• To build a talented and competent team</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



## PRESERVATION OF NATURAL CAPITAL

Timeframes: Short to medium term

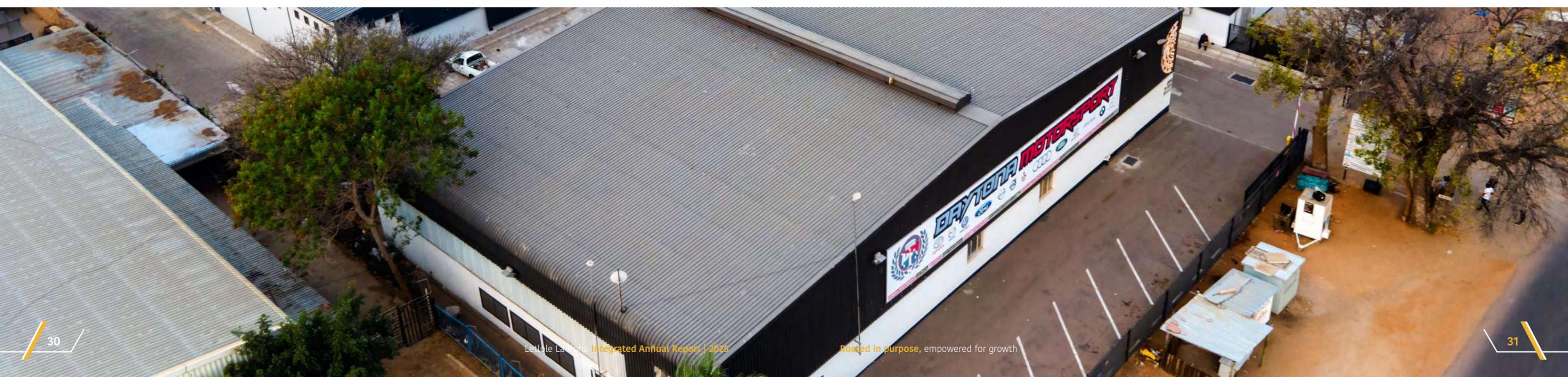
Environmental

Context	<ul style="list-style-type: none"> <li>• Committed to responsible natural resource management as part of sustainability strategy</li> <li>• Focus on water conservation, energy efficiency, waste reduction and recycling</li> <li>• Minimise environmental impact and promote healthier communities</li> <li>• Require higher initial capital investment but deliver clear benefits</li> <li>• Green-rated buildings attract quality tenants willing to pay premium rents</li> <li>• Support global sustainability goals and enhance asset financial performance</li> <li>• Strengthen long-term resilience by appealing to sustainability-focused tenants</li> </ul>
Internal/capital resource impacts	<ul style="list-style-type: none"> <li>• Manage natural capital to minimise environmental impact and protect resources</li> <li>• Invest in sustainable practices, technologies and certifications</li> <li>• Balance upfront costs with long-term savings and improved reputation</li> <li>• Build intellectual capital by learning and applying sustainability best practices</li> </ul>
External stakeholder impacts	<ul style="list-style-type: none"> <li>• Local communities benefit from preserved natural capital</li> <li>• Sustainable practices reduce waste and improve green spaces</li> <li>• Preservation creates healthier, more attractive living environments</li> <li>• Investors, employees and tenants value sustainable, responsible practices</li> </ul>
Our response to protect value	Refer to ESG review on page 56
Governance line of sight	<ul style="list-style-type: none"> <li>• Board</li> <li>• Exco</li> </ul>
Related risks and opportunities	<ul style="list-style-type: none"> <li>• Global and local geopolitical risk</li> <li>• Climate change risk</li> </ul>
Related strategic pillars	<ul style="list-style-type: none"> <li>• To achieve operational excellence</li> </ul>

Stakeholders with an interest in this matter



Capitals impacted



# CHAIRMAN'S STATEMENT



**Khuto Balosang**  
Chairman of the Board

**Our dual focus – being rooted in purpose and empowered for growth – has guided our actions, informed our decisions and shaped our performance.**



## Dear Esteemed Stakeholders,

This year marks a pivotal moment where our foundations of purpose and integrity continue to anchor us, while empowerment through resilience, governance and innovation propels us forward. Over the past year, LLR has navigated a dynamic real estate market with heightened competition and evolving investor expectations. We have focused on strengthening our fundamentals (operational excellence, tenant-centricity and stakeholder engagement) to manage risks, capture opportunities and deliver sustainable value.

Proactive engagement with regulators and stakeholders has allowed us to anticipate market shifts, optimise asset performance and maintain high-quality, sustainable properties. Our tenant-focused approach and secure stakeholder relationships have reinforced tenant loyalty and investor confidence and enabled the Group to remain a trusted landlord of choice.

## Operating environment

The Botswana operating environment continues to be challenging, with liquidity constraints, elevated borrowing costs and subdued global conditions limiting growth momentum. Yet within these headwinds, there are small but meaningful windows of opportunity.

Botswana remains a relative beacon of economic stability and is underpinned by prudent governance, strong institutions and low levels of public debt of around 28.9% of GDP. However, the country's heavy reliance on the diamond sector has exposed significant vulnerabilities. The global shift towards synthetic diamonds (now accounting for more than 30% of diamond demand) combined with weaker pricing in the natural diamond market, has triggered an economic downturn that underscores the risks of an undiversified economic model. For the first time in recent years, we have noted that industry leaders have noted financial losses, signalling the urgency for Botswana to accelerate its long-discussed economic transformation plans.

Encouragingly, the Government has articulated a bold reform agenda that aims to diversify the economy and build resilience beyond diamonds. Emerging opportunities are evident in logistics, renewable energy, industrial real estate, healthcare, agriculture and tourism, which collectively represent critical pillars for a more inclusive and sustainable growth

trajectory. If executed effectively, these initiatives have the potential to reposition Botswana as a more balanced economy that is resource-rich, structurally diversified and globally competitive. LLR remains cautiously optimistic about these reforms but is prepared to act decisively. We see significant scope for private sector participation in driving this transition, particularly in real estate assets and infrastructure that can serve as catalysts for long-term growth.

At a broader level, sub-Saharan Africa's regional economy is projected to expand by around 4.6% in 2025, supported by stronger domestic demand, higher investment flows and a gradual recovery in global trade. But the pace of recovery remains uneven. Diversified economies such as Kenya, Ghana and Côte d'Ivoire are set to grow above 4%. In contrast, resource-dependent economies (including Nigeria, Angola and South Africa) continue to grapple with structural bottlenecks, high inflation, fiscal imbalances and weak investor confidence. Against this backdrop, Botswana's stability and reform ambitions provide a relative competitive advantage, positioning the country as a safe haven and a platform for innovation in the region.

## Delivering on our purpose

The Group's disciplined execution and strategic focus have solidified our position as a landlord of choice for tenants and a preferred investment for shareholders. By leveraging innovation and tenant-centric services, we enhance asset performance, optimise returns and create sustainable long-term value. Guided by resilience, we have navigated a dynamic real estate landscape with rising asset prices, evolving tenant expectations and increased competition. Our dual focus – being rooted in purpose and empowered for growth – has guided our actions, informed our decisions and shaped our performance.

We have strengthened our core value drivers (operational excellence, customer relationships and portfolio performance) while refining strategies to improve efficiency and anticipate market trends. Our commitment to responsible practices, sustainability and inclusive growth ensures that we continue delivering enduring value for tenants, investors and the broader market, reinforcing our role as a trusted and forward-looking leader in real estate.

## Board performance and governance

We remain firmly committed to upholding the highest standards of governance, which is underpinned by ethical leadership, transparency, accountability and proactive stakeholder engagement. For us, governance extends beyond regulatory compliance; it is about building long-term trust, safeguarding integrity and creating sustainable value for all stakeholders.

During the year, the Board placed particular emphasis on strengthening ethical culture and addressing governance gaps through the development and implementation of key management policies, including those relating to information technology governance, remuneration and regulatory compliance. A comprehensive compliance map was also developed to enhance oversight to ensure that the Group remains fully aligned with the evolving regulatory environment.

As part of our commitment to continuous improvement, the Board underwent an independent evaluation by the Institute of Directors in South Africa (IoDSA). The review confirmed that the Board continues to operate effectively and provides strong oversight, while also highlighting areas where we can strengthen diversity, broaden expertise and deepen stakeholder engagement. In response, the Board is actively considering its composition with a view to expanding representation and skill sets, ensuring that we remain fit for purpose in a rapidly evolving operating environment.

To reinforce our focus on professional development, several of our directors enrolled in the IoDSA Certified Director Programme, further equipping the Board with global best practices in governance and stewardship. The Board also engaged in regular training and strategy sessions to ensure alignment with shareholder expectations and broader stakeholder priorities. Advancing diversity and inclusivity remain central to our agenda in terms of gender and demographics and in bringing fresh perspectives and industry expertise to strengthen decision-making.

We believe that strong governance is the foundation of resilience, adaptability and long-term success. As custodians of the Group's strategic direction, we are committed to fostering a governance culture that increases growth, mitigates risk and ensures that the business continues to thrive in a complex and dynamic environment.

# CHAIRMAN'S STATEMENT (Continued)

## Risk management and compliance

We are enhancing agility in our risk management by embedding a culture of proactive identification and mitigation across the Group. Central to this is the development of our Enterprise Risk Management (ERM) framework, which will provide a structured and integrated approach to anticipating risks, strengthening accountability, improving oversight and aligning decision-making with our strategic objectives.

Our compliance function remains strong, with policies and procedures continuously refined to meet regulatory requirements while being practical in daily operations. Through training, awareness programmes, the use of technology for real-time monitoring and early-warning indicators, we are building a culture where compliance supports trust, resilience and performance.

The Group is well-positioned to navigate uncertainties, protect stakeholder interests and drive sustainable long-term value creation by combining a forward-looking risk culture with robust compliance systems.

## Sustainability

Sustainability is central to LLR's strategy and underpins how we create long-term value for our stakeholders, communities and the environment. Our vision extends beyond financial returns and recognises that true success rests on responsible practices, social empowerment and environmental stewardship.

During the year, the company worked on developing a comprehensive sustainability strategy which will form part of our ESG Framework to provide a blueprint for embedding ESG principles into daily operations and long-term investment decisions. The development of the framework will mark a shift from isolated initiatives to a cohesive, future-focused approach that strengthens resilience and creates shared value. Practical progress should include reducing single-use plastics, expanding recycling, installing energy-efficient systems and broadening our focus to renewable energy, water conservation and green building standards.

Our commitment to social impacts remain strong, with support for schools, community organisations and empowerment programmes that uplift local communities and expand education opportunities. Equally, we invested in our people, recognising employee well-being as central to our Group's success. Training, professional development, diversity and workplace well-being were prioritised to build a safe, inclusive and high-performing culture.

We see empowerment as a mindset and a deliberate strategy to invest in people, systems and partnerships that turn purpose into performance. Through this holistic approach, LLR is positioning itself as a responsible and sustainable leader in the real estate sector with ESG principles embedded at the core of our business model to drive resilience, innovation and long-term value creation.

## Outlook and future direction

Looking ahead, we remain committed to leveraging our strengths, embracing innovation and executing disciplined strategies to drive sustainable growth and long-term value creation. Our focus will remain firmly anchored on tenant-centricity, operational excellence and proactive stakeholder engagement, which we see as critical drivers of sustainable performance in an increasingly competitive and dynamic real estate market. By listening to our tenants, adapting to evolving needs and refining our service offering through actionable feedback, we will continue to build lasting relationships that reinforce occupancy, strengthen retention and position us as a partner of choice.

Botswana continues to present a balanced and compelling proposition for investors. While its growth trajectory may be modest, its predictable policy environment, prudent governance and low levels of public debt create stability that is increasingly valued in a volatile global economy. The Government's reform agenda and diversification drive simultaneously offer significant new avenues for growth across logistics, renewable energy, healthcare, agriculture and industrial real estate. As a business deeply rooted in Botswana, we are well positioned to support and partner in this national transition, helping to unlock value in emerging sectors and contribute meaningfully to the country's long-term economic resilience.

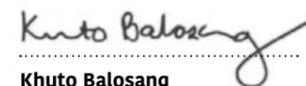
In delivering on this ambition, we will deepen engagement with stakeholders and tenants, strengthen transparency in all areas of our business and enhance our market intelligence to identify and act decisively on opportunities. Our disciplined approach to capital allocation will ensure that we balance growth with resilience and navigate macroeconomic risks while delivering sustainable returns to shareholders.

Equally, our commitment to sustainability remains unwavering. We are scaling up our ESG agenda, advancing initiatives that reduce environmental impact, support communities, and promote inclusive growth. Through renewable energy adoption, resource efficiency and green building standards, we will be embedding sustainability into our core business model. We will also continue to invest in our people and partnerships, recognising that collaboration is central to creating shared value, safeguarding the environment and reinforcing our position as a trusted, responsible and future-ready leader in the real estate sector.

## Closing

I extend my gratitude to my fellow Board members, our shareholders, investors, employees and Exco team for their unwavering support and dedication throughout this transformative year. Our progress is a testament to the collective effort and resilience of all our stakeholders whose belief in our vision continues to inspire us to achieve more. As we build on stronger fundamentals, we remain committed to delivering sustainable value, resilience and long-term prosperity.

With a strong foundation, disciplined strategy and the continued support of our stakeholders, I am confident in our ability to navigate change, seize opportunities and reinforce our standing as a trusted, innovative and future-focused leader in the real estate sector.



**Khuto Balosang**  
Chairman of the Board



# CHIEF EXECUTIVE OFFICER'S REPORT



“ Our strategic approach combines disciplined financial management with forward-looking investment decisions. ”

## Operating environment

Botswana is currently navigating significant liquidity challenges, primarily driven by a downturn in diamond sales and softer global demand for natural stones. These pressures are further intensified by high funding costs, which constrain capital availability and limit investment and growth opportunities. These combined factors have created a more cautious investment climate, requiring businesses to adopt disciplined, strategic approaches to preserve financial resilience while pursuing growth.

The Government's transformation agenda provides a compelling opportunity for economic diversification and sustainable development amid these headwinds. Initiatives aimed at strengthening manufacturing, leisure, boutique tourism, safari experiences and travel infrastructure are designed to foster a more resilient, inclusive and future-ready economy. By promoting alternative sectors beyond diamonds, these reforms open avenues for private sector participation, stimulate job creation and encourage strategic investment

across high-potential industries. For LLR, this evolving landscape offers challenges and opportunities. Companies that can align with national priorities, leverage expertise in real estate and infrastructure and focus on creating value for communities are well-positioned to benefit from Botswana's economic transition. These efforts support financial performance and contribute meaningfully to long-term socio-economic development, positioning the country for sustained growth in an increasingly diversified economy.

With Botswana undergoing a period of significant economic transition, LLR is well-positioned to capitalise on emerging opportunities. Rooted in our founding purpose and empowered by our people, innovation and partnerships, we continue to evolve with discipline and intent. Our strategy is closely aligned with national priorities, allowing us to support job creation, enhance tourism offerings and strengthen the country's broader economic resilience.

## Strategic focus

Our company name, meaning “our basket of wealth” in Setswana, represents shared prosperity, collective achievement and long-term value creation for Botswana and Africa. It reflects our commitment to purpose-driven growth, resilience and collaboration with communities, partners and stakeholders. Our purpose grounds us; our empowerment enables transformation and together they define our strategy for sustainable, design-led growth. This aids in integrating our wealth into the African economy through real estate investments that deliver societal impact and superior shareholder returns. As Botswana's leading real estate group, we leverage expertise and capital to support economic diversification, inclusive growth and resilient, sustainable communities.

Our strategy is grounded in this clear purpose, disciplined execution and strong partnerships. We have strengthened operational foundations, enhanced portfolio resilience and fostered a culture

of innovation by combining rigorous investment discipline with a focus on employee development. This enables long-term value creation and positions LLR to navigate evolving market dynamics with confidence.

At the heart of our regional ambitions is our “Go-to-Africa” strategy – a measured, case-by-case approach to expansion that carefully evaluates tenant quality, sector fundamentals, funding structures and long-term viability. Tenant-centricity and multi-tenancy are central to our model and mitigate risk, diversify income streams and ensure consistent, resilient returns across the portfolio.

We prioritise our people through wellness, training, and leadership development, cultivating a workforce that drives accountability and shared responsibility. Strengthened governance, risk management and IT systems enhance operational excellence and innovation. Focused on talent, diversity and inclusion, these initiatives underpin long-term performance and position LLR for continued growth, adaptability and leadership in Botswana and our select regional markets.

Through these efforts, LLR delivers shareholder value and contributes to building stronger, more resilient communities that shape the future of property investment in Botswana and beyond.

## Our performance against strategy

We have consistently demonstrated resilience, adaptability and strategic focus, reinforced our position as a market leader and enabled the creation of sustainable value for all stakeholders. Our strategic approach combines disciplined financial management with forward-looking investment decisions. We continue to evaluate financing options, carefully balancing debt and equity to support growth initiatives while preserving financial stability and operational flexibility. By leveraging our extensive expertise in real estate and infrastructure, we unlock value across our portfolio, attract and retain high-quality tenants and contribute meaningfully to sustainable economic growth.

Financially, rental income increased by 16% to P201.8 million, supported by average annual lease escalations of between 6% and 8%, reflecting the quality of our tenant

base and effective portfolio management. Property expenses were increased by 19% driven by repairs and maintenance costs following flood damage earlier in the year. Administrative expenses increased by 25%, largely due to professional fees incurred during the year for a comprehensive building conditions survey. The survey is an assessment that evaluates the physical integrity of our properties and informs the development of a five-year maintenance plan therefore ensuring sustainability and the long-term value of our portfolio.

Additional costs were incurred due to the increase in head count during the year as the company continued to fill key positions aligned with its growth strategy. Fair value adjustments remained stable at P49.8million, highlighting the enduring quality and resilience of our assets. Prudent capital management and effective hedging strategies resulted in the groups finance costs remaining stable at P49.7 million. These results reflect a business firmly rooted in purpose whose empowerment through systems, governance and strategic agility continues to deliver growth and resilience.

Managing Rail Park Mall enhanced our retail expertise, complemented the industrial portfolio, and drove innovation in tenant engagement and revenue growth. While industrial assets remain central, we are exploring leisure and office opportunities to diversify the portfolio. Strategic site selection in high-traffic, mixed-use hubs has supported superior occupancy, stronger tenant relationships, and robust returns across Botswana, while enabling measured expansion into selective African markets.

## Outlook

We are broadening our strategic focus from primarily acquiring established assets to actively developing new projects, providing greater control over value creation and the potential for enhanced long-term returns. This allows us to shape projects from inception and ensure alignment with market demand, sustainability standards and innovative design principles. While we anticipate increased competition in the local real estate market, we are confident in our ability to navigate these challenges through disciplined investment, rigorous market analysis and forward-looking project development strategies that balance risk with opportunity.

Capital-raising initiatives will play a critical role in supporting acquisition and

development objectives, ensuring that we have the financial flexibility and resilience to pursue strategic opportunities as they emerge. We will simultaneously continue to prioritise the needs of our customers, tenants and broader stakeholders, nurturing strong relationships and delivering high-quality, tailored solutions that reinforce trust, loyalty and long-term engagement.

By combining disciplined growth, a stakeholder-centric approach, and strategic regional expansion across Africa, we aim to strengthen our market position, enhance portfolio resilience and generate sustainable long-term value for all stakeholders. Leveraging our established relationships with shareholders, Government, suppliers and tenants will be key to achieving these ambitions, enabling collaborative approaches to investment, operational excellence and the creation of meaningful societal and economic impact.

## Closing

In closing, I extend my gratitude to our stakeholders for their trust and support, and to our staff for their dedication, professionalism and innovative spirit, which have driven our successes. It is through this collective effort that we strengthen resilience, pursue strategic ambitions and create sustainable value. As we look ahead, we remain anchored in purpose – and empowered for growth – to drive transformation that endures.

Together, we will build a forward-looking LLR, one that's well-positioned to seize growth opportunities and maintain our leadership in the real estate sector.

**Kamogelo Mowaneng**  
Chief Executive Officer

# VALUE CREATION

Value creation is core to our purpose. We manage our business and impacts to maximise positive outcomes and ensure long-term sustainability for the Group and stakeholders. Using the six capitals framework, we develop key resources to deliver financial returns and broader socio-economic value.

## INTEGRATED THINKING

Our integrated thinking is rooted in purpose and empowered by collaboration, ensuring a healthy balance between financial performance and societal impact. Financial capital funds operations and growth. Intellectual capital includes our brand and innovation. Manufactured capital covers our real estate and infrastructure. Social and relationship capital is based on trust with stakeholders. Human capital focuses on skills and well-being. Natural capital

involves the responsible use of energy, water and land.

By managing these capitals together and aligning with our strategy, we ensure sustainable and inclusive value creation across financial, environmental and social areas.

Read more about our business model and capital outcomes on page 40.

# OUR STRATEGY

We embed our strategy within our business model, ensuring full alignment between our vision, day-to-day operations and long-term value creation objectives. Central to this is our refined “Go-to-Africa” strategy, which is designed to capitalise on local and continental opportunities while enhancing shareholder returns and building long-term resilience.

The strategy focuses on optimising and diversifying our asset portfolio across Botswana and select African markets, driving balance sheet growth through disciplined capital allocation and delivering a sustainable financial performance. At the same time, we aim to create lasting impact through responsible investment decisions and strong corporate governance.

## CREATING VALUE THROUGH STRENGTHENED FUNDAMENTALS

Our strategic intent focuses on expanding the Botswana portfolio while optimising existing assets to maximise value. We leverage strong partnerships and networks to access new opportunities and drive sustainable growth. Expanding across Africa allows us to build a diversified portfolio that spreads risk and capitalises on emerging markets, enhancing shareholder value and sustaining investor returns.

Key strategic pillars include streamlining and growing the Botswana portfolio, optimising the balance sheet for financial strength, acquiring quality African assets, fostering partnerships, pursuing operational excellence and developing talented people.

Supporting these pillars are strategic drivers such as effective management, monitoring property metrics and aiming for sustainable growth in distributions and Net Asset Value (NAV). We prioritise strong cash flow, prime locations, asset quality, tenant relations and long-term asset attractiveness to ensure ongoing value creation and resilience in the market.

## Creating value through strengthened fundamentals (Continued)

### STRATEGIC INTENT

Expand the Botswana portfolio

Leverage strong partnerships and networks

Optimise our assets

Expand the Botswana portfolio and grow into Africa

Exceed a total return of 7% year on year until FY2027

### STRATEGIC PILLARS

Streamline and expand Botswana portfolio

Optimised balance sheet

Quality African assets

Strong partnerships and networks

Operational excellence

Talented and competent people

### STRATEGIC DRIVERS

Management

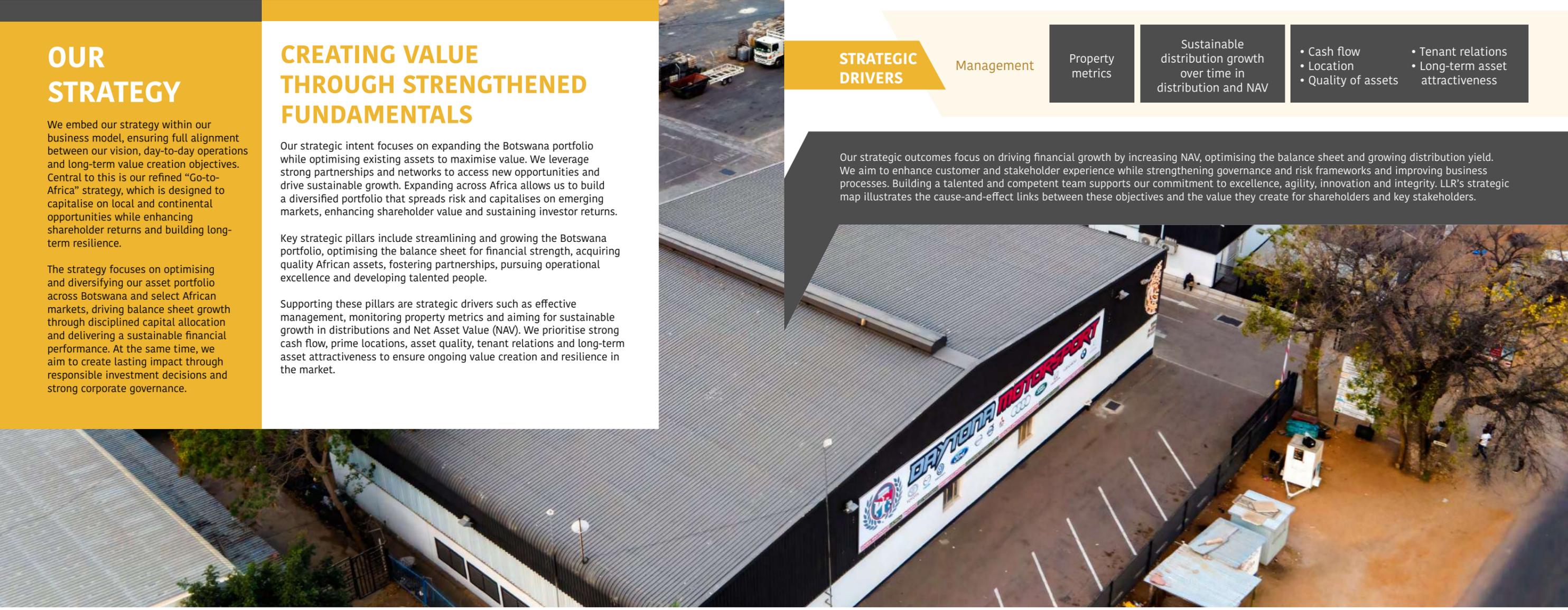
Property metrics

Sustainable distribution growth over time in distribution and NAV

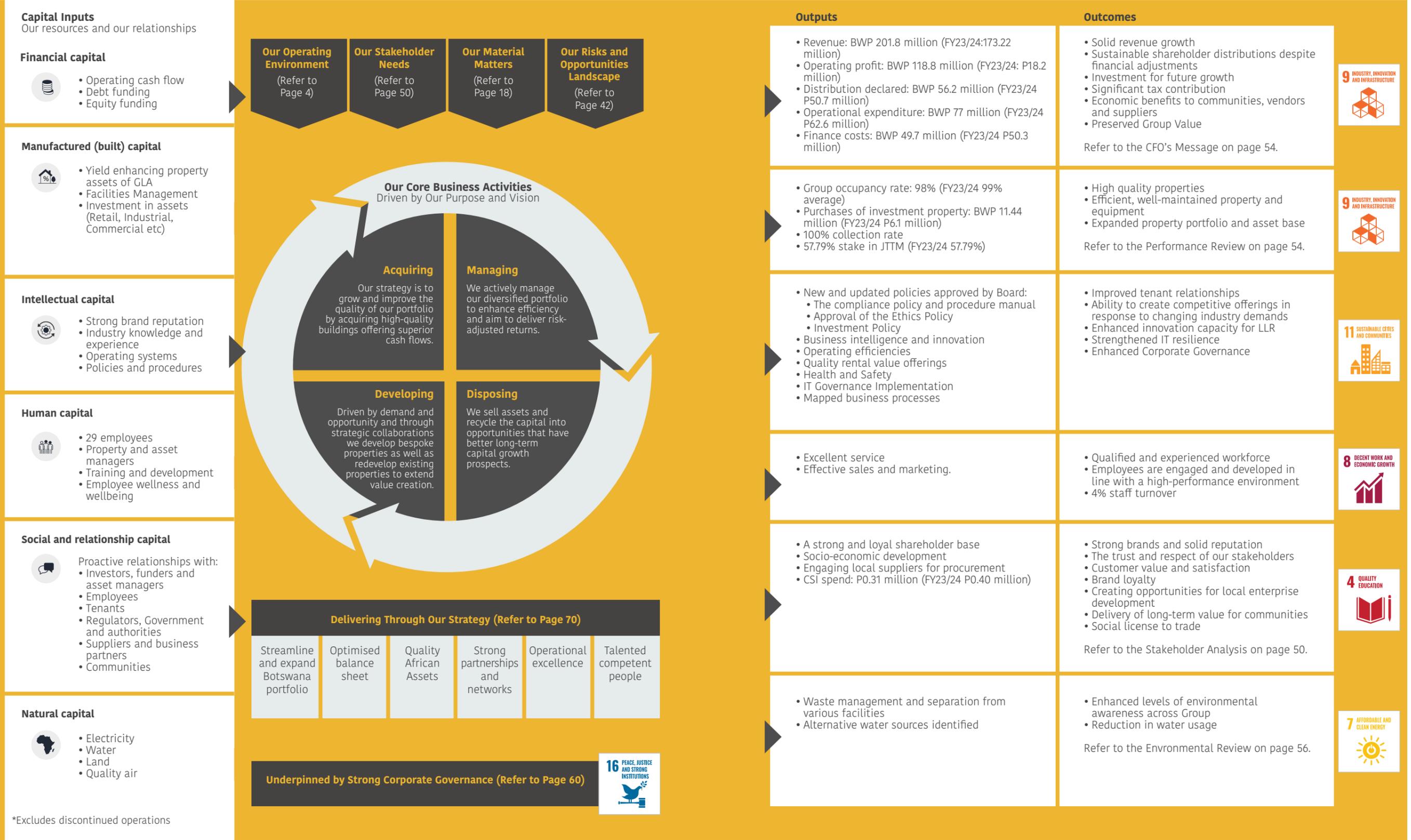
- Cash flow
- Location
- Quality of assets

- Tenant relations
- Long-term asset attractiveness

Our strategic outcomes focus on driving financial growth by increasing NAV, optimising the balance sheet and growing distribution yield. We aim to enhance customer and stakeholder experience while strengthening governance and risk frameworks and improving business processes. Building a talented and competent team supports our commitment to excellence, agility, innovation and integrity. LLR's strategic map illustrates the cause-and-effect links between these objectives and the value they create for shareholders and key stakeholders.



# OUR VALUE-CREATING BUSINESS MODEL



\*Excludes discontinued operations

# MANAGING RISKS AND OPPORTUNITIES

## Oversight and accountability

The Board mandates the ARAC Committee to oversee LLR's risk management and to ensure that risks are identified, assessed and mitigated effectively. The committee provides strategic direction and policies, while the Exco manages day-to-day risk control, mitigation and internal safeguards. Guided by a formal policy, LLR applies robust processes to align risk management with strategic objectives, monitor internal and external factors and foster integrity, accountability and compliance.

## Protecting long-term value

LLR recognises that some risk is inherent in pursuing growth and portfolio value. Effective risk management protects financial stability and stakeholder interests. Internal reporting keeps management, the ARAC Committee and the Board informed of emerging risks, adverse events requiring intervention, compliance with risk tolerances and the overall risk profile.

## Integrated risk process

Our approach combines top-down Board oversight with bottom-up operational insight. Strategic risks are reviewed quarterly by the Board, while operational risks are escalated monthly via Exco meetings. Quarterly risk register assessments document and evaluate risks, with mitigation strategies developed and escalated when necessary. This continuous Group-wide process ensures proactive, coordinated risk management with ultimate governance resting with the Board.

# OUR TOP RISKS DURING FY2025

The overall risk scores shifted notably, especially for key risks identified previously, during the review period. LLR's top five risks covered macroeconomic, strategic, operational and regulatory areas.

Key: Increase in risk rating Decrease in risk rating No change

## Global and local geopolitical risk

Risk context	Global and local geopolitical developments create a complex risk environment for LLR and influence financial performance, operational efficiency and stakeholder outcomes. These risks can affect asset demand, occupancy levels and regulatory competition – while also impacting employees, tenants, suppliers and communities – potentially straining employee well-being, disrupting tenant payments and challenging partner obligations
Mitigating actions	<ul style="list-style-type: none"> <li>Actively participate in industry associations and forums to influence policy development</li> <li>Monitor regulatory and geopolitical developments to anticipate potential impacts</li> <li>Advocate for stable and transparent market policies to protect investment and operational interests</li> <li>Collaborate with peers and stakeholders to share best practices and coordinate responses to emerging risks</li> <li>Implement internal risk monitoring and contingency planning aligned with external developments</li> <li>Maintain diversified capital and funding strategies to reduce exposure to market volatility</li> </ul>

## Economic and financial risk

Risk context	Macroeconomic volatility, rising property rates and weak consumer demand can reduce investment returns, tenant viability and rental income. Global policy shifts, infrastructure limitations and supply chain disruptions may constrain growth and raise operating costs. These risks also affect capital access and costs, impact investors, potentially lower returns, disrupt tenant payments and challenge partner obligations.
Mitigating actions	<ul style="list-style-type: none"> <li>Continuously monitor macroeconomic trends, property markets and consumer demand</li> <li>Diversify portfolio across property types, sectors and geographies</li> <li>Implement operational efficiencies to manage costs and supply chain risks</li> <li>Engage proactively with tenants and offer flexible leasing solutions</li> <li>Optimise capital planning, maintain funding access and manage debt structures</li> <li>Strengthen relationships with investors, suppliers and partners</li> <li>Advocate with industry bodies to support stable policies and regulations</li> </ul>

# OUR TOP RISKS DURING FY2025 (Continued)

Key: Increase in risk rating Decrease in risk rating No change

## Interest rate risk

Risk context	Higher interest rates increase borrowing costs, reduce cash flow and may affect asset values and refinancing ability. Managed through rate monitoring, debt mix optimisation and selective hedging.
Mitigating actions	<ul style="list-style-type: none"> <li>Conducted detailed sensitivity analyses to assess the potential impact of rising interest rates on LLR's profitability, enabling informed decision-making and proactive planning</li> <li>Ongoing Balance Sheet Optimisation exercise to strengthen the capital structure, improve funding efficiency and reduce exposure to variable interest rates</li> <li>Ongoing monitoring of interest rate trends, combined with the active exploration of alternative funding sources, ensures that LLR remains agile in managing its cost of capital and minimising financial risk</li> </ul>

## Depressed investment returns

Risk context	Increased market liquidity may lower investment yields, reduce portfolio returns and impact profitability. To manage this, LLR monitors market conditions, diversifies its portfolio and applies strategic asset allocation to optimise returns while controlling risk.
Mitigating actions	<ul style="list-style-type: none"> <li>Pursuing geographic diversification to reduce concentration risk and exposure to local market fluctuations</li> <li>Strengthening strategic relationships with partners and stakeholders to access new opportunities</li> <li>Exploring high-yield developments and projects to enhance returns</li> <li>Balancing growth potential with prudent risk management to protect capital and optimise income</li> </ul>

## Outdated Investment Policy

Risk context	The risk of making suboptimal investment decisions or failing to align with market conditions, regulatory requirements and business objectives. It may limit opportunities, reduce portfolio diversification or result in non-compliance, highlighting the need for a current, well-structured policy to guide decision-making and protect long-term value.
Mitigating actions	<ul style="list-style-type: none"> <li>Investment Policy presented to and approved by the Board in June 2024</li> <li>Ensures alignment with strategic objectives, risk appetite and regulatory requirements</li> <li>Provides guidance on investment decision-making, portfolio management and risk controls</li> <li>Establishes accountability and oversight mechanisms for monitoring performance</li> <li>Strengthens governance, supports sustainable growth and reduces financial and compliance risks</li> </ul>

## Strategy execution risk

Risk context	Risks arise from challenges in delivering key strategic initiatives, including property disposals, rights issues and resource constraints. Consequences may include higher LTV, lower interest coverage ratio, reduced asset valuations and NAV, income and cash flow impacts from vacancies and threats to debt sustainability, potentially undermining overall strategic objectives.
Mitigating actions	<ul style="list-style-type: none"> <li>Clear strategic parameters to guide decision-making</li> <li>Effective communication of strategy to all stakeholders</li> <li>Focused execution of asset disposals and rights offer</li> <li>Executive directors overseeing timely and effective implementation</li> <li>Ongoing stakeholder engagement and updates</li> </ul>

# OUR TOP RISKS DURING FY2025 (Continued)

Key: Increase in risk rating Decrease in risk rating No change

## Cybersecurity risk

Risk context	Risk of unauthorised access, data breaches or operational disruption from cyberattacks, potentially causing financial loss, regulatory penalties and reputational damage. Managed through strong security measures, staff training, system monitoring and incident response planning.
Mitigating actions	<ul style="list-style-type: none"> <li>Initiated implementation of a robust IT governance framework to align technology systems with strategic objectives and regulatory requirements</li> <li>Established clear accountability for IT decision-making and protection of information assets</li> <li>Incorporated best practices for cybersecurity, data management and system resilience</li> <li>Embedded continuous monitoring and regular audits to ensure performance and compliance</li> <li>Strengthened oversight to enhance operational efficiency, safeguard critical systems and maintain stakeholder confidence</li> </ul>

## Non-compliance with laws and regulations

Risk context	The risk of failing to meet the ongoing legal and regulatory obligations set by the Botswana Accountancy Oversight Authority (BAOA), Anti-Money Laundering (AML) regulations and BSE requirements, which could result in penalties, reputational damage or operational restrictions.
Mitigating actions	<ul style="list-style-type: none"> <li>Continuously monitor relevant laws, regulations and industry standards</li> <li>Track updates from key regulatory bodies, including the BAOA, AML authorities and the BSE</li> <li>Embed compliance measures across operational processes with regular audits and reviews</li> <li>Provide staff training to reinforce regulatory awareness</li> <li>Implement reporting mechanisms to keep management and the Board informed and ensure timely corrective action</li> </ul>

## Climate change risk

Risk context	Climate change risk arises from the increasing frequency and severity of extreme weather events and natural disasters. These events can cause significant damage to physical assets, disrupt business operations and impact communities. Specific risks include destruction of property assets, business interruptions, loss of lives, heightened poverty and hardship, all of which can have ripple effects on operational continuity, financial performance and social responsibility objectives.
Mitigating actions	<ul style="list-style-type: none"> <li>Maintain adequate insurance coverage for extreme weather and natural disasters</li> <li>Develop and acquire assets designed to minimise damage</li> <li>Monitor weather warnings and developments for proactive response</li> <li>Identify and divest from assets that are more vulnerable to extreme weather</li> </ul>



Letlole La Rona Limited

## OUR GO-TO-AFRICA STRATEGY

Our “Go-to-Africa” strategy aims to optimise and diversify LLR’s portfolio, driving balance sheet growth and robust investor returns. Mid-term review of our Go -To Africa strategy reaffirmed our commitment to creating and preserving shareholder value hence the decision to pursue a Botswana excellence execution plan. This is on account of emerging investment opportunities in property development as well as elevated risks in ex. Botswana markets.

LLR will optimise existing assets through effective management and secure tenant relationships. We will maximise opportunities in Botswana by expanding via acquisitions and developments and leveraging key stakeholder partnerships. Our African growth strategy is guided by a clear investment policy, market entry criteria, thorough analysis, expert advice, market intelligence, local experience and rigorous due diligence of partners.

### Optimise

Existing LLR assets will be streamlined through:

- Effective asset management
- Leveraging relationships with existing tenants

### Maximise

The market opportunity in Botswana will be seized by:

- Expanding through acquisitions and developments
- Leveraging our valuable relationship with key stakeholders

### Africanise

LLR will execute a strategy for growth into Africa that is guided by:

- Our investment strategy
- Clear criteria for market entry
- An effective end-to-end investment analysis process
- Credible expert advice
- Market intelligence
- Leveraging in-country experience and networks on the continent
- Thorough due diligence of investment partners

## OUR STRATEGIC PILLARS

Our strategic intent is driven by key pillars that guide long-term growth and value creation. We streamline and expand the Botswana portfolio by acquiring high-performing assets and divesting non-core properties to optimise efficiency. We focus on balance sheet optimisation through capital efficiency, prudent gearing and financial flexibility.

We invest in quality African assets to diversify and unlock new growth opportunities. Strong partnerships and networks expand our reach, while operational excellence improves efficiency and service delivery. Lastly, we develop a talented team to drive performance, innovation and sustainable value.

### PERFORMANCE AGAINST OUR STRATEGIC PILLARS



#### To streamline and expand the Botswana portfolio

We aim to grow and optimise our local asset base by focusing on high-performing, strategically located properties.

- Acquired a 25% stake in JTMM (Rail Park Mall) for direct control and revenue diversification
- Optimised industrial portfolio with Plot 14455 warehouse redevelopment; secured 10-year lease with multinational tenant
- Kenya Orbit Africa Logistics investment underperformed, highlighting a need for ongoing portfolio review



#### To optimise our balance sheet

Our goal is to enhance capital efficiency, manage gearing prudently and ensure financial flexibility for sustainable growth.

- Total assets at P2.1 billion; net assets P1.2 billion; strong financial position
- Disposed of non-performing assets (Moedi House, Red Square) for P83.3 million to reinvest in yield-accretive projects
- Maintained liquidity ratio of 2.2, balancing cash flow for growth and debt servicing



#### To invest in quality African assets

We seek income-generating assets in selected African markets to diversify our portfolio and tap into new growth opportunities.

- Focus on acquiring high-quality, yield-accretive properties across Africa
- Strong Botswana portfolio performance supports distribution growth
- Prioritise rental collections and cost management



#### To build secure partnerships and networks

We leverage collaborative relationships with key stakeholders to enhance market access, resource-sharing and long-term value creation.

- Strengthened stakeholder relationships and conducted shareholder roadshow for potential capital raise
- Built market feedback and investor alignment



#### To achieve operational excellence

We ensure efficiency, agility and consistent performance across our operations by improving processes, systems and service delivery.

- Developed and approved key policies – compliance, ethics, investment, funding strategy, IT governance
- Enhanced cybersecurity via training and infrastructure upgrades
- Implemented Internal Audit Charter and working on ethics framework
- Focus on refining business processes, key performance indicators (KPIs) and IT strategy



#### To build a talented and competent team

We focus on attracting, developing and retaining top talent, cultivating a high-performance culture aligned with our strategic vision.

- Achieved 96% staff retention
- Invested in training on governance, risk, compliance, project management, ethics; P550 000
- Supported professional development (ACCA, REIB conferences)
- Promoted employee wellness through Wellness Week
- Developing talent management framework, succession planning and salary benchmarking

### OUR STRATEGIC PILLARS

# OUR GO-TO-AFRICA STRATEGY (Continued)

## DRIVING GROWTH THROUGH STRATEGIC EXECUTION

Our success is grounded in strong financial discipline, strategic foresight and a commitment to sustainable development. During the period under review, we strengthened our core by focusing on key value drivers such as robust financial performance, geographic diversification, efficient capital allocation, portfolio optimisation, sustainability and risk management.

Despite challenges, including the underperformance of our Kenyan investment, we achieved a 69% revenue increase to P173.2 million and maintained a 100% collection rate. Our portfolio value grew to P1.9 billion, with rental escalations aligned to market standards. We aim to resume 6% distribution growth next year, supported by prudent capital deployment focused on high-return projects. This disciplined approach positions us for sustained growth and value creation.

### Group revenue

 Up 16% to **P201.8 million**  
(2024: P173.22 million)

### Portfolio value

 Up 2% to **P1.90 billion**  
(2024: P1.90 billion)

**2%**  
vacancy rate

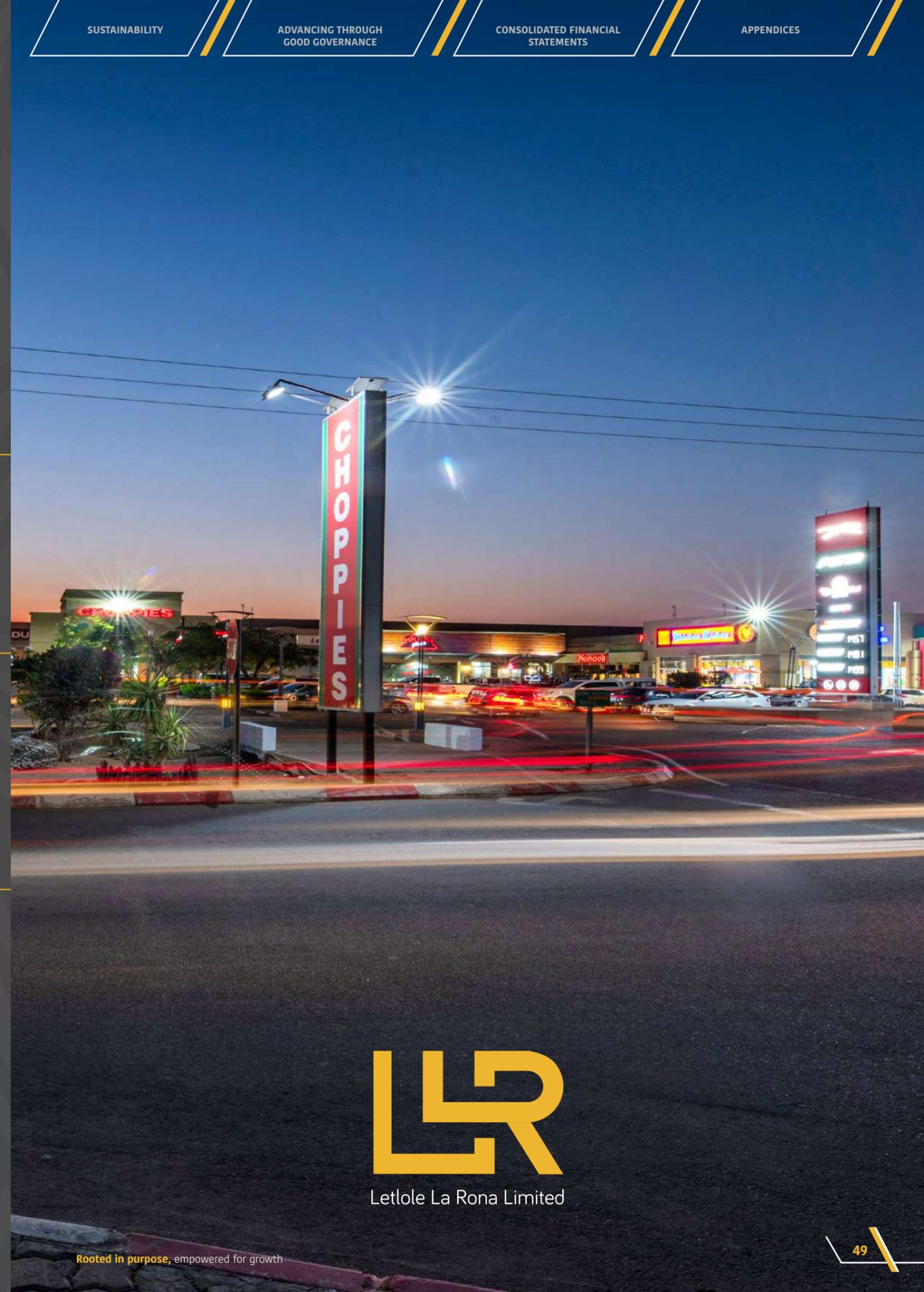
We exceed the industry average, highlighting strong tenant retention and high property demand with just a 2% vacancy.

**100%**  
collection rate

We demonstrate strong rent collection and robust cash flow with a 100% collection rate.

**207,126 m<sup>2</sup>**  
(Direct Botswana properties)

We manage one of Botswana's largest lettable portfolios, offering flexible leases to national and international tenants with just over 207,126 m<sup>2</sup> of GLA.



Letlole La Rona Limited

## STAKEHOLDER ENGAGEMENT

Our stakeholders are central to the success and sustainability of our Group. We prioritise regular engagement and transparent communication to strengthen relationships, enhance value and protect our reputation. By actively listening to stakeholders (including investors, tenants, employees, suppliers, regulators and the broader community), we gain insights that

inform strategic decisions, improve operational performance and anticipate emerging risks and opportunities. Feedback from stakeholders is systematically captured, analysed and integrated into our planning and decision-making processes, enabling us to respond effectively to their needs while creating long-term shared value.

## STAKEHOLDER ANALYSIS

We classify stakeholders according to their influence on and impact from our business activities. This allows us to tailor engagement strategies and use multiple communication channels (meetings, surveys, reporting and digital platforms) to interact effectively with each group. Understanding stakeholder concerns and expectations allow us to incorporate their input into our governance, risk management and operational decisions to ensure that our actions are aligned with their interests and support sustainable value creation.

### Investors, asset managers, stockbrokers and bankers

Our diverse mix of investors, funders and asset managers play a critical role in supporting our operations and long-term growth. Key stakeholders include prominent institutions such as the Botswana Development Corporation (BDC), the Botswana Public Officers Pension Fund (BPOPF) and the Debswana Pension Fund (DPF), among others. These partners provide essential financial backing, strategic guidance and industry expertise, allowing the Group to pursue our investment objectives, optimise our property portfolio and implement strategic initiatives. By maintaining strong relationships with these stakeholders, we can ensure stability, access to capital and alignment with best practices, while fostering trust and confidence in our governance, performance and growth potential.

Engagements	<ul style="list-style-type: none"> <li>Group announcements</li> <li>Exploratory roadshow</li> <li>IAR</li> <li>One-on-one engagements</li> </ul>
Needs and expectations	Our investors and lenders provide the capital that enable us to grow our operations and assets and create long-term value for stakeholders. We engage with them regularly to build confidence, maintain access to funding and address their priorities. We align our strategy with investor expectations, strengthen trust and support long-term stability and growth by focusing on sustainable returns, resilient growth, strong governance, robust risk management and transparent reporting.

## STAKEHOLDER ANALYSIS (Continued)

### Employees

We employ a team of 29 staff members who drive operations, strategy execution and growth. We prioritise employee development, engagement and well-being, recognising that a skilled and motivated workforce is key to operational excellence, innovation and organisational resilience.

Engagements	<ul style="list-style-type: none"> <li>Ongoing training, clear communication and inclusive practices support a productive environment aligned with long-term company objectives.</li> <li>Staff pursue professional development (including MBAs, chartered accountancy, governance, risk and compliance, project management, marketing and other courses).</li> <li>Annual team-building activities and Christmas celebrations.</li> <li>Staff health and wellness week to promote well-being.</li> </ul>
Needs and expectations	Employees are central to delivering value to tenants, shareholders and stakeholders and play a critical role in driving business growth and success. We are committed to providing fair remuneration, effective performance management and recognition, while fostering a positive, respectful and supportive work environment. We equip our people for career advancement and long-term success through ongoing training, skills development and talent management. Clear communication and a safe, healthy workplace further ensure that employees can perform effectively and contribute meaningfully to the company's objectives.

### Tenants

Engagements	<ul style="list-style-type: none"> <li>Tenant engagement breakfast</li> <li>Regular tenant visits</li> <li>Tenant engagement surveys</li> </ul>
Needs and expectations	We aim to be the preferred choice for tenants and recognise that our success in achieving our vision and strategic objectives depends on consistently delivering properties that meet their needs and expectations. We engage with tenants to understand their requirements and provide facilities that are well-suited to them to ensure ethical and fair treatment, well-maintained and fit-for-purpose properties, convenient rental options, friendly and efficient service, transparency and robust data and personal information security.

## STAKEHOLDER ANALYSIS (Continued)



### Regulators, Government and Authorities

Our regulatory universe	<ul style="list-style-type: none"> <li>• BSE</li> <li>• BAOA</li> <li>• Botswana Unified Revenue Service</li> <li>• King Report on Corporate Governance</li> <li>• CIPA</li> <li>• Other regulations governing conduct</li> </ul>
Engagements	<ul style="list-style-type: none"> <li>• Real Estate Conference Expo (RECE) – engagement with captains of industry, regulators, Government and authorities</li> <li>• Participating in various BSE activities</li> <li>• One-on-one meetings</li> </ul>
Needs and expectations	Regulators provide a framework that supports a robust and productive property and asset management sector while creating opportunities for collaboration to safeguard the interests of all participants in our property ecosystem. Engaging with Government and regulatory authorities builds confidence and trust, enhances brand reputation and facilitates smoother business operations. At LLR, we meet these expectations by complying with all legal and regulatory requirements, practising responsible business conduct, contributing positively to society and maintaining effective risk and cybercrime management.



### Suppliers, property brokers and other business partners

We believe that strategic commercial partnerships are key to delivering innovative tenant value propositions and an exceptional customer experience. Engaging with business partners helps us develop lasting relationships with vendors and service providers based on mutual trust, ensuring outcomes that are beneficial for all parties. We prioritise mutual profitability, a clear agreement on terms with strict adherence to those agreements and the consistent application of ethical principles and sound business practices.

Engagements	<ul style="list-style-type: none"> <li>• Key engagements with suppliers to help facilitate with the completion and development of LLR’s projects</li> <li>• Engagements at Real Estate Conferences Expo</li> <li>• Engagements at Africa Property Investment Summit</li> <li>• Engagements at South African Council of Shopping Centres Conference</li> </ul>
Needs and expectations	We believe that strategic commercial partnerships are essential for delivering innovative tenant value propositions and an outstanding customer experience. Engaging with business partners allows us to build lasting relationships with vendors and service providers based on mutual trust, ensuring outcomes that benefit both parties. These partnerships are guided by a commitment to mutual profitability, clear and well-defined agreements with adherence to terms and the consistent application of ethical principles and responsible business practices.

## STAKEHOLDER ANALYSIS (Continued)



### Communities

We actively participate in social and community development initiatives across multiple regions, including Otse, Mahalapye and the greater Gaborone area. These projects are designed to address local needs and contribute positively to the communities in which we operate. Through targeted programmes, the company supports education, infrastructure development, health and wellness initiatives and other social upliftment activities. By investing in these communities, we aim to enhance the quality of life, promote sustainable development and foster strong, mutually beneficial relationships with local residents and stakeholders, reinforcing our commitment to social responsibility and long-term community impact.

Engagements	Refer to the ESG review on page 56
Needs and expectations	We are committed to engaging with our communities to cultivate strong, positive relationships that foster trust and mutual benefit. Through ongoing involvement, we gain valuable insights into local needs and expectations, which allow us to contribute meaningfully and drive positive change. Our efforts focus on social investment and community upliftment, supporting initiatives that enhance well-being, promote development and create lasting value for the communities in which we operate.



# CHIEF FINANCIAL OFFICER'S REPORT



“ The Group delivered a strong financial and operational performance during the year under review, reflecting disciplined execution and a clear focus on sustainable value creation. This performance demonstrates management’s commitment to advancing the Group’s strategic growth ambitions and maintaining a sound capital position. ”

## Economic overview

Botswana’s economy remains under pressure from weak global demand, US trade tariffs and heavy reliance on diamond exports. GDP contracted by 0.3% year-on-year in Q1 2025, with growth expected to stay flat or negative. The diamond sector continues to face challenges from soft global demand, rising lab-grown competition and high inventories, prompting output cuts by Debswana. S&P Global downgraded Botswana’s credit rating to BBB with a negative outlook.

Fiscal pressures have deepened as diamond revenues cover only 70% of the 2025/26 budget, increasing borrowing needs and straining liquidity. While SACU receipts and exports briefly supported reserves at P48.5 billion, high Government borrowing and shrinking deposits have tightened credit conditions, driving up lending rates and arrears. Inflation edged up to 1.4% in August 2025 and is expected to rise further, temporarily breaching the central bank’s target range.

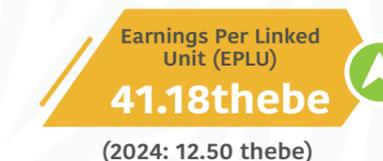


## Financial performance

The Group delivered a strong performance during the year, with revenue up 16% to P201.8 million (2024: P173.2 million), driven by higher rental income and the full-year consolidation of our subsidiary, JTTM Properties Proprietary Limited.

The Group’s profitability significantly improved, with profit before tax (from continuing operations), increasing by over 200% (P90.2 million) to close at P131.2 million (2024: P41.1 million). The 2024 profitability was significantly impacted by

a once-off, non-cash expected credit loss of P100 million on the shareholder loan to its associate in Kenya in line with IFRS 9 requirements.



## Financial management

Finance costs remained stable at P49.7 million, supported by lower interest rates and prudent debt management that preserved cash flow and strengthened the balance sheet.

Property expenses rose 19% due to flood-related repairs and higher maintenance costs to protect asset quality, while administrative costs increased following key staff appointments and organisational restructuring to enhance capacity. Additional investment was made to review the structural condition of our buildings to inform the 5-year maintenance plan. As a result, the Group’s cost to income ratio increased from 35% to 38% reflecting the Group’s focus on sustainability and strategic growth.

## Investment portfolio

The portfolio continued to deliver steady growth, driven by stable occupancy, predictable rental escalations and a strong pipeline of tenant renewals. Representing 100% of the Group’s investment value, these assets remain the primary contributors to profitability, supported by robust demand in the retail and industrial sectors.

Disciplined financial management and rigorous tenant vetting have built a diversified, high-quality tenant base, achieving an average occupancy of 98% and stable cash flows. Strong rental collection strategies have maintained 100% collection rates, ensuring reliable income and sustainable returns to shareholders.

By combining resilient assets, proactive tenant engagement and prudent financial oversight, the Group maintains operational strength, preserves flexibility for growth and reinforces confidence in its ability to sustain performance and deliver long-term shareholder value.

In line with our strategy to enhance shareholder value and sharpen our focus, the board has resolved to exit the Orbit Africa Logistics Limited (OAL) investment, thereby concentrating efforts on strengthening and growing the Botswana portfolio.

## Distribution

The total distribution for the 2024/2025 financial year amounts to P35,729,744, and represents a drop of 11.3% or P4,568,904 in year-on-year distribution.

However, the final distribution in respect of the six-month period ended 30 June 2025 represents a 22% increase when compared to the same six-month period in the prior year, reflecting the Group’s continued focus on retaining shareholder value and mitigating the impact of the underperforming foreign portfolio.

## Outlook and strategic priorities

The Group remains fundamentally strong, with steady revenue growth, stable occupancy and collection rates and an expanded investment base. While the outlook is tempered by diamond market uncertainty and fiscal pressures, LLR continues to monitor conditions closely and engage proactively with tenants. Our focus on multi-use, multi-tenanted properties enhances resilience across sectors.

The Board has approved a comprehensive funding strategy to support growth, diversify funding sources, optimise the capital structure and invest in high-quality, income-generating assets. The Group continues to pursue value-accrative opportunities to strengthen earnings and enhance shareholder returns. Through disciplined capital allocation and operational excellence, LLR is well-positioned for sustainable growth and long-term value creation.

**Rorisang Modikana**  
 Chief Financial Officer

# OUR COMMITMENT TO SUSTAINABILITY

At LLR, our purpose drives a strong commitment to sustainability – by embedding ESG factors into our strategy and daily operations to create lasting value for stakeholders.

Our Board provides ethical leadership and oversight of ESG risks and opportunities, while management implements and regularly reviews our ESG plan to ensure responsible business practices that benefit society and the environment. Guided by clear governance structures and dedicated senior leaders, we focus on reducing our environmental footprint, supporting communities and fostering social engagement. This integrated approach strengthens risk management, builds trust and ensures ESG remains central to our long-term success.

## United Nations Sustainable Development Goals

We align our business with the UN SDGs to support a sustainable future. We focus on 10 priority SDGs and integrate them into our strategy and operations to create positive impacts for clients, communities, employees and the environment. Through clear KPIs and responsible practices, we measure and advance our contribution to these global goals, ensuring our growth delivers meaningful social and environmental value.

## SUSTAINABLE DEVELOPMENT GOALS

<p><b>3 GOOD HEALTH AND WELL-BEING</b></p>  <p>We promote health and well-being through safe building designs, wellness initiatives and maintaining hygienic, accessible spaces for tenants and communities.</p>	<p><b>4 QUALITY EDUCATION</b></p>  <p>We support inclusive education via community investments, bursaries and partnerships, fostering lifelong learning especially for youth and under-represented groups.</p>
<p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>  <p>We integrate energy efficiency and renewable technologies in our properties to reduce carbon footprint and support Botswana's green transition.</p>	<p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>  <p>We drive economic growth and job creation through ethical labour practices, local procurement and sustainable property investments.</p>
<p><b>10 REDUCED INEQUALITIES</b></p>  <p>We promote social inclusion and equal opportunity by supporting SMMEs, gender diversity and uplifting marginalised communities.</p>	<p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p>  <p>We invest in safe, inclusive and resilient urban properties with a focus on sustainability, accessibility and efficient resource management.</p>

We drive a strong financial performance while creating lasting positive impacts for people, partners and the planet by embedding these SDGs into our strategy.



# ENVIRONMENTAL IMPACT

## Environmental stewardship

Environmental stewardship remains a core priority at LLR as we embed sustainability into all aspects of our operations in alignment with the UN SDGs. Our primary focus is on SDG 11: Sustainable Cities and Communities, where we actively work to minimise the environmental impact of urban developments. This includes targeted initiatives in waste reduction, energy efficiency, carbon emissions reduction, renewable energy adoption and water conservation. These efforts contribute to responsible urban development, promote sustainable infrastructure and enhance resource efficiency, ultimately improving the quality of life for communities while ensuring LLR's long-term competitiveness.

To strengthen our commitment, we are advancing our environmental governance framework through the development of a comprehensive Sustainability and Green Building Strategy. This strategy integrates environmental considerations into all decision-making processes, is supported by clear KPIs and defined accountability measures for monitoring and reporting environmental performance across our property portfolio. We also engage with tenants and stakeholders to create a culture of sustainability, encouraging practices that reduce waste, energy and water consumption. Through these combined efforts, LLR is committed to driving meaningful environmental stewardship that supports sustainable growth and value creation for all stakeholders.

## Environmental impact and performance

During the period, we launched initiatives to improve our environmental footprint, including a Green Building Culture Survey to gauge tenant sustainability practices. We also reinforced environmental awareness through regular stakeholder communication, aiming to boost waste recycling and reducing energy and water use across all properties.

Some key environmental highlights from these include:

Replaced bottled water with aluminium bottles and introduced jug-and-glass systems to cut plastic waste.

Implemented waste separation systems at multiple properties, boosting recycling rates and tenant participation.

Launched waste tracking and reporting at Rail Park Mall to reduce waste, increase recycling and improve waste management efficiency.

## Environmental challenges and opportunities

LLR continues to face challenges with communal waste separation due to limited common area bins and improper use of recycling bins by walk-in customers. Industrial staff collecting recyclables for personal sale has also distorted formal waste reporting although informal recycling does provide social benefits. But waste reduction and tenant education remain top priorities despite these issues.

At Rail Park Mall, a new waste tracking and reporting system has been introduced to reduce waste, increase recycling and improve management efficiency. While still in its early stages, this initiative is expected to expand across other properties and deliver significant environmental benefits.

Looking ahead, we will focus on:

**Green building strategy:** Developing and implementing sustainable building practices, including upgrading existing properties and pursuing green-certified developments.

**Waste and energy management:** Reducing waste, increasing recycling and cutting energy and water consumption portfolio-wide.

**Tenant engagement:** Continuing education and awareness programmes to encourage responsible consumption and sustainability practices among tenants.

## Addressing climate change

We are developing a Sustainability and Green Building Strategy to address climate risks and opportunities, positioning LLR for the low-carbon transition and enhancing operational resilience. While we have not set net-zero targets yet, we remain committed to improving environmental performance through innovative, globally aligned practices. We are also exploring environmental ISO certifications to strengthen governance, accountability and our reputation as a responsible corporate citizen.



# EMPLOYEE IMPACT

## Empowering our people

Our success is driven by the dedication, expertise and passion of our employees, who we consider our most valuable asset. We focus on attracting and retaining top talent by hiring individuals with the right skills and providing them with the proper tools, resources and opportunities to thrive.

Our culture is built on ethical conduct, teamwork and excellence to create an inspiring environment where employees are motivated to deliver sustained value. In support of SDG 5, we promote diversity and inclusion to ensure equal opportunities for all, which is complemented by competitive remuneration to keep our workforce engaged.

Aligned with SDG 8, we invest in training, development and mentorship to foster growth and expertise to enhance individual capabilities and the company's long-term success. Our holistic empowerment approach ensures that everyone can grow, contribute and thrive in line with their goals and our strategic objectives.

## CULTURE

Integrity and teamwork form the foundation of our culture. We uphold the highest ethical standards and do not tolerate unethical behaviour, addressing issues through a clear disciplinary code. Our open-door policy encourages employees to report concerns confidently, knowing that they will be taken seriously and that their issues will be handled appropriately.



## OUR EMPLOYEES

LLR currently employs **29 people** (F2024: 22 people) and its management functions are substantially insured.



# EMPLOYEE TURNOVER

We prioritise employee well-being by creating a fair, safe and engaging workplace. Competitive pay fosters commitment and low turnover, while we balance retaining experienced staff with welcoming new talent to drive innovation and growth.

**Our total employee turnover rate was 4% (FY2024: 0%), indicating an increase from the previous year.**



\* Staff turnover

# SUCCESSION PLANNING

Our succession strategy prepares for the future by aligning talent with our goals and focusing on developing emerging leaders to build a strong leadership pipeline. This ensures LLR's adaptability and business continuity while supporting career growth. This year, we filled 0 roles internally and hired 7 externally, strengthening our team for continued success.

# TRAINING AND DEVELOPMENT

LLR creates an engaging work environment and uses an Annual Employee Engagement Survey to measure satisfaction and awareness of initiatives like green building culture. Our talent mapping identifies and develops top and emerging talent.

Skills development is key to succession planning and success. We invest in continuous training and mentorship with 100% of employees trained this year based on performance reviews and skills assessments.

Training includes on-the-job mentorship, industry seminars and conferences and formal education - with funding support when relevant - to ensure ongoing growth and expertise.

# EMPLOYEE WELLNESS

We prioritise a safe, healthy and supportive workplace that empowers employees to perform at their best. Our wellness approach goes beyond compliance and focuses on physical safety, mental health and overall well-being. We prevent incidents, manage risks and handle compensation claims through robust, legislatively aligned safety procedures.

Employee wellness drives productivity and engagement. We encourage employees to

maintain balance and resilience through health campaigns, wellness days and support services.

As part of our broader well-being commitment, Rail Park Mall again hosted Young Epilepsy Botswana's Purple Walk to raise awareness and support for those affected by epilepsy. This initiative reflects our belief that wellness extends beyond the workplace to the wider community.

**By promoting care and inclusion, we build a resilient workforce that's ready to contribute to long-term success.**



# SOCIAL IMPACT

In our commitment to social impact, we have strengthened our focus on creating meaningful, lasting change in the communities we serve.

We ensure that our efforts are strategic and impactful by aligning our CSI initiatives with the SDGs. This allows us to address immediate social challenges while also supporting the long-term sustainable development of these communities.

Our CSI programmes are designed to promote shared prosperity by focusing on key areas such as education, health, skills development and economic empowerment. We partner with local organisations and stakeholders to implement initiatives that create

opportunities for vulnerable groups, foster social inclusion and improve the quality of life.

Through these targeted and collaborative efforts, we aim to build resilient communities that thrive alongside our business, reinforcing our vision that sustainable growth is achieved when the company and its communities prosper together.

## Otse RADS Hostel Sports Day

LLR, in partnership with the Mahalapye District Council, hosted a vibrant Sports Day at Otse RADS Hostel at the Setthomo Primary School on 26 July 2024. The event was designed to promote the holistic development of children by encouraging physical health, teamwork, self-confidence and social interaction.

Children and staff were grouped into three spirited teams – Team Lion (Red), Team Zebra (Blue) and Team Leopard (Orange) – who showcased their talent and energy across various sporting activities. These included 100m and 200m track races, relays, football matches and a thrilling tug-of-war. There was an atmosphere of excitement, cheerfulness and strong sense of community. Team Zebra emerged as overall champions and were the proud recipients of the winning trophy. The event celebrated athletic achievement and promoted inclusivity, camaraderie and the importance of sports as a tool for youth empowerment.



## Miss and Mr. RADP Fashion Show

LLR supported the glamorous Miss RADP and Mr RADP fashion show, which was hosted at the Mahalapye Community Hall, on 26 October 2024. The event brought together young people from across the district to showcase their confidence, talent and creativity through fashion.

As part of our commitment to community development and youth empowerment, the Group sponsored the DJ and sound system services valued at P15 000 to ensure that the event was lively, entertaining and professional. The fashion show provided contestants with a platform to build self-esteem while offering the audience an evening of cultural appreciation and celebration.



# SOCIAL IMPACT

## Otse RADS Hostel Christmas party and prize-giving ceremony

LLR joined the children and staff of Otse RADS Hostel for their highly anticipated annual Christmas party and prize-giving ceremony on 29 November 2024. The day was filled with laughter, music and a festive spirit as children received recognition for their achievements throughout the year.

Our involvement helped to create an atmosphere of joy and belonging, with students and caregivers celebrating together in a memorable event that highlighted the value of community, generosity and encouragement.



## Winter clothes donation (Otse RADS Hostel)



LLR conducted our annual Winter Clothes Donation at Otse RADS Hostel on 20 June 2025. This is an initiative to keep children warm and comfortable in the colder winter months. Items donated included tracksuits, sneakers, socks, beanies, vests, stockings and long johns, which ensured that every child received the proper clothing essentials for winter.

To show our gratitude for the dedication of caregivers who look after the children daily, the Group gifted them jackets and beanies. This was well-received and underscored the importance of supporting the children and those who devote themselves to caring for them.



LLR reaffirmed our commitment to uplifting vulnerable communities and promoting dignity and well-being through this initiative.



## Flood relief donation

Severe floods affected many communities across Botswana in February 2025, leaving families displaced and in urgent need of assistance. In response, LLR heeded the call from Business Botswana and contributed P150 000 to the Private Sector Disaster Response Fund. This support was made in line with our commitment to empowering and uplifting communities in which we operate, while also standing in solidarity with other private sector players to provide urgent relief in times of crisis. Our donation went towards emergency supplies, shelter and recovery efforts for affected families, ensuring that immediate needs were met while long-term rebuilding for the flood survivors could begin.

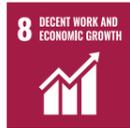


Letlole La Rona Limited

# ADVANCING THROUGH GOOD GOVERNANCE

Sound corporate governance is central to our commitment to long-term sustainability and value creation.

At LLR, this is anchored in ethical leadership, sound decision-making and a robust governance framework. Guided by King III principles, our Board provides oversight across ethics, risk, stakeholder engagement and capital allocation, ensuring that decisions align with our values and strategic objectives.



The Board goes beyond compliance by setting direction, enforcing accountability and safeguarding our reputation by building investor confidence and creating lasting value. Our governance framework balances risk with opportunity, fostering trust, transparency and resilience across all stakeholders while supporting our contribution to sustainable urban development.

Through strong internal controls, risk management and compliance practices, we enable informed decisions that protect value and capture growth opportunities. Aligned with SDG 11, our responsible real estate investments promote inclusive, resilient and sustainable communities, reinforcing LLR's position as a trusted leader in the sector.

## GROUP GOVERNANCE FRAMEWORK

**Chief Executive**

The unitary Board oversees ethics, performance, compliance and strategy. It comprises four independent non-executive and two Non-Executive Directors.

Supported by

**Exco**

Supported by

**Management Team**

**Delegation of authority**

**Board committees**

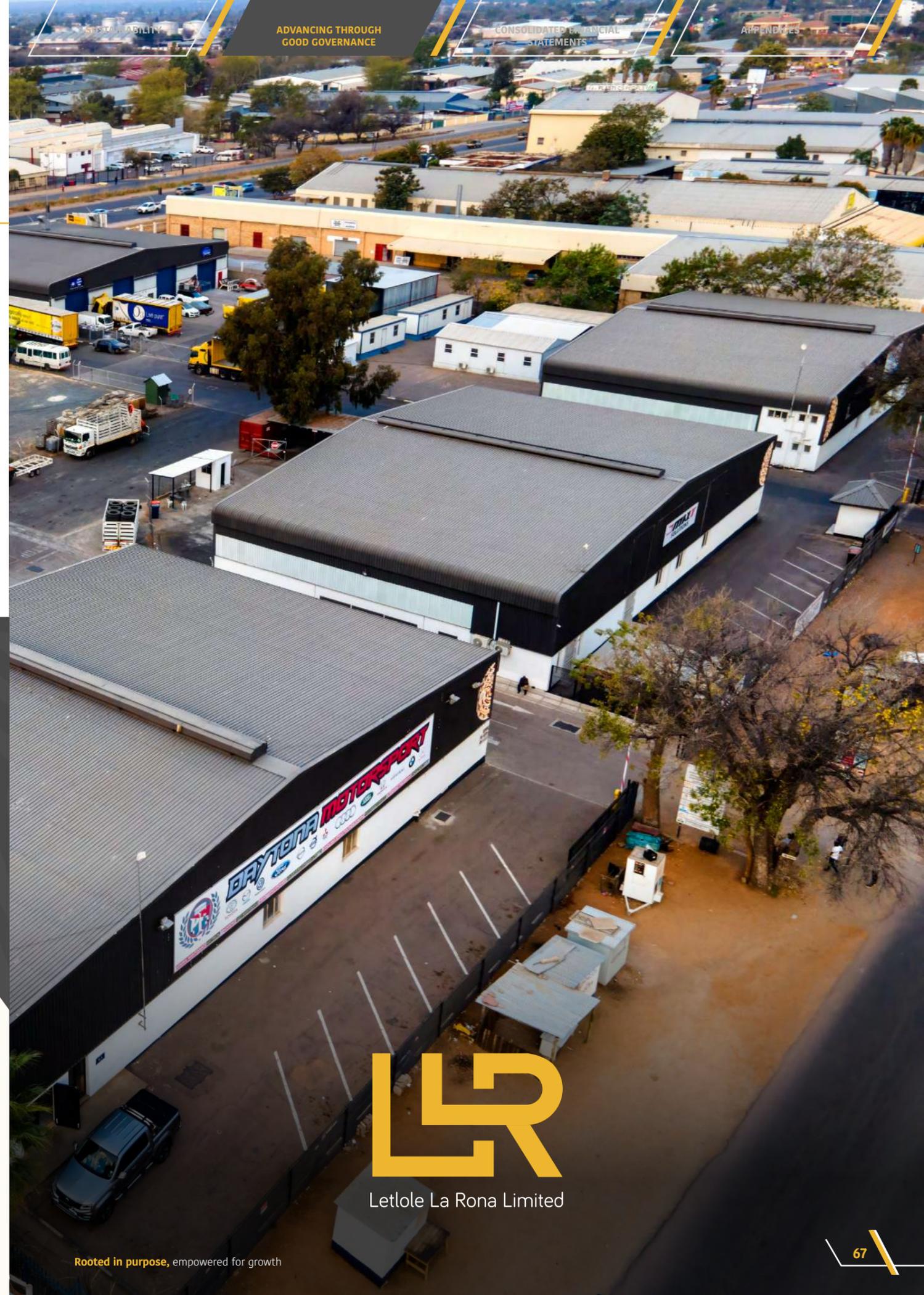
**Oversight, assurance and reporting**

Audit, Risk and Compliance Committee

Investment Committee

Nominations and Remunerations Committee

The Board is ultimately accountable to stakeholders for the Group's performance and ensures sustainable success through strategic oversight, governance and control. Guided by its charter and aligned with legal and regulatory requirements, the Board sets direction, approves key policies and monitors execution via quarterly reports and specialised committees. Board committees support our work, with the Board retaining final accountability.



Letlole La Rona Limited

# OUR BOARD OF DIRECTORS



- 1. Mr. Khuto Balosang**  
Independent Non-Executive Board Chairperson
- 2. Mr. Mooketsi Maphane**  
Independent Non-Executive Board Member  
Deputy Chairperson
- 3. Mr. Zola Lupondwana**  
Independent Non-Executive Board Member
- 4. Ms. Katso Gaobakwe**  
Non-Executive Board Member
- 5. Ms. Amantle Kerebotswe**  
Non-Executive Board Member
- 6. Mr. Boikanyo Kgosidintsi**  
Independent Non-Executive Board Member

The Board’s diverse skills and experience are key to driving our vision, delivering our mission and creating sustainable stakeholder value. Its unitary structure ensures balanced power and informed decision-making and is supported by expertise in finance, audit, risk management and property.

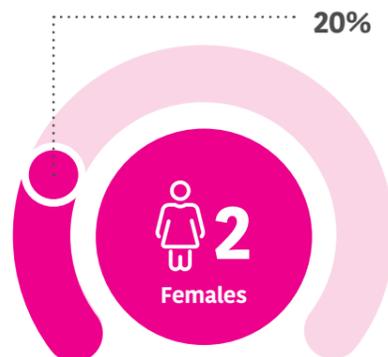
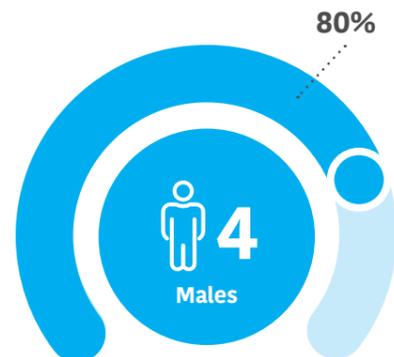
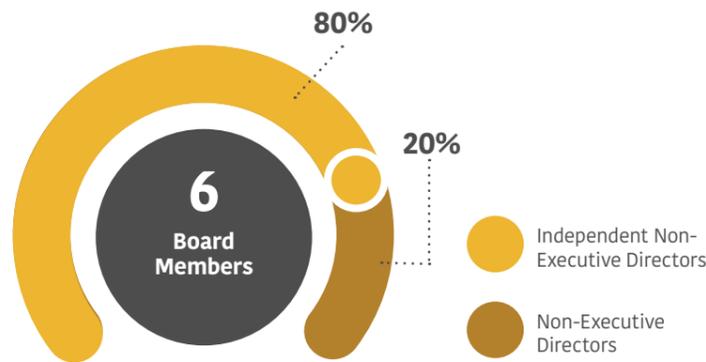
## OUR BOARD OF DIRECTORS

Beyond strategic oversight, the Board holds the Exco accountable for executing strategy and maintaining ethical leadership, with performance reviewed annually to ensure alignment with long-term growth and governance goals.



## BOARD COMPOSITION

Our Board comprises six members, with a majority being independent Non-Executive Directors. We remain committed to maintaining a diverse and experienced Board that prioritises independence to ensure a robust oversight of strategy, performance, risk management, resource allocation, key appointments and standards of conduct.



Average Tenure **1.8 Years**

Average Age **50.4 Years**

## Khuto Balosang

Independent Non-Executive Board Member Chairperson

### Qualifications

- Graduate of Management Information Systems
- Specialisation in Information Systems and Quantitative Analysis

Mr. Balosang holds a Bachelor of Science in Business Administration degree, specialising in Information Systems and Quantitative Analysis, from the University of Nebraska in Omaha in the US. He is a business technology management professional with core competencies in performance management, business intelligence, management consulting and IT management.

With over 25 years of experience primarily in IT management, he has consistently delivered business solutions that enhance organisational performance. Mr. Balosang began his career in the US in 1997 and concluded it in 2022, having worked across various industries before joining Debswana in 2023.

Prior to founding his management consulting firm, he held several positions at Debswana Diamond Company, culminating in his promotion to Group systems manager. In this role, he provided strategic leadership, overseeing the coordination and implementation of critical solutions across the Group. He served in this capacity from 2003 until his departure at the end of 2011, during which he leveraged his extensive management expertise to lead initiatives that strengthened the organisation's strategic and operational performance.

### Committee membership:

- Nominations and Remunerations Committee

Date of appointment: 14 December 2021  
As Chairman: 1 November 2022

## OUR BOARD OF DIRECTORS



### Mooketsi Maphane

Independent non-executive Board member  
Deputy Chairperson

**Qualifications**

- Master of Science in Industrial and Organisational Psychology
- Bachelor of Arts in Psychology (cum laude)

Mr. Maphane is the founder and director of MYHRSPACE (Pty) Ltd, a human resources consultancy and technology start-up. He brings over 24 years of executive-level expertise in industrial psychology, strategic human resource management and management consulting.

He holds a Bachelor of Arts in Psychology from Hawaii Pacific University in the US and a Master of Science in Industrial and Organisational Psychology from Springfield College in the US. He also completed a Management Development Programme at the University of Stellenbosch Business School and is a certified coach through the Results-Based Coaching Programme.

He also has a Certificate of Proficiency in Insurance (Life) and a Certificate in the

Practice of Long-Term Insurance from the Insurance Institute of South Africa, as well as a Financial Advisers International Qualification from the Chartered Insurance Institute in the UK.

Mr. Maphane is a member of the Institute of People Management, Coaches and Mentors of Southern Africa and the Society for Industrial and Organisational Psychology of South Africa.

**Committee membership:**

- Chairperson and member of Nominations and Remunerations Committee
- Member of the ARAC Committee

Date of appointment: 14 December 2021  
Deputy Chairman: 21 September 2023



### Katso Gaobakwe

Non-Executive Board Member

**Qualifications**

- Master of Management in Finance and Investments
- Management Development Programme
- Bachelor of Commerce in Accounting
- Certified Chartered Accountant (member of FCCA and BICA)

Ms. Gaobakwe is a meticulous and forward-thinking investment professional with extensive expertise in corporate finance, investment strategy and portfolio oversight. As Investment Principal at the BDC, she has consistently demonstrated strong capabilities in financial evaluation, analysis of financial statements, investment stewardship and financial modelling.

With her intimate knowledge of corporate governance and mergers and acquisitions, she also holds directorships across various entities in the BDC portfolio, highlighting her acumen in identifying lucrative investment opportunities and excelling in deal-sourcing and execution.

**Committee membership:**

- Investment Committee and Nominations and Remunerations Committee

Date of appointment: 29 June 2023

## OUR BOARD OF DIRECTORS



### Boikanyo Kgosidintsi

Independent non-executive Board member

**Qualifications**

- Bachelor of Laws (LLB)

Mr. Kgosidintsi is an entrepreneur, independent non-executive director and a former finance and banking executive. A lawyer by profession, he has extensive experience in the financial services sector, having participated in capital raising of over USD 2 billion for African sovereigns, blue-chip corporates and state-owned enterprises.

Before retiring from corporate roles, Mr. Kgosidintsi served as CEO of a life insurance company and Group Head of Investor Relations for a pan-African microfinance group. His core skills include leadership, strategic thinking and communication. He has chaired the Botswana Bond Market Association since 2023 and serves on the

investment committee of an independent private equity firm that invests in businesses operating in Botswana and across the region.

**Committee membership:**

- Chairperson and member of the Investment Committee
- Member of ARAC Committee

Date of appointment: 29 June 2023



### Zola Lupondwana

Independent Non-Executive Board Member

**Qualifications**

- Chartered Financial Analyst
- Chartered Accountant (South African Institute of Chartered Accountants)
- Chartered Accountant (Institute of Chartered Accountants in England and Wales)
- Bachelor of Commerce in Accounting

Mr. Lupondwana is a highly experienced professional in debt and equity investments and financial management, with over 20 years of expertise in investment analysis and portfolio management across listed and unlisted assets in South Africa. Specialising in wholesale property finance, he brings more than a decade of experience in managing transactions within the residential housing sector.

His career includes a notable tenure in asset management at Allan Gray Limited, a leading investment management firm, where he played a key role in establishing

the company's presence in Botswana. Mr. Lupondwana is a member of the South African Institute of Chartered Accountants, the Institute of Chartered Accountants in England and Wales and is a Chartered Financial Analyst charter holder.

**Committee membership:**

- Chairperson and member of ARAC Committee
- Member of the Investment Committee

Date of appointment: 29 June 2023

## OUR BOARD OF DIRECTORS



# Amantle Kerebotswe

Non-executive Board member

### Qualifications

- Master of Business Administration from Heriot-Watt University, UK
- Bachelor of Science in Information Systems Development (with a minor in Telecommunications Management) from Murdoch University, Western Australia
- Various professional certifications, including Strategic Business Management, PRINCE2 and PRINCE2 Agile Project Management, Prosci Change Management Methodology, eTOM Business Process, Framework ITIL (IT Service Management) and Company Directorship Training

Ms. Kerebotswe is a seasoned executive with her expertise spanning IT, project management, corporate strategy and business process management. She joined the BPOPF in 2016, following extensive experience in the telecommunications, IT, and consulting sectors. Her career spans over two decades and includes broad business exposure across a variety of strategic and technical assignments.

### Committee membership:

- Member Investment Committee and Nominations and Remunerations Committee

Date of appointment: 13 June 2025



Letlole La Rona Limited



# EXECUTIVE MANAGEMENT

## Kamogelo Mowaneng

CHIEF EXECUTIVE OFFICER

**Qualifications**

- Chartered Accountant, South African Institute of Chartered Accountants CA(SA)
- Fellow Certified Professional Accountant FCPA (BICA)
- Oxford Executive Leadership Programme
- Certificate in Property Development and Investment
- Post-graduate Diploma in Accounting
- Bachelor of Business Science with Finance Honours

**Skills and experience:**

Ms. Mowaneng joined LLR as CFO in 2019, served as acting CEO for 18 months and was formally appointed CEO in February 2022. She began her career at Deloitte in Johannesburg and Botswana, focusing on financial institutions, before moving into real estate as finance manager at RDC Properties. She holds several board directorships and is a member of IoDSA.

Joining date: February 2019

## Rorisang Modikana

CHIEF FINANCIAL OFFICER

**Qualifications**

- Fellow of ACCA and BICA Member
- BCom in Accounting
- Senior Executive Programme – Africa (SEPA) at Harvard Business School.

**Skills and experience:**

Ms. Modikana joined LLR from Hollard Insurance Botswana, where she served as chief financial officer. She brings over 20 years of financial leadership experience across the financial services sector, with a strong track record in financial strategy, risk management, regulatory compliance and corporate governance. She has held senior finance roles at leading institutions, including Hollard Insurance, Botswana Life Insurance Limited, First Capital Bank and Botswana Insurance Holdings Limited.

She is a Fellow of ACCA and BICA and holds a BCom in Accounting from the University of Botswana.

She also completed the Senior Executive Programme – Africa (SEPA) at Harvard Business School.

Ms. Modikana currently serves as chairperson of the Special Economic Zones Authority Board. Her previous board memberships include the Botswana Unified Revenue Service and various retirement funds.

Her depth of experience, strategic insight and commitment to financial excellence make her a valuable addition to our leadership team. We look forward to her contribution in driving sustainable growth and enhancing financial performance.

Joining date: May 2025

## EXECUTIVE MANAGEMENT

# Chandada Masendu-Kusane

**CHIEF PROPERTY OFFICER**

**Qualifications**

- Master of Science Degree in Real Estate
- Bachelor of Science Degree in Property Studies
- Project Management Professional (PMP)
- PRINCE2 Practitioner

**Skills and experience:**

Ms. Masendu-Kusane is an experienced real estate professional with expertise in property development, project management, asset management, property management, valuations and investments. She has held executive and non-executive roles in listed and unlisted companies in Botswana, including First National Bank, Stanbic Bank, Khumo Properties and RDC Properties. Before joining LLR, she was executive director at

Minnacle Properties and served on the boards of PrimeTime Holdings and Western Industrial Estate.

She has also served as president of the Real Estate Institute of Botswana, deputy sector Chair for Real Estate, Business Botswana, and chairperson of the Real Estate Sector for the National Development Plan 12 Planning Committee.

Joining date: June 2023

# Botheipa Obuseng

**HEAD OF LEGAL, COMPLIANCE AND COMPANY SECRETARY**

**Qualifications**

- Bachelor of Laws (LLB)
- Executive Development Programme - through Stellenbosch University

**Skills and experience:**

Ms. Obuseng is a qualified lawyer with 14 years' experience in legal advisory, compliance, corporate governance and corporate secretarial services across the insurance, financial services and listed entities sectors. She has held roles at Briscoe Attorneys, BIHL Group, and Absa Bank Botswana, and joined LLR in 2020. She is a member of IoDSA, the Compliance Institute South Africa and supports The Ethics Institute.

Ms. Obuseng is responsible for ensuring LLR's compliance with regulatory frameworks and the implementation of sound governance practices across the business.

Joining date: November 2020

# EXECUTIVE MANAGEMENT

## Lesego Keitsile

### HEAD OF INVESTMENTS

#### Qualifications

- Master of Science (MSc) Finance and Investment
- Oxford Executive Leadership Programme
- Certificate Enterprise Risk Management
- Management Development Programme (MDP)
- Bachelor of Arts (Honours) Finance and Accounting

#### Skills and experience:

Ms. Keitsile is an investment professional with 13 years' experience in investment analysis and portfolio management. She has held roles including head of investments at the Motor Vehicle Accident Fund, fixed income analyst at Capital Management Botswana, and transaction adviser at Grant Thornton Botswana. She also serves as an independent trustee on the Pula Med Board of Trustees.

Joining date: May 2023



Letlole La Rona Limited



# THE LLR TEAM



- 9 Thapelo Samodimo  
Centre Manager-Watershed Mall
- 10 Rorisang Macheng  
Centre Manager-Rail Park Mall
- 11 Kabona Aron-Botshelo  
Financial Accountant
- 12 Letlhogonolo Madigele  
Accountant
- 13 Senwelo Botlholo  
Leasing Specialist
- 14 Bantle Sentsho  
Leasing Specialist
- 15 Otsetswe Mongudi  
Facilities Specialist
- 16 Nametso Tshwaane  
Facilities Specialist
- 17 Clement Maplanka  
Facilities Specialist
- 18 Thamaga Lebogang  
Facilities Officer
- 19 Oanthata Kwele  
General Office Administrator
- 20 Johannes Ralegoreng  
IT Specialist
- 21 Keletso Sebogodi  
Marketing Officer

- 1 Kamogelo Mowaneng  
Chief Executive Officer
- 2 Rorisang Modikana  
Chief Financial Officer
- 3 Chandada Masendu-Kusane  
Chief Property Officer
- 4 Bothepa Obuseng  
Head of Legal, Compliance and Company Secretary
- 5 Lesego Keitsile  
Head of Investments
- 6 Barulaganye Paakane  
Property Manager
- 7 Malebogo Montshiwa  
Finance and Administration Manager
- 8 Dinah Jonah  
Risk and Compliance Manager
- 22 Concilia Kotewa  
Collections Officer
- 23 Morekolodi Motsumi  
Finance Intern
- 24 Sharon Moinami  
Property Intern
- 25 Kamogelo Nakedi  
Rail Park Mall Administrator
- 26 Letla Kgasa  
Financial Accountant
- 27 Motheo Bolele  
Executive Assistant
- 28 Duduetsang Moilwa  
People Culture and Business Partner

## BOARD FOCUS AREAS

### BOARD FOCUS AREAS AND PERFORMANCE HIGHLIGHTS

During the reporting period, the Board focused on enhancing governance, risk management and operational oversight to support LLR's growth and alignment with the UN SDGs.

#### STRENGTHENED BOARD GOVERNANCE AND STRATEGIC DIRECTION

The Board advanced several initiatives to improve efficiency and accountability, including:

- Approval of key governance policies: Compliance Policy and Procedures Manual, Ethics Policy and Internal Audit Charter.
- Closure of BAOA findings.
- Completion of the company scorecard and ongoing corporate strategy reviews.
- Implementation of an IT Governance Framework to strengthen digital infrastructure.

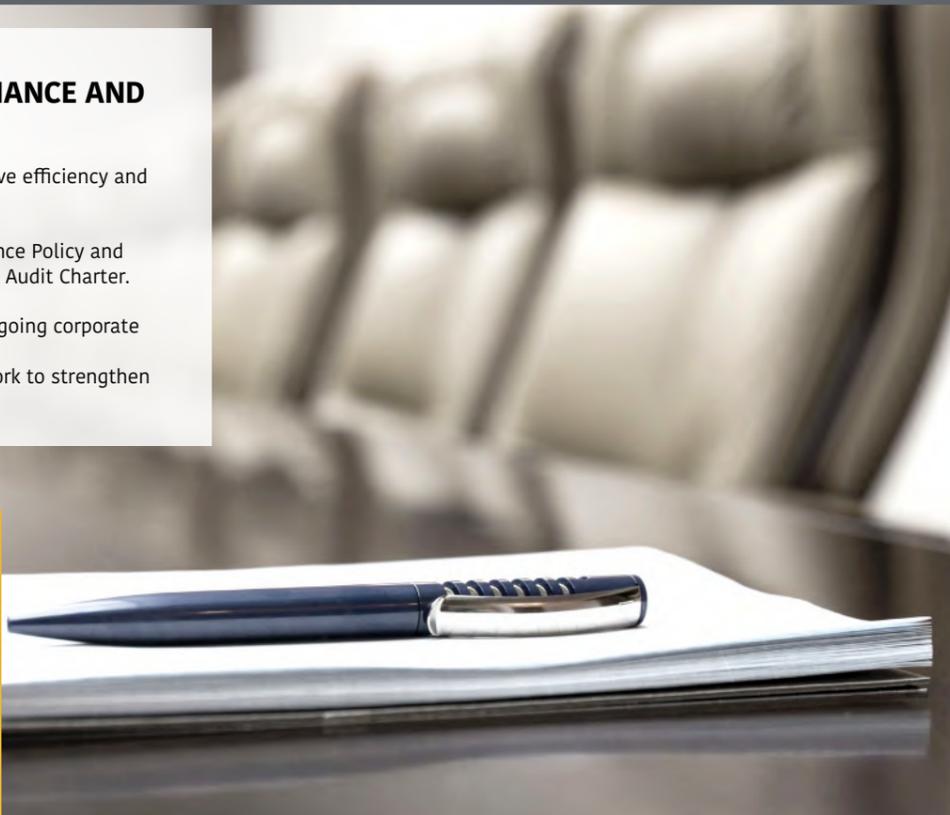
#### BOARD COMPOSITION AND EFFECTIVENESS

An externally facilitated assessment with IoDSA highlighted:

- Opportunities to strengthen Board culture.
- Recommendations to improve stakeholder mapping and engagement. The Board is actively addressing these recommendations to continuously improve governance.
- The need to enhance gender diversity.

#### PERFORMANCE OF THE COMPANY SECRETARY ASSESSMENT BY THE BOARD

In Its Board effectiveness assessment, the Board expressed satisfaction with the performance of the Company Secretary and notes that the role continues to be executed with professionalism, diligence, and a firm commitment to sound governance practices. Overall, the Board recognised the Company Secretary's meaningful contribution to enhancing governance effectiveness across the organisation.



#### LOOKING AHEAD TO FY2026

##### Key priorities include:

- Aligning strategy and investment approaches with strategic objectives.
- Capital-raising initiatives.
- Exploring in-house property development for sale or lease.
- Identifying alternative investment opportunities amid increased competition from local pension fund capital.

##### Additional focus areas:

- Developing a comprehensive ESG strategy, including KPIs, governance structures, clear targets, integration into business processes and enhanced reporting and transparency.
- Implementing FY2024 policies and frameworks.
- Strengthening oversight in financial management, risk, governance and compliance, stakeholder engagement and succession planning.

## BOARD FOCUS COMMITTEES

These are the committees established by the Board to assist in the discharge of its duties and the overall governance of the organisation.

### ARAC

#### Audit, Risk and Compliance Committee

#### Mandate

The ARAC plays a vital role in supporting the Board in upholding high standards of corporate governance and ensuring robust operational oversight across the company. Its responsibilities extend beyond compliance, providing strategic guidance to safeguard the company's integrity, financial stability and reputation.

#### The committees' objectives are to:

- Ensure the company meets its obligations under the Botswana Companies Act and other applicable legal and regulatory requirements.
- Oversee the accuracy, completeness and transparency of the company's integrated reporting, assessing the independence, qualifications and performance of internal and external auditors and reviewing the effectiveness of internal control systems.
- Monitor the company's risk management frameworks to ensure they are comprehensive and effective, while evaluating mitigation strategies and ensuring adherence to legal and regulatory standards.

#### Audit Risk and Compliance Committee assessment of the Chief Financial Officer

The Audit, Risk and Compliance Committee confirms its satisfaction with the performance of the finance function, acknowledging the depth of expertise demonstrated and the effective execution of responsibilities throughout the year.

#### Key focus areas for FY2025

- Capital Raise for the company
- Development and implementation of Enterprise-Wide Risk Management Framework
- Implementation of the IT strategy
- Monitor the ongoing implementation of IT Governance Framework

#### Key highlights and achievements

- Appointed Internal Auditors
- Approved and recommended the Procurement Policy for approval to the Board
- Approved the Funding Strategy
- Implementing the IT Governance Framework
- Transaction reviews for non-performing assets is ongoing.

#### Members as of 30 June 2025

- Chairperson: Zola Lupondwana
- Mooketsi Maphane
- Boikanyo Kgosidintsi

#### Focus areas for FY2026

- Approval of financial manuals/policies
- Development and implementation of Enterprise-Wide Risk Management Framework
- Implementation of the IT strategy
- Monitor the ongoing implementation of IT Governance Framework
- Monitor the refinancing of existing debt and associated risks.

## BOARD FOCUS COMMITTEES

### NRC

#### Nominations and Remunerations Committee

#### Mandate

The NRC plays a key role in supporting the Board by overseeing human capital management, remuneration practices and Board composition.

#### The committees' objectives are to:

- Continuously assess the skills and expertise required on the Board and guide the nomination of Directors to ensure a balanced and effective Board composition.
- Review and provide strategic guidance on human resource policies, compensation structures and talent management to attract, retain and motivate high-performing individuals.

#### Members as of 30 June 2025

- Chairperson: Mooketsi Maphane
- Khuto Balosang
- Katso Gaobakwe
- Amantle Kerebotswe

#### Key focus areas for FY2025

- Approval of Long-Term Incentive Plan
- Development and implementation of Succession Planning Policy
- Updating of Remunerations Policy

#### Key highlights and achievements

The policy on the appointment of independent Non-Executive Directors was approved during the current year to ensure that the appointment process is fair and transparent.

#### Focus areas for FY2026

- Monitor culture-related KPIs and embed values into performance frameworks
- People and Talent Development
- Update Human Resources Policies and Governance
- Workforce Planning and Organisation Design

## BOARD FOCUS COMMITTEES

These are the committees established by the Board to assist in the discharge of its duties and the overall governance of the organisation.

### IC

#### Investment Committee

#### Mandate

The Investment Committee supports the Board in ensuring disciplined, strategic and value-driven investment decision-making across the company.

#### The committees' objectives are to:

- Review and approve investment opportunities: The committee considers potential real estate investments such as acquisitions and disposals, and approving capital expenditures
- Advise on capital allocation: The committee supports the board in decisions regarding how to allocate the organization's capital

#### Members as of 30 June 2025

- Chairperson: Boikanyo Kgosidintsi
- Zola Lupondwana
- Katso Gaobakwe
- Amantle Kerebotswe

#### Focus areas for FY2026

- Continuous implementation of the IPS
- Capital-raising for the company
- Conversion of existing pipeline
- Strengthening the Investment Team.

#### Key focus areas for FY2025

- Implement the Investment Policy Statement (IPS)
- Convert existing pipeline
- Strengthen the investment team

#### Key highlights and achievements

- Approved exit of non-performing assets both domestically and in Rest of Africa

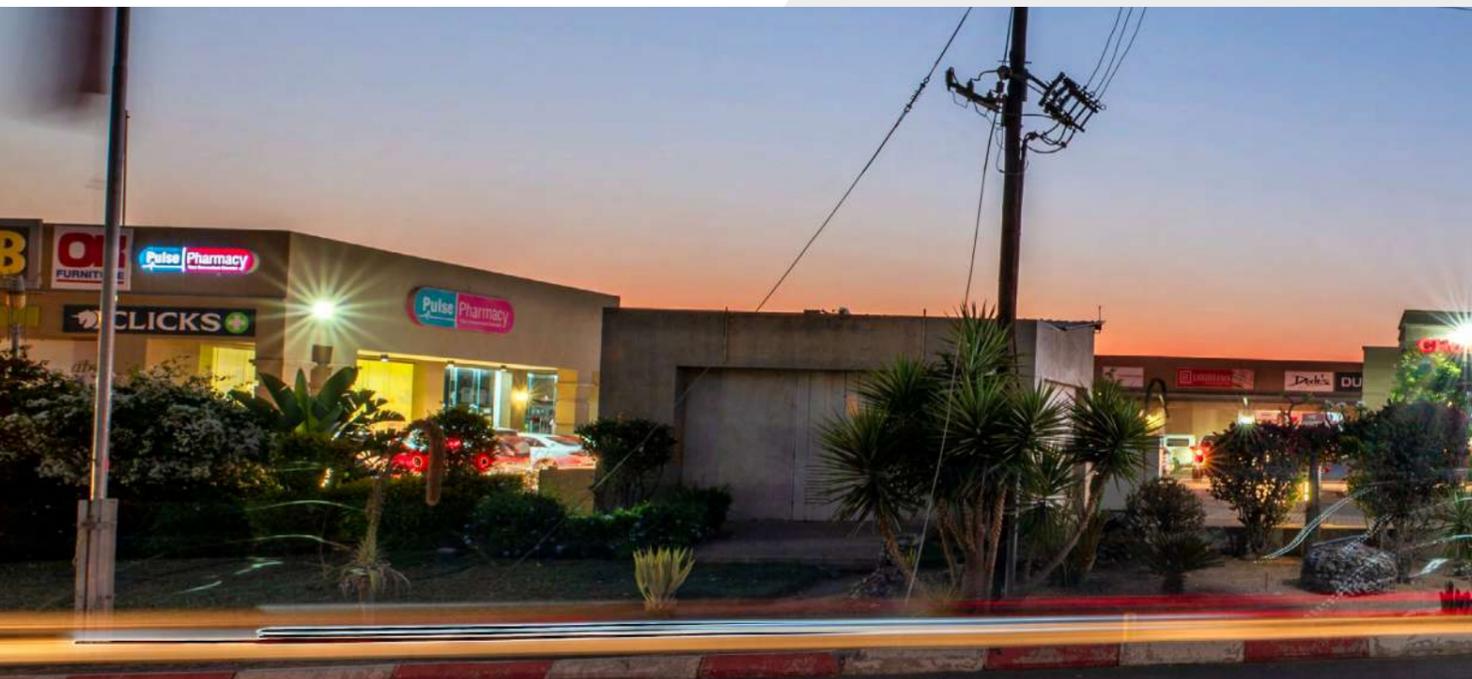
## BOARD AND COMMITTEE MEETINGS ATTENDANCE

In line with the Board Charter and Constitution, the Board and its committees meet at least four times a year to review strategy, investments, financial statements, and internal controls, with additional meetings held as required. Directors and committee members receive timely information to effectively discharge their duties and have unrestricted access to company records.

The Chairman of the ARAC Committee attends the AGM to respond to shareholder queries.

	Committee membership	Board meetings		Committee meetings		Other engagements	
		Eligible to attend	Meeting attendance	Eligible to attend	Meeting attendance		
Khuto Balosang	Independent non-executive director	NRC	7/7	7/7	4/4	4/4	2
Mooketsi Maphane	Independent non-executive director	NRC and ARAC	7/7	7/7	9/9	9/9	1
Katso Gaobakwe	Non-executive director	IC and NRC	7/7	7/7	10/10	9/10	1
Boikanyo Kgosidintsi	Independent non-executive director	IC and ARAC	7/7	7/7	11/11	11/11	1
Zola Lupondwana	Independent non-executive director	ARAC and IC	7/7	7/7	11/11	11/11	1
*Amantle Kerebotswe*	Non-executive director	IC and NRC	1/7	1/7	0/0	0/0	1

\* Appointment to be ratified at the AGM in December 2025.



## REMUNERATIONS

### Board compensation

Non-Executive Directors, including independent directors, are remunerated in line with the Board-approved Compensation Policy. Their remuneration comprises fixed retainer fees and additional sitting fees for attending quarterly Board and committee meetings. This structure ensures that directors are fairly compensated for their time, expertise and responsibilities in overseeing the company's strategic direction, governance and operational performance.

In accordance with the approved Board Compensation Policy, the fixed retainer fee

component of directors' Remunerations is intended to comprehensively cover all Board-related engagements outside of the scheduled quarterly meetings. This includes participation in shareholder engagements, strategy sessions, site visits, and any additional or special meetings convened from time to time. Accordingly, no separate sitting fees are payable for such engagements, as these activities are considered to fall within the scope of the directors' overall responsibilities and are duly compensated through the annual retainer.

All remuneration for directors is subject to approval by shareholders, ensuring transparency, accountability and alignment with corporate governance best practices.

This approach supports the recruitment and retention of qualified and experienced directors, enabling the Board to effectively discharge its fiduciary duties and provide robust oversight of the company's operations and long-term strategy.

		Total fees paid 2025	Total fees paid 2024
Khuto Balosang	Independent non-executive director	360,200.00	360,200.00
Mooketsi Maphane	Independent non-executive director	382,000.00	382,000.00
Katso Gaobakwe	Non-executive director	335,000.00	362,000.00
Boikanyo Kgosidintsi	Independent non-executive director	382,000.00	368,500.00
Zola Lupondwana	Independent non-executive director	399,550.00	368,500.00
Amantle Kerebotswe*	Non-executive director	13,500.00	0.00
		1,872,250.00	1,841,200.00

\* Appointment to be ratified at the AGM in December 2025.

Members of Key Management	FY2025	FY2024
Employee Number	6*	5
Annual Total Gross Package (Guaranteed Package)	8,403,849.14	8,033,764.80
STI	3,299,997.78	1,084,771.00
Total	11,703,846.92	9,118,535.80

\*Includes one Exco Member who resigned on 31 March 2025 and new member who joined in May 2025

# Consolidated Financial Statements

for the year ended 30 June 2025

The reports and statements set out below comprise the consolidated financial statements presented to the shareholder



<b>93</b>	Directors' Responsibilities and Approval
<b>95</b>	Directors' Report
<b>97</b>	Independent Auditor's Report
<b>102</b>	Statement of Profit or Loss and Other Comprehensive Income
<b>103</b>	Statement of Financial Position
<b>104</b>	Statement of Changes in Equity
<b>106</b>	Statement of Cash Flows
<b>107</b>	Material Accounting Policies
<b>118</b>	Notes to the Consolidated Financial Statements
	The following supplementary information does not form part of the consolidated financial statements and is unaudited:
<b>165</b>	Detailed Income Statement



Letlole La Rona Limited

## General Information

Country of incorporation and domicile	Botswana
Nature of business and principal activities	The company is a Variable Rate Loan Stock company engaged in property investment and deriving revenue primarily from property rentals.
Directors	Khuto Balosang Mooketsi Maphane Katso Gaobakwe Boikanyo Kgosidintsi Zola Lupondwana Amantle Kerebotswe
Registered office	Letlole La Rona Limited Unit 2B, 1st Floor Peelo Place, Plot 54366, CBD P O Box 700ABG Gaborone, Botswana
Business address	Unit 2B, 1st Floor Peelo Place, Plot 54366, CBD P O Box 700ABG Gaborone, Botswana
Bankers	Access Bank Botswana Limited Bank Gaborone Limited First National Bank Botswana Limited Stanbic Bank Botswana Limited
Auditors	Grant Thornton Firm of Chartered Accountants Member firm of Grant Thornton International Limited
Secretary	Bothepa Obuseng
Company registration number	BW00001394482
Functional currency	Botswana Pula "BWP"
Central depository	Central Securities Depository Company Botswana 4th Floor, Fairscape Precinct Plot 70667, Fairgrounds Gaborone, Botswana
Date of incorporation	08 July 2010
Debenture Trust Trustees	Desert Secretarial Services (Proprietary) Limited

## Directors' Responsibilities and Approval

The Directors are required in terms of the Companies Act (CAP 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards. The external auditors are engaged to express an independent opinion on the consolidated financial statements.

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the management to meet these responsibilities, the Directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

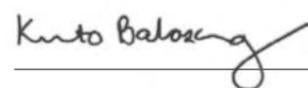
The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Group's cash flow forecast for the year to 30 June 2025 and, in light of this review and the current financial position, they are satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group's consolidated financial statements. The consolidated financial statements have been examined by the Group's external auditors and their report is presented on pages 97 to 101.

The consolidated financial statements set out on pages 102 to 164, which have been prepared on the going concern basis, were approved by the Board of Directors on 25 September 2025 and were signed on their behalf by:

Approval of financial statements



Director



Director

## Directors' Report

The Directors have pleasure in submitting their report on the consolidated financial statements of Letlole La Rona Limited and the Group for the year ended 30 June 2025.

### 1. Stated Capital and Debentures

The Stated Capital of the Group consists of 280 000 000 linked units, each comprising one ordinary share and one variable debenture which are indivisibly linked. Each linked unit comprises an ordinary share issued at P0.01 and one variable rate unsecured debenture issued at P1.49. The yield on the unit comprises a dividend on the share component and interest on the debenture component of the linked unit.

### 2. Financial statements

The operating results for the year ended 30 June 2025 and state of affairs of the Group are fully set out in the attached annual financial statements. In line with IFRS Accounting Standards, the Group will be presenting its Group financial statements which comprise of the company and Group related results.

### 3. Linked Units Distribution Policy

Distribution to linked unit holders is primarily in the form of debenture interest. The Group has adopted the policy of distributing profits to linked unit holders by means of debenture interest payments with a nominal amount being dividends. The Directors intend to ensure that rolling over any period of three consecutive financial years the Group will distribute at least 80% of available cash after prudent retention and provision for foreseeable capital expenditure and cash flow requirements as per the Trust Deed of the Group.

The following distributions were paid/declared during the year:

30 June 2025	Debenture interest (thebe)	Dividend (thebe)	Total (thebe)
Interim-paid	6.26	0.05	6.31
Final declared	6.40	0.05	6.45
	<b>12.66</b>	<b>0.10</b>	<b>12.76</b>
30 June 2024	Debenture interest (thebe)	Dividend (thebe)	Total (thebe)
Interim-paid	9.06	0.05	9.11
Final declared	5.24	0.05	5.29
	<b>14.30</b>	<b>0.10</b>	<b>14.40</b>

# Directors' Report

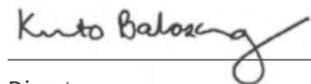
## 4. Directors

The Directors in office at the date of this report are as follows:

Khuto Balosang  
 Mooketsi Maphane  
 Katso Gaobakwe  
 Boikanyo Kgosidintsi  
 Zola Lupondwana  
 Amantle Kerebotswe

## 5. Interests of Directors and Secretary

None of The Directors and Secretary who held office at 30 June 2025 had any interest in the Group.



Director



Director



### Chartered Accountants

**Grant Thornton**  
 Acumen Park, Plot 50370  
 Fairgrounds, Gaborone  
 P O Box 1157  
 Gaborone, Botswana

T +267 395 2313

[linkedin.com/company/Grant-Thornton-Botswana](https://www.linkedin.com/company/Grant-Thornton-Botswana)  
[facebook.com/GrantThorntonBotswana](https://www.facebook.com/GrantThorntonBotswana)

## Independent Auditor's Report

To the unit holders of Letlole La Rona Limited

### Opinion

We have audited the consolidated and separate annual financial statements of Letlole La Rona Limited set out on pages 11 to 72, which comprise the consolidated and separate statement of financial position as at 30 June 2025, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the annual financial statements, including material accounting policy information.

In our opinion, the consolidated and separate annual financial statements give a true and fair view of, the consolidated and separate financial position of Letlole La Rona Limited as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the annual financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinions on those key audit matters.



Botswana Accountancy Oversight Authority registration number: FAP 005 2025 (Audit Firm of Public Interest Entity)  
 Botswana Institute of Chartered Accountants membership number: MeFBW11013 (Non-Audit)

**Partners**  
 Kalyanaraman Vijay (Managing), Aswin Vaidyanathan\*, Madhavan Venkatachary\*, Anthony Quashie, Sunny K Mulakulam\*,  
 Aparna Vijay\* (\*Indian)

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Key audit matter	How the matter was addressed in our audit
<p><b>Valuation of the investment property</b></p> <p>The Group owns a portfolio of retail, residential and commercial property valued P1.808 billion (Company: P1.039 billion), disclosed under note 17 of the consolidated and separate annual financial statements.</p> <p>The valuation of these property portfolios requires significant judgement and is underpinned by assumptions including estimated future rentals and yields. The values of these properties are determined using valuation experts in the field of real estate valuations.</p> <p>For the purpose of our audit, we identified the valuation of investment property as a key audit matter due to the significance of the balance to the consolidated and separate financial statements as a whole and the estimates and judgements associated with determining the fair value. Disclosures on the investment properties are under note 17 of the consolidated and separate annual financial statements.</p>	<p>We met with the management experts to discuss and understand the method of valuation, estimates and criteria used in arriving at the values.</p> <p>We evaluated the appropriateness of the valuation methods used, by comparison to valuation methods used by other similar companies with property portfolio. We found the models (discounted cashflow and net income model) to be appropriate and the capitalisation rates were comparable to market rates and those used in the prior year.</p> <p>We tested a selection of data inputs underpinning the investment property valuation, including rental income, tenancy schedules and capitalisation rates, against appropriate supporting documentation, to assess the accuracy, reliability and completeness thereof.</p> <p>As per Group instructions provided, the component auditors assessed the integrity of the information provided to the valuers and management experts and through audit procedures evaluated the assumptions used in the valuations. We also performed an independent assessment of property values using discounted cash flows, net income, comparable market values and determination of cap rates for few properties and compared it against what was determined by the management experts. The values arrived at by the management experts were deemed reasonable as it was with the range of acceptable variations.</p> <p>We assessed the competence, independence and integrity of the management experts both, external and internal who were involved in the valuations.</p> <p>Wherever applicable, the audit engagement teams discussed and reviewed the terms of engagement with external valuers to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approaches they used are consistent with IFRS and industry norms.</p>

	<p>We have assessed the reasonability of net income used in the valuation model by reviewing of the budgets for the succeeding 12 months budgets and testing the reasonableness of assumptions made to consider. From our independent audit, the property values recorded appear to be reasonable and supported by appropriate judgements and estimates.</p>
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**Other Information**

The directors are responsible for the other information. The other information comprises the directors' responsibility and approval of the annual financial statements, as required by the Companies Act (CAP 42:01), which we obtained prior to the date of this auditor's report and the Integrated Annual Report which is expected to be made available to us after the date of this report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors for the Consolidated and Separate Annual Financial Statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate annual financial Statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Grant Thornton

### Auditor's responsibilities for the audit of the Consolidated and Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and /or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the subsidiaries or business activities within the Group to express an opinion on the consolidated and separate annual financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated and separate annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Firm of Certified Auditors

Practicing member: Madhavan Venkatachary (CAP 0017 2025)

25 SEPT 2025

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## Statement of Profit or Loss and Other Comprehensive Income

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
<b>Continuing operations</b>					
Revenue	3	201 757 412	173 184 059	113 395 687	110 081 354
Other income	4	1 521 452	3 457 574	5 164 568	4 860 917
Other operating gains (losses)	6	(19 992)	887 953	(19 992)	887 953
Movement in credit loss allowances	7	(7 482 345)	(100 062 211)	(5 605 517)	(101 119 789)
Administrative expenses	7	(47 806 247)	(38 172 571)	(45 230 876)	(34 676 140)
Property related expenses	7	(29 209 720)	(24 456 957)	(11 185 443)	(8 667 373)
Investment income	5	-	3 452 890	27 935 556	12 413 770
<b>Operating profit (loss)</b>	7	<b>118 760 560</b>	<b>18 290 737</b>	<b>84 453 983</b>	<b>(16 219 308)</b>
Finance income	8	6 540 332	8 518 873	5 612 587	8 051 166
Finance costs	9	(49 695 087)	(50 263 069)	(39 289 799)	(40 588 309)
Share of profit from equity accounted investments	10	5 803 422	9 248 353	5 803 422	9 248 353
Fair value adjustment of investment properties	11	49 840 577	54 781 753	28 271 694	44 367 475
Gain on disposal of investment in associate	12	-	6 047 948	-	6 047 948
Impairment of investment in associate	13	-	(5 535 335)	-	(5 535 335)
<b>Profit before taxation</b>		<b>131 249 804</b>	<b>41 089 260</b>	<b>84 851 887</b>	<b>5 371 990</b>
Taxation	14	(24 214 216)	(19 655 030)	(20 641 624)	(17 942 800)
<b>Profit (loss) from continuing operations Discontinued operations</b>		<b>107 035 588</b>	<b>21 434 230</b>	<b>64 210 263</b>	<b>(12 570 810)</b>
Profit from discontinued operations	28	484 001	4 752 048	484 001	4 752 048
<b>Profit (loss) for the year</b>		<b>107 519 589</b>	<b>26 186 278</b>	<b>64 694 264</b>	<b>(7 818 762)</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income (loss) for the year</b>		<b>107 519 589</b>	<b>26 186 278</b>	<b>64 694 264</b>	<b>(7 818 762)</b>
<b>Profit (loss) attributable to:</b>					
<b>Owners of the parent:</b>					
From continuing operations		77 155 616	3 294 529	64 210 263	(12 570 810)
From discontinued operations		484 001	4 752 048	484 001	4 752 048
		<b>77 639 617</b>	<b>8 046 577</b>	<b>64 694 264</b>	<b>(7 818 762)</b>
<b>Non-controlling interest:</b>					
From continuing operations		29 879 972	18 139 701	-	-
<b>Total comprehensive income (loss) attributable to:</b>					
Owners of the parent		77 639 617	8 046 577	64 694 264	(7 818 762)
Non-controlling interest		29 879 972	18 139 701	-	-
		<b>107 519 589</b>	<b>26 186 278</b>	<b>64 694 264</b>	<b>(7 818 762)</b>
<b>Per linked unit information</b>					
<b>Earnings per linked unit</b>					
Basic earnings per linked unit (thebe) from continuing operations	15	41.01	10.80	25.72	(1.35)
Basic earnings per linked unit (thebe) from discontinued operations	15	0.17	1.70	0.17	1.70
		<b>41.18</b>	<b>12.50</b>	<b>25.89</b>	<b>0.35</b>
<b>Distribution, dividends and debenture interest per linked unit</b>					
Dividend per linked unit (thebe)	34	0.10	0.10	0.10	0.10
Debenture interest per linked unit (thebe)	34	12.66	14.30	12.66	14.30
Distribution per linked unit (thebe)		<b>12.76</b>	<b>14.40</b>	<b>12.76</b>	<b>14.40</b>

## Statement of Financial Position

Figures in Pula	Note(s)	Group		Company	
		2025	2024 Restated*	2025	2024
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	16	1 951 492	1 616 074	1 577 296	1 272 976
Right-of-use assets	18	2 369 038	3 110 000	2 369 038	3 110 000
Investment property	17	1 837 432 873	1 776 202 680	1 056 245 243	1 017 413 813
Goodwill	19	3 986 858	3 986 858	-	-
Investments in subsidiaries	20	-	-	340 322 482	340 322 482
Investments in associates	22	51 963 955	51 460 533	51 963 955	51 460 533
Loans to Group companies	23	-	3 736 493	-	3 736 493
Investments at fair value	24	-	6 250 000	-	6 250 000
Operating lease asset		32 048 338	32 369 942	23 417 991	21 867 421
Deferred tax	32	2 498 803	9 359 383	2 498 803	9 359 383
Deferred tax taxation recoverable - related party	21	3 013 800	3 095 461	3 013 800	3 095 461
		<b>1 935 265 157</b>	<b>1 891 187 424</b>	<b>1 481 408 608</b>	<b>1 457 888 562</b>
<b>Current Assets</b>					
Other financial assets	25	104 065 005	81 043 289	93 223 527	66 478 297
Trade and other receivables	26	17 297 048	15 152 911	13 905 887	8 970 815
Current tax receivable		6 063 842	7 574 819	3 639 266	5 239 976
Cash and cash equivalents	27	35 344 535	24 586 476	9 420 347	11 917 518
		<b>162 770 430</b>	<b>128 357 495</b>	<b>120 189 027</b>	<b>92 606 606</b>
Non-current assets held for sale	28	8 650 000	13 160 000	8 650 000	13 160 000
<b>Total Assets</b>		<b>2 106 685 587</b>	<b>2 032 704 919</b>	<b>1 610 247 635</b>	<b>1 563 655 168</b>
<b>Equity and Liabilities Equity</b>					
Stated Capital	29	2 718 884	2 718 884	2 718 884	2 718 884
Debentures - Linked units	30	405 113 547	405 113 547	405 113 547	405 113 547
Retained income *		517 749 309	468 040 516	503 336 013	466 572 573
<b>Equity Attributable to Equity Holders of Parent</b>		<b>925 581 740</b>	<b>875 872 947</b>	<b>911 168 444</b>	<b>874 405 004</b>
Non-controlling interest *		256 188 128	246 732 801	-	-
		<b>1 181 769 868</b>	<b>1 122 605 748</b>	<b>911 168 444</b>	<b>874 405 004</b>
<b>Liabilities</b>					
<b>Non-Current Liabilities</b>					
Borrowings	31	695 549 793	697 717 704	560 470 352	563 613 402
Lease liabilities	18	1 955 422	2 655 863	1 955 422	2 655 863
Deferred tax	32	152 062 984	147 789 002	75 877 883	75 176 493
		<b>849 568 199</b>	<b>848 162 569</b>	<b>638 303 657</b>	<b>641 445 758</b>
<b>Current Liabilities</b>					
Trade and other payables	33	48 252 093	39 596 184	36 199 081	26 353 810
Borrowings	31	6 733 185	6 921 775	5 804 561	6 031 953
Lease liabilities	18	717 989	619 965	717 989	619 965
Debenture interest and dividend payable	34	19 644 253	14 798 678	18 053 903	14 798 678
		<b>75 347 520</b>	<b>61 936 602</b>	<b>60 775 534</b>	<b>47 804 406</b>
<b>Total Liabilities</b>		<b>924 915 719</b>	<b>910 099 171</b>	<b>699 079 191</b>	<b>689 250 164</b>
<b>Total Equity and Liabilities</b>		<b>2 106 685 587</b>	<b>2 032 704 919</b>	<b>1 610 247 635</b>	<b>1 563 655 168</b>

## Statement of Changes in Equity

Figures in Pula	Stated capital	Debentures	Retained income *	Total attributable to equity holders	Non-controlling interest	Total equity
<b>Group</b>						
<b>Balance at 1 July 2023</b>	<b>2 718 884</b>	<b>405 113 547</b>	<b>505 885 904</b>	<b>913 718 335</b>	<b>-</b>	<b>913 718 335</b>
Profit for the year	-	-	8 046 577	8 046 577	18 139 701	26 186 278
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>8 046 577</b>	<b>8 046 577</b>	<b>18 139 701</b>	<b>26 186 278</b>
Taxation attributable to debenture interest	-	-	8 804 109	8 804 109	-	8 804 109
Acquisition of business	-	-	(14 397 401)	(14 397 401)	239 038 163	224 640 762
Dividends and debenture interest declared (Note 34)	-	-	(40 298 678)	(40 298 678)	(10 445 063)	(50 743 741)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(45 891 970)</b>	<b>(45 891 970)</b>	<b>228 593 100</b>	<b>182 701 130</b>
<b>Balance at 1 July 2024</b>	<b>2 718 884</b>	<b>405 113 547</b>	<b>468 040 516</b>	<b>875 872 947</b>	<b>246 732 801</b>	<b>1 122 605 748</b>
Profit for the year	-	-	77 639 617	77 639 617	29 879 972	107 519 589
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>77 639 617</b>	<b>77 639 617</b>	<b>29 879 972</b>	<b>107 519 589</b>
Taxation attributable to debenture interest	-	-	7 798 950	7 798 950	-	7 798 950
Dividends and debenture interest declared (Note 34)	-	-	(35 729 774)	(35 729 774)	(20 424 645)	(56 154 419)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(27 930 824)</b>	<b>(27 930 824)</b>	<b>(20 424 645)</b>	<b>(48 355 469)</b>
<b>Balance at 30 June 2025</b>	<b>2 718 884</b>	<b>405 113 547</b>	<b>517 749 309</b>	<b>925 581 740</b>	<b>256 188 128</b>	<b>1 181 769 868</b>
Note(s)	29	30				
<b>Company</b>						
<b>Balance at 1 July 2023</b>	<b>2 718 884</b>	<b>405 113 547</b>	<b>505 885 904</b>	<b>913 718 335</b>	<b>-</b>	<b>913 718 335</b>
Loss for the year	-	-	(7 818 762)	(7 818 762)	-	(7 818 762)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>(7 818 762)</b>	<b>(7 818 762)</b>	<b>-</b>	<b>(7 818 762)</b>
Taxation attributable to debenture interest	-	-	8 804 109	8 804 109	-	8 804 109
Dividends and debenture interest declared (Note 34)	-	-	(40 298 678)	(40 298 678)	-	(40 298 678)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(31 494 569)</b>	<b>(31 494 569)</b>	<b>-</b>	<b>(31 494 569)</b>
<b>Balance at 1 July 2024</b>	<b>2 718 884</b>	<b>405 113 547</b>	<b>466 572 573</b>	<b>874 405 004</b>	<b>-</b>	<b>874 405 004</b>

## Statement of Changes in Equity (Continued)

Figures in Pula	Stated capital	Debentures	Retained income *	Total attributable to equity holders	Non-controlling interest	Total equity
Profit for the year	-	-	64 694 264	64 694 264	-	64 694 264
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>64 694 264</b>	<b>64 694 264</b>	<b>-</b>	<b>64 694 264</b>
Taxation attributable to debenture interest	-	-	7 798 950	7 798 950	-	7 798 950
Dividends and debenture interest declared (Note 34)	-	-	(35 729 774)	(35 729 774)	-	(35 729 774)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(27 930 824)</b>	<b>(27 930 824)</b>	<b>-</b>	<b>(27 930 824)</b>
<b>Balance at 30 June 2025</b>	<b>2 718 884</b>	<b>405 113 547</b>	<b>503 336 013</b>	<b>911 168 444</b>	<b>-</b>	<b>911 168 444</b>
Note(s)	29	30				

## Statement of Cash Flows

Figures in Pula	Note(s)	2025	2024	2025	2024
<b>Cash flows from operating activities</b>					
Profit before taxation		131 249 804	41 089 260	84 851 887	5 371 990
<b>Adjustments for non-cash items:</b>					
Depreciation and impairments		1 397 184	6 748 883	1 292 493	7 028 066
Losses on sale of assets and liabilities		19 935	-	19 935	-
Gains on sale of investment in associate		-	(6 047 948)	-	(6 047 948)
Losses (gains) on exchange differences		57	(1 584 353)	57	(1 584 353)
Fair value gains (excluding straightlining adjustment)		(49 840 577)	(55 932 453)	(28 271 694)	(45 518 175)
Movement in credit loss allowances		7 482 345	100 062 211	5 605 517	101 119 789
Changes in operating lease assets		321 604	(7 852 957)	(1 550 570)	(1 150 700)
Lease modification		-	277 674	-	277 674
Share of profit or loss of equity accounted investments		(5 803 422)	(9 248 353)	(5 803 422)	(9 248 353)
Interest income		(6 540 332)	(11 971 763)	(33 548 143)	(20 464 936)
Finance costs		49 695 087	50 263 069	39 289 799	40 588 309
<b>Changes in working capital:</b>					
(Increase) decrease in trade and other receivables		(5 889 989)	(2 607 215)	(6 804 096)	(3 593 430)
Increase (decrease) in trade and other payables		8 655 907	6 235 366	9 845 269	2 242 577
<b>Cash generated from operations</b>		<b>130 747 603</b>	<b>109 431 421</b>	<b>64 927 032</b>	<b>69 020 510</b>
Tax paid	36	(3 688 065)	(2 439 991)	(3 598 332)	(2 393 621)
Cash flows of discontinued operations		484 001	4 752 048	484 001	4 752 048
Cash flows from non-current assets held for sale	5	10 760 000	83 340 000	10 760 000	83 340 000
<b>Net cash from operating activities</b>		<b>138 303 539</b>	<b>195 083 478</b>	<b>72 572 701</b>	<b>154 718 937</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	16	(1 011 575)	(643 132)	(875 786)	(462 172)
Proceeds from sale of property, plant and equipment		-	20 334	-	20 334
Additions to investment property	17	(11 389 616)	(6 119 110)	(10 559 736)	(5 007 722)
Investments in subsidiary	42	-	(149 485 917)	-	(149 485 917)
Cash received on business combinations	42	-	15 661 631	-	-
Cash receipts on repayments of loans to Group companies	23	-	(3 311 587)	-	(3 311 587)
Other financial assets	25	(23 021 716)	(81 043 289)	(26 745 230)	(66 478 297)
Interest and investment income	8	6 540 332	11 971 763	33 548 143	20 464 936
Dividends received	8	5 300 000	3 052 423	5 300 000	3 052 423
<b>Net cash from investing activities</b>		<b>(23 582 575)</b>	<b>(209 896 884)</b>	<b>667 391</b>	<b>(201 208 002)</b>
<b>Cash flows from financing activities</b>					
Repayments of borrowings	31	(2 356 501)	(30 825 129)	(3 370 442)	(31 938 251)
Cash advances received on borrowings	31	-	120 000 000	-	120 000 000
Cash repayments on lease liabilities	18	(602 417)	(578 265)	(602 417)	(578 265)
Dividends paid to non-controlling interest	35	(18 834 295)	(10 445 063)	-	-
Finance costs	9	(49 695 087)	(50 263 069)	(39 289 799)	(40 588 309)
Dividends paid	35	(32 474 548)	(55 264 000)	(32 474 548)	(55 264 000)
<b>Net cash from financing activities</b>		<b>(103 962 848)</b>	<b>(27 375 526)</b>	<b>(75 737 206)</b>	<b>(8 368 825)</b>
<b>Total cash movement for the year</b>		<b>10 758 116</b>	<b>(42 188 932)</b>	<b>(2 497 114)</b>	<b>(54 857 890)</b>
Cash and cash equivalents at the beginning of the year		24 586 476	66 797 614	11 917 518	66 797 614
Profit on foreign exchange on cash and cash equivalents		(57)	(22 206)	(57)	(22 206)
<b>Cash and cash equivalents at the end of the year</b>	27	<b>35 344 535</b>	<b>24 586 476</b>	<b>9 420 347</b>	<b>11 917 518</b>

## Material Accounting Policy Information

### Corporate information

Letlole La Rona Limited is a public limited company incorporated and domiciled in Botswana.

### 1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these consolidated financial statements.

#### 1.1 Basis of preparation

The consolidated and separate financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these consolidated financial statements.

The consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Pula, which is the Group and company's functional currency.

These accounting policies are consistent with the previous period.

#### 1.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating-decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments. A segment is a distinguishable component of the Group that is engaged either in providing services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments. The Group's primary segment is based on business segments. There are no secondary segments. The business segments are determined based on the Group's management and internal reporting structure.

On a primary basis, the Group operates in the following segments:

- Industrial;
- Commercial and retail;
- Residential

#### 1.3 Consolidation

##### Basis of consolidation

The consolidated financial statements incorporate the consolidated financial statements of the company and all subsidiaries. Subsidiaries are entities which are controlled by the Group.

The results of subsidiaries are included in the consolidated financial statements from the date of obtaining control until the date that control is lost.

The accounting policies of all subsidiaries are the same as those of the parent.

All inter-company transactions, balances, and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## Material Accounting Policy Information (Continued)

### 1.3 Consolidation (continued)

Non-controlling interests in the net assets of subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

#### Investments in subsidiaries in the separate financial statements

Investments in subsidiaries are carried at cost less any accumulated impairment losses in the separate financial statements.

#### Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities are recognised at their fair values at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

### 1.4 Significant judgements and sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

#### Key sources of estimation uncertainty

##### Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## Material Accounting Policy Information (Continued)

### 1.4 Significant judgements and sources of estimation uncertainty (continued)

#### Fair value estimation

Several assets and liabilities of the Group are either measured at fair value or disclosure is made of their fair values.

Observable market data is used as inputs to the extent that it is available. Qualified external valuers are consulted for the determination of appropriate valuation techniques and inputs.

Information about the specific techniques and inputs of the various assets and liabilities is disclosed in note 40.

#### Impairment testing

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

#### Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of plant and machinery, motor vehicles, furniture, office equipment and IT equipment are determined based on Group replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

#### Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

### 1.5 Work in progress

Properties in the course of construction or development for use as investment properties are carried at cost, less any recognised impairment loss. Cost includes construction costs, professional fees and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

## Material Accounting Policy Information (Continued)

### 1.6 Investment property

Investment property consists of land and buildings including undeveloped land. These properties are held to earn rentals and for capital appreciation rather than being occupied by the Group.

Investment property is initially recognised at cost, including transaction costs.

Cost for additions to or replacement of parts of investment property, are included in the costs of the investment property when they will result in future economic benefits. The carrying amount of replaced parts are derecognised.

Subsequent to initial measurement, investment property is measured at fair value, with changes in fair value recognised in profit or loss in the period in which it arises.

Gains or losses arising from a change in fair value, as well as gains or losses on disposal of investment property are included in profit or loss for the period in which they arise.

### 1.7 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Plant and machinery	Straight line	6-7 years
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	6-7 years
IT equipment	Straight line	4 years
Computer software	Straight line	4 years
Leasehold improvements	Straight line	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting. No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

## Material Accounting Policy Information (Continued)

### 1.8 Goodwill

Goodwill is initially recognised and measured as set out in accounting policy note 1.3 business combinations, above.

Goodwill is not amortised but is reviewed for impairment at least annually, and when there are indicators of impairment. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### 1.9 Investments in associates

Investments in associates are carried at cost less any accumulated impairment losses.

### 1.10 Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. The material accounting policies for each type of financial instrument held by the Group are presented below:

#### Loans to related parties at amortised cost

Management have assessed and classified loans to related parties as financial assets at amortised cost.

The amortised cost, calculated using the effective interest method, is the amount recognised initially, minus principal repayments, plus cumulative amortisation of interest, adjusted for any loss allowance.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the loan in the application of the effective interest method. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

Refer to the loss allowances and write offs accounting policy for impairment of loans receivable.

#### Other financial assets

They are measured at fair value, with the difference, at reporting date, between the amortised cost and the fair value.

The amortised cost, calculated using the effective interest method, is the amount recognised initially, minus principal repayments, plus cumulative amortisation of interest, adjusted for any loss allowance.

Although these investments are measured at fair value, interest income is recognised on them using the effective interest method, and is included in profit or loss.

On derecognition, the cumulative gain or loss on that instrument which was previously accumulated in equity in the reserve for valuation of financial instruments is reclassified to profit or loss.

## Material Accounting Policy Information (Continued)

### 1.10 Financial instruments (continued)

#### Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

#### Impairment - Expected credit losses and write offs

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The Group writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the Group's recovery procedures. Any recoveries made are recognised in profit or loss.

#### Investments at fair value

They are subsequently measured at fair value, with fair value gains or losses recognised in profit or loss. Details of the valuation policies and processes are presented in note 40.

Dividends received on equity investments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

#### Borrowings

Borrowings are classified as financial liabilities subsequently measured at amortised cost.

Interest expense on borrowings is calculated on the effective interest method, and is included in profit or loss.

#### Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

## Material Accounting Policy Information (Continued)

### 1.10 Financial instruments (continued)

#### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### Reclassification

The Group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial assets and liabilities are not reclassified.

#### Definition of default

For purposes of internal credit risk management purposes, the company considers that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the company considers that default has occurred when a trade receivable is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

### 1.11 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates that have been enacted by the end of the reporting period.

#### Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

## Material Accounting Policy Information (Continued)

### 1.11 Tax (continued)

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted by the end of the reporting period.

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

### Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss. Tax arising on a business combination is not included in profit or loss.

### 1.12 Leases and Right of use assets

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

### Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

### Lease liability

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

### Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

They are measured initially at the initial amount of the lease liability plus upfront payments and initial direct costs. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated, from commencement date, over the shorter period of lease term and useful life of the underlying asset.

## Material Accounting Policy Information (Continued)

### 1.12 Leases and Right of use assets

The useful lives of right-of-use assets are presented in the following table:

Item	Depreciation method	Average useful life
Buildings	Straight line	Lease period

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

### 1.13 Non-current assets (disposal Groups) held for sale or distribution to owners

Investment property is a disposal Group that management has committed to sell within one year in its present condition. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The assets are not depreciated while classified in this manner.

### 1.14 Impairment of assets

Management assesses, at the end of each reporting period, whether there is any indication that assets may be impaired. If any such indication exists, then the recoverable amount of the asset is determined.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Goodwill is tested for impairment annually by allocating it to each of the cash-generating units, or Groups of cash-generating units, that are expected to benefit from the synergies of the business combination.

An impairment loss is recognised for an asset (or a cash-generating unit) if the recoverable amount of the asset or cash generating unit is less than the carrying amount. The impairment loss is determined as the difference between the two amounts. For cash generating units, the impairment loss is allocated to reduce the carrying amount of goodwill included in the cash-generating unit and then to the other assets on a pro-rata basis.

Impairment losses are recognised immediately in profit or loss, except for impairment losses of revalued assets, which are treated as a revaluation decrease.

### 1.15 Stated capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments, which comprise stated capital and variable rate unsecured debentures, are recognised at the proceeds received, net of direct issue costs.

Other components of equity include retained earnings which includes all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Distribution to linked unit holders is recognised as a liability in the company's financial statements in the period in which the distribution is approved by the board.

## Material Accounting Policy Information (Continued)

### 1.16 Employee benefits

#### Short-term employee benefits

Short-term employee benefits, which consist of paid annual leave and sick leave, bonuses, and medical aid, are recognised in the period in which the service is rendered and are not discounted.

#### 1.17 Provisions and contingencies

The Group recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the Group will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

#### 1.18 Revenue from contracts with customers

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is significantly earned from rental income and is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer credits and other similar allowances.

To determine whether to recognise revenue, the Group follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations and then
- Recognising revenue when/as performance obligations are satisfied

#### Rental Income

Rental income from operating leases is recognised in the statement of comprehensive income on a straight line basis over the term of the relevant leases.

#### Other Operating Revenue

Other operating revenue comprises utility expenses, service levies and other costs recovered from tenants.

#### Interest Revenue

Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. This is presented as finance income.

## Material Accounting Policy Information (Continued)

### 1.19 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs on funds specifically borrowed for the purpose of obtaining the qualifying asset less any temporary investment of those borrowings.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.20 Translation of foreign currencies

#### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Pula, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in Pula by applying to the foreign currency amount the exchange rate between the Pula and the foreign currency at the date of the cash flow.

Refer to the individual accounting policies for financial instruments for the detailed foreign exchange accounting policies.

### 1.21 Related party

Related parties are defined as those parties:

a) directly, or indirectly through one or more intermediaries, if the party:

- controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or

b) that are members of the key management personnel of the entity, including close members of the family.

## Notes to the Consolidated Financial Statements

### 2. New Standards and Interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

##### Supplier finance arrangements - amendments to IAS 7 and IFRS 7

The amendment applies to circumstances where supplier finance arrangements exist. These are arrangements whereby finance providers pay the suppliers of the entity, thus providing the entity with extended payment terms or the suppliers with early payment terms. The entity then pays the finance providers based on their specific terms and conditions. The amendment requires the disclosure of information about supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows as well as on the entity's exposure to liquidity risk.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The Group has adopted the amendment for the first time in the 2025 consolidated financial statements. The impact of the amendment is not material.

##### Non-current liabilities with covenants - amendments to IAS 1

The amendment applies to the classification of liabilities with loan covenants as current or non-current. If an entity has the right to defer settlement of a liability for at least twelve months after the reporting period, but subject to conditions, then the timing of the required conditions impacts whether the entity has a right to defer settlement. If the conditions must be complied with at or before the reporting date, then they affect whether the rights to defer settlement exist at reporting date. However, if the entity is only required to comply with the conditions after the reporting period, then the conditions do not affect whether the right to defer settlement exists at reporting date. If an entity classifies a liability as non-current when the conditions are only required to be met after the reporting period, then additional disclosures are required to enable the users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The Group has adopted the amendment for the first time in the 2025 consolidated financial statements. The impact of the amendment is not material.

##### Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The Group has adopted the amendment for the first time in the 2025 consolidated financial statements. The impact of the amendment is not material.

## Notes to the Consolidated Financial Statements (Continued)

### 2. New Standards and Interpretations (continued)

#### 2.2 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2025 or later periods:

##### Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

##### IFRS 19 Subsidiaries without Public Accountability: Disclosures

This is a new standard which may be applied by subsidiaries which do not have public accountability. It is a disclosure only standard and provides for reduced disclosures for qualifying subsidiaries to apply, while still remaining compliant with the recognition, measurement and presentation requirements of IFRS accounting standards. The reduced disclosures provided in IFRS 19 may be applied by the subsidiary in their consolidated, separate or individual financial statements, provided that the ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS accounting standards. A subsidiary has public accountability, and may not apply IFRS 19, if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market, or if it holds assets in a fiduciary capacity for a broad Group of outsiders as one of its primary businesses.

The effective date of the amendment is for years beginning on or after 1 January 2027.

The Group expects to adopt the amendment for the first time in the 2028 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

##### IFRS 18 Presentation and Disclosure in Financial Statements

This is a new standard which replaces IAS 1 Presentation of Financial Statements and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on Grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

## Notes to the Consolidated Financial Statements (Continued)

### 2. New Standards and Interpretations (continued)

The effective date of the amendment is for years beginning on or after 1 January 2027.

The Group expects to adopt the amendment for the first time in the 2028 consolidated financial statements.

The Group will assess the detailed implications of applying the new standard including the determination of items to be presented in the financing and investing categories, on the Group's consolidated financial statements when the Group adopts the standard.

#### Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.

Annual Improvements to IFRS Accounting Standards - Volume 11 - Hedge Accounting by a First-time Adopter - Amendment to reduce inconsistency in wording of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

#### Amendments to IFRS 7 Financial Instruments: Disclosures

Annual Improvements to IFRS Accounting Standards - Volume 11 - Gain or loss on derecognition - Amendment to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 Fair Value Measurement, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

#### Amendments to IFRS 9 Financial Instruments

Annual Improvements to IFRS Accounting Standards - Volume 11 - Derecognition of lease liabilities. The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

#### Amendments to IFRS 10 Consolidated Financial Statements

Annual Improvements to IFRS Accounting Standards - Volume 11 - Determination of a 'de facto agent'. The amendment is to clarify whether a party acts as a de facto agent in assessing control of an investee.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

## Notes to the Consolidated Financial Statements (Continued)

### 2. New Standards and Interpretations (continued)

#### Amendments to IAS 10 Statement of Cash flows

Annual Improvements to IFRS Accounting Standards - Volume 11 - Cost method - Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

#### Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

#### Lack of exchangeability - amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendment is for years beginning on or after 1 January 2025.

The Group expects to adopt the amendment for the first time in the 2026 consolidated financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated financial statements.

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>3. Revenue</b>				
<b>Revenue from contracts with customers</b>				
Contractual income	186 466 411	161 134 720	108 253 526	104 809 712
Straightline lease rental adjustment	(365 132)	(1 642 076)	1 507 042	1 224 803
Operating cost recoveries	15 656 133	13 691 415	3 635 119	4 046 839
	<b>201 757 412</b>	<b>173 184 059</b>	<b>113 395 687</b>	<b>110 081 354</b>
<b>Disaggregation of revenue from contracts with customers</b>				
The Group disaggregates revenue from customers as follows:				
<b>Timing of revenue recognition</b>				
<b>Over time</b>				
Rendering of services	201 757 412	173 184 059	113 395 687	110 081 354
<b>4. Other income</b>				
Administration and management fees received	73 502	10 800	4 939 457	2 321 638
Bad debts recovered	-	3 000	-	3 000
Operating cost recoveries	197 147	2 536 279	197 147	2 536 279
Other income	1 250 803	907 495	27 964	-
	<b>1 521 452</b>	<b>3 457 574</b>	<b>5 164 568</b>	<b>4 860 917</b>
<b>5. Investment income</b>				
Investment income	-	<b>3 452 890</b>	<b>27 935 556</b>	<b>12 413 770</b>
Investment income represents dividend income received from subsidiary.				
<b>6. Other operating gains (losses)</b>				
<b>Gains (losses) on disposals, scrappings and settlements</b>				
Property, plant and equipment	(19 935)	-	(19 935)	-
<b>Foreign exchange gains (losses)</b>				
Net foreign exchange (losses) gains	(57)	887 953	(57)	887 953
<b>Total other operating gains (losses)</b>	<b>(19 992)</b>	<b>887 953</b>	<b>(19 992)</b>	<b>887 953</b>

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>7. Operating profit (loss)</b>				
Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:				
<b>Auditor's Remunerations - external</b>				
Audit fees	1 231 005	1 104 844	637 064	614 514
<b>Employee costs</b>				
Salaries, wages, bonuses and other benefits	24 574 211	19 818 263	24 574 211	19 642 100
<b>Leases</b>				
Short-term leases	339 017	313 797	314 816	297 295
<b>Total lease expenses</b>	<b>339 017</b>	<b>313 797</b>	<b>314 816</b>	<b>297 295</b>
<b>Depreciation and amortisation</b>				
Depreciation of property, plant and equipment	656 222	497 307	551 531	776 490
Depreciation of right-of-use assets	740 962	716 241	740 962	716 241
<b>Total depreciation and amortisation</b>	<b>1 397 184</b>	<b>1 213 548</b>	<b>1 292 493</b>	<b>1 492 731</b>
<b>Movement in credit loss allowances</b>				
Trade and other receivables	3 745 852	(343 925)	1 869 024	713 653
Loans to Group companies	3 736 493	100 406 136	3 736 493	100 406 136
	<b>7 482 345</b>	<b>100 062 211</b>	<b>5 605 517</b>	<b>101 119 789</b>
<b>Other</b>				
Employee costs	24 574 211	19 818 263	24 574 211	19 642 100
Lease expenses	339 017	313 797	314 816	297 295
Depreciation, amortisation and impairment	1 397 184	1 213 548	1 292 493	1 492 731
Other expenses	32 339 733	28 665 387	15 440 030	13 939 471
Consulting and professional fees	8 142 703	3 512 972	8 086 767	3 335 996
Insurance	1 505 471	1 317 901	1 011 729	997 839
Security	3 681 578	2 839 361	1 740 796	1 549 752
Assessment rates	-	1 381 877	-	886 877
Legal expenses	818 280	1 749 112	671 909	441 027
Repairs and maintenance	4 217 790	1 817 310	3 283 568	760 425
	<b>77 015 967</b>	<b>62 629 528</b>	<b>56 416 319</b>	<b>43 343 513</b>
<b>8. Finance income</b>				
<b>Interest income</b>				
<b>Investments in financial assets:</b>				
Bank and other cash equivalents	6 540 332	4 455 725	5 612 587	3 988 018
<b>Loans to Group companies:</b>				
Related party interest - LLR	-	4 063 148	-	4 063 148
<b>Total interest income</b>	<b>6 540 332</b>	<b>8 518 873</b>	<b>5 612 587</b>	<b>8 051 166</b>

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>9. Finance costs</b>				
Lease liabilities	187 413	184 654	187 413	184 654
Bank borrowings and interest	49 507 674	50 078 415	39 102 386	40 403 655
<b>Total finance costs</b>	<b>49 695 087</b>	<b>50 263 069</b>	<b>39 289 799</b>	<b>40 588 309</b>
<b>10. Share of profit from equity accounted investments</b>				
Income from equity accounted investments	5 803 422	9 248 353	5 803 422	9 248 353
<b>11. Fair value adjustment of investment properties</b>				
<b>Fair value gains</b>				
Investment property	49 475 445	53 139 677	29 778 736	45 592 278
Straightline lease adjustment	365 132	1 642 076	(1 507 042)	(1 224 803)
	<b>49 840 577</b>	<b>54 781 753</b>	<b>28 271 694</b>	<b>44 367 475</b>
<b>12. Gain on disposal of investment in associate</b>				
<b>Gains on disposals</b>				
Investments in associates	22	-	6 047 948	-
				6 047 948
<b>13. Impairment loss on investment in associate</b>				
<b>Impairment losses</b>				
Impairment of investment in associate	-	(5 535 335)	-	(5 535 335)
<b>14. Taxation</b>				
<b>Major components of the tax expense</b>				
<b>Current</b>				
Withholding tax	5 199 042	104 587	5 199 042	104 587
Attributable to debenture interest credited to statement of changes in equity	7 798 950	8 804 109	7 798 950	8 804 109
	<b>12 997 992</b>	<b>8 908 696</b>	<b>12 997 992</b>	<b>8 908 696</b>
<b>Deferred</b>				
Originating and reversing temporary differences	3 572 592	1 712 230	-	-
Arising from tax losses	5 394 222	758 868	5 394 222	758 868
Deferred tax charge	(3 454 002)	447 295	(3 454 002)	447 295
Deferred capital gains tax	5 621 751	7 932 527	5 621 751	7 932 527
Arising due to capital gains tax recoverable from related party	81 661	(104 586)	81 661	(104 586)
	<b>11 216 224</b>	<b>10 746 334</b>	<b>7 643 632</b>	<b>9 034 104</b>
	<b>24 214 216</b>	<b>19 655 030</b>	<b>20 641 624</b>	<b>17 942 800</b>
<b>Reconciliation of the tax expense</b>				
Reconciliation between accounting profit and tax expense.				
Accounting profit	131 249 804	41 089 260	84 851 887	5 371 990
Tax at the applicable tax rate of 22% (2024: 22%)	28 874 957	9 039 637	18 667 415	1 181 838
<b>Tax effect of adjustments on taxable income</b>				
Effects of fair value surplus	(6 466 064)	(10 980 695)	(6 571 444)	(11 115 035)
Expenses not deductible for tax	7 196 508	27 825 501	14 879 606	27 788 002
Income from associate not subject to tax	-	-	-	(671 533)
Tax effect due to capital gains	(1 470 775)	-	(2 413 543)	(1 935 740)
Discontinued operations	106 480	2 661 963	106 480	2 695 268
Expenses allowed for tax purposes - debenture interest	(4 026 890)	(8 891 376)	(4 026 890)	-
	<b>24 214 216</b>	<b>19 655 030</b>	<b>20 641 624</b>	<b>17 942 800</b>

## Notes to the Consolidated Financial Statements (Continued)

### 15. Earnings per linked unit

Earnings per linked unit is calculated based on the average number of linked units in issue and total comprehensive income for the year, adjusted by the taxation on debenture interest credited to the statement of changes in equity.

The earnings and weighted average number of linked units used in the calculation of earnings per linked unit are as follows:

Figures in Pula	Group		Company	
	2025	2024	2025	2024
Total profit/(loss) and comprehensive income for the year	107 519 589	26 186 278	64 694 264	(7 818 762)
Taxation on debenture interest credited to the income statement	7 798 950	8 804 109	7 798 950	8 804 109
<b>Earnings attributable to linked unit holders</b>	<b>115 318 539</b>	<b>34 990 387</b>	<b>72 493 214</b>	<b>985 347</b>
Weighted average number of linked units in issue for the year	280 000 000	280 000 000	280 000 000	280 000 000
Profit before taxation	131 249 804	41 089 260	84 851 887	5 371 990
Taxation	(24 214 216)	(19 655 030)	(20 641 624)	(17 942 800)
Profit from continuing operations	107 035 588	21 434 230	64 210 263	(12 570 810)
Profit from discontinued operations	484 001	4 752 048	484 001	4 752 048
<b>Profit for the year</b>	<b>107 519 589</b>	<b>26 186 278</b>	<b>64 694 264</b>	<b>(7 818 762)</b>
<b>Basic earnings per linked unit from</b>				
Continuing operations (including taxation on debenture interest)	41.01	10.80	25.72	(1.35)
Discontinued operations (excluding taxation on debenture interest)	0.17	1.70	0.17	1.70
<b>Total basic earnings per linked unit (thebe)</b>	<b>41.18</b>	<b>12.50</b>	<b>25.89</b>	<b>0.35</b>

Basic headline earnings per share (thebe)

The calculation of headline earnings and diluted headline earnings per share is based on the weighted average number of ordinary shares

### Basic headline earnings per linked unit (thebe)

Basic headline earnings per share (thebe) - continuing operations	48.21	45.91	31.64	39.63
Basic headline earnings per share (thebe) - discontinuing operations	0.17	1.70	0.17	1.70
	<b>48.38</b>	<b>47.61</b>	<b>31.81</b>	<b>41.33</b>
<b>Diluted headline earnings per linked unit (thebe)</b>				
Diluted headline earnings per share (thebe) - continuing operations	48.21	45.91	31.64	39.63
Diluted headline earnings per share (thebe) - discontinued operations	0.17	1.70	0.17	1.70
	<b>48.38</b>	<b>47.61</b>	<b>31.81</b>	<b>41.33</b>

## Notes to the Consolidated Financial Statements (Continued)

### 15. Earnings per linked unit (continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>Reconciliation between earnings and headline earnings</b>				
Continuing operations	131 249 804	22 949 559	84 851 887	5 371 990
Discontinued operations	484 001	4 752 048	484 001	4 752 048
Profit for the year attributable to owners of the company (Pula)	131 733 805	27 701 607	85 335 888	10 124 038
Re-measurement:	-	-	-	-
Impairment losses	3 736 493	105 597 546	3 736 493	105 597 546
Tax effect on re-measurement	-	-	-	-
	<b>135 470 298</b>	<b>133 299 153</b>	<b>89 072 381</b>	<b>115 721 584</b>

### 16. Property, plant and equipment

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Plant and machinery	2 516 350	(2 241 087)	275 263	2 384 771	(2 169 929)	214 842
Motor vehicles	713 037	(628 398)	84 639	713 037	(573 186)	139 851
Office equipment	1 429 417	(961 670)	467 747	1 351 509	(864 175)	487 334
IT equipment	2 130 383	(1 555 473)	574 910	2 011 073	(1 443 325)	567 748
Leasehold improvements	2 150 611	(1 601 678)	548 933	1 716 361	(1 510 062)	206 299
<b>Total</b>	<b>8 939 798</b>	<b>(6 988 306)</b>	<b>1 951 492</b>	<b>8 176 751</b>	<b>(6 560 677)</b>	<b>1 616 074</b>

Company	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Plant and machinery	59 230	(55 438)	3 792	59 230	(51 268)	7 962
Motor vehicles	713 037	(628 398)	84 639	713 037	(573 186)	139 851
Office equipment	815 149	(450 127)	365 022	741 451	(390 335)	351 116
IT equipment	2 130 383	(1 555 473)	574 910	2 011 073	(1 443 325)	567 748
Leasehold improvements	2 150 611	(1 601 678)	548 933	1 716 361	(1 510 062)	206 299
<b>Total</b>	<b>5 868 410</b>	<b>(4 291 114)</b>	<b>1 577 296</b>	<b>5 241 152</b>	<b>(3 968 176)</b>	<b>1 272 976</b>

## Notes to the Consolidated Financial Statements (Continued)

### 16. Property, plant and equipment (continued)

#### Reconciliation of property, plant and equipment - Group - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	214 842	131 579	-	(71 158)	275 263
Motor vehicles	139 851	-	-	(55 212)	84 639
Office equipment	487 334	77 795	-	(97 382)	467 747
IT equipment	567 748	367 951	(19 935)	(340 854)	574 910
Leasehold improvements	206 299	434 250	-	(91 616)	548 933
	<b>1 616 074</b>	<b>1 011 575</b>	<b>(19 935)</b>	<b>(656 222)</b>	<b>1 951 492</b>

#### Reconciliation of property, plant and equipment - Group - 2024

	Opening balance	Additions	Additions through business combinations	Disposals	Transfers to Investment Property	Depreciation	Total
Plant and machinery	31 511	180 960	1 574 854	(20 334)	(1 828 117)	275 968	214 842
Motor vehicles	200 081	-	-	-	-	(60 230)	139 851
Office equipment	361 551	66 003	181 880	-	(45 662)	(76 438)	487 334
IT equipment	632 463	256 839	-	-	-	(321 554)	567 748
Leasehold improvements	382 022	139 330	-	-	-	(315 053)	206 299
	<b>1 607 628</b>	<b>643 132</b>	<b>1 756 734</b>	<b>(20 334)</b>	<b>(1 873 779)</b>	<b>(497 307)</b>	<b>1 616 074</b>

#### Reconciliation of property, plant and equipment - Company - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	7 962	-	-	(4 170)	3 792
Motor vehicles	139 851	-	-	(55 212)	84 639
Office equipment	351 116	73 585	-	(59 679)	365 022
IT equipment	567 748	367 951	(19 935)	(340 854)	574 910
Leasehold improvements	206 299	434 250	-	(91 616)	548 933
	<b>1 272 976</b>	<b>875 786</b>	<b>(19 935)</b>	<b>(551 531)</b>	<b>1 577 296</b>

#### Reconciliation of property, plant and equipment - Company - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	31 511	-	(20 334)	(3 215)	7 962
Motor vehicles	200 081	-	-	(60 230)	139 851
Office equipment	361 551	66 003	-	(76 438)	351 116
IT equipment	632 463	256 839	-	(321 554)	567 748
Leasehold improvements	382 022	139 330	-	(315 053)	206 299
	<b>1 607 628</b>	<b>462 172</b>	<b>(20 334)</b>	<b>(776 490)</b>	<b>1 272 976</b>

## Notes to the Consolidated Financial Statements (Continued)

### 16. Property, plant and equipment (continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>Fully depreciated assets in use (cost)</b>				
IT equipment	2 350 736	2 350 736	2 289 784	2 289 784
Motor vehicles	472 114	472 114	472 114	472 114
Plant and machinery	2 100 779	1 862 371	41 033	41 033
Office furniture and equipment	510 850	350 361	142 422	-
	<b>5 434 479</b>	<b>5 035 582</b>	<b>2 945 353</b>	<b>2 802 931</b>

### 17. Investment property

<b>At fair value</b>				
Freehold properties	39 870 000	35 900 000	39 870 000	35 900 000
Leasehold properties	1 829 611 211	1 772 662 001	1 039 793 234	1 003 381 234
	1 869 481 211	1 808 562 001	1 079 663 234	1 039 281 234
Less : Straight line rental adjustment	(32 048 338)	(32 359 321)	(23 417 991)	(21 867 421)
	<b>1 837 432 873</b>	<b>1 776 202 680</b>	<b>1 056 245 243</b>	<b>1 017 413 813</b>
<b>Reconciliation of fair value:</b>				
At valuation	1 808 562 001	988 690 000	1 039 281 234	988 690 000
Straight line lease rental adjustment at the beginning of the year	(32 359 321)	(20 706 100)	(21 867 421)	(20 706 100)
Opening fair value	1 776 202 680	967 983 900	1 017 413 813	967 983 900
Additions (new acquisitions) during the year	-	755 611 070	-	-
Existing buildings (Refurbishment)	11 389 616	6 119 110	10 559 736	5 007 722
Disposals during the year	-	-	-	-
Transfers to non-current assets held for sale	-	(13 160 000)	-	-
Transfer from property, plant and equipment	-	1 873 779	-	-
Increase in fair value during the year	49 475 445	55 987 169	29 778 736	45 572 891
Straight line rental adjustment	365 132	1 787 652	(1 507 042)	(1 150 700)
	<b>1 837 432 873</b>	<b>1 776 202 680</b>	<b>1 056 245 243</b>	<b>1 017 413 813</b>

The fair value of the company's investment properties at 30 June 2025 has been arrived at on the basis of the open market value of the properties as at year end. The valuation was carried out by Ribbery Proprietary Limited. Ribbery Proprietary Limited are members of the Real Estate Institute of Botswana and are registered in terms of the Real Estate Professionals Act 2003. The valuations, which conform to International Valuation Standards, were carried out using the comparative and DCF methods (Discounted cashflows with reversion to market rentals).

#### JTTM Properties

The investment property was independently valued as of 31 March 2025 by Ribbery Proprietary Limited. The property was valued in accordance with Statement of Asset Valuation Practice and Guidance Notes prepared by Ribbery Proprietary Limited and an open market basis using investment method approach at a capitalisation rate of 8% (2024:8.7%), assuming that the properties are not subject to any adverse easements, restrictive covenants or under provisions that would otherwise depress those values.

## Notes to the Consolidated Financial Statements (Continued)

### 17. Investment property

#### JTTM Properties(Continued)

Directors performed a desktop valuation and note that there was no significant change to the market or conditions that could impact the fair value disclosed as at 30 June 2025.

#### Freehold land comprises of:

- Plot 6371 Lobatse
- Plot 54060 Gaborone

#### Leasehold properties comprises of:

- Plot 14398 Gaborone 50 year State Grant from 03 February 1984
- Plot 14453 Gaborone 50 year State Grant from 16 November 1984
- Plot 14454 Gaborone 50 year State Grant from 16 November 1984
- Plot 14455 Gaborone 50 year State Grant from 16 November 1984
- Plot 14457 Gaborone 50 year State Grant from 28 August 1989
- Plot 14458 Gaborone 50 year State Grant from 22 August 1986
- Plot 14459 Gaborone 50 year State Grant from 22 August 1986
- Plot 14460 Gaborone 50 year State Grant from 22 August 1986

#### Leasehold properties comprises of (continued):

- Plot 22033 Gaborone 99 year State Grant from 29 June 1992
  - Plot 22038 Gaborone 50 year State Grant from 28 June 2002
  - Plot 28911 Gaborone 50 year State Grant from 27 August 1989
  - Plot 32084 Gaborone 50 year State Grant from 10 July 1995
  - Plot 74204 Gaborone 50 year State Grant from 10 October 1997
  - Plot 29052 Gaborone 50 year State Grant from 21 March 2003
  - Plot 64260 Gaborone 50 year State Grant from 23 September 2010
  - Plot 69365 Gaborone 99 year State Grant from 10 October 1997
  - Plot 69368 Gaborone 99 year State Grant from 09 February 1984
  - Plot 69369 Gaborone 99 year State Grant from 09 February 1984
  - Plot 22047 Gaborone 50 year State Grant from 09 February 1984
  - Plot 4738 Gaborone 50 year State Grant from 30 August 1977
- Management is engaging with Government to extend the lease for a further period of 50 years

#### Subsidiary property details:

- Plot 4716 Gaborone 40 year State Grant from 10 March 2011

Operating leases receivable by the Group as a lessor relate to the investment properties owned by the Group with lease terms of between 1 and 10 years. The lessees do not have an option to purchase the properties at the expiry of the lease period.

At the end of the reporting period the company had contracted with tenants for the following future minimum lease payments:

## Notes to the Consolidated Financial Statements (Continued)

### 17. Investment property (continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>Minimum lease payments due</b>				
within one year	158 215 378	253 569 466	96 480 757	94 834 030
in second to fifth year inclusive	353 104 897	560 390 246	298 251 399	239 293 274
later than five years	65 502 358	96 551 242	64 351 753	96 551 242
	<b>576 822 633</b>	<b>910 510 954</b>	<b>459 083 909</b>	<b>430 678 546</b>
<b>Amounts recognised in profit and loss for the year</b>				
Rental income from investment property	(201 757 412)	(173 184 059)	(113 395 687)	(110 081 839)
Direct operating expenses from rental generating property	29 209 720	24 456 957	11 185 443	8 667 373
	<b>(172 547 692)</b>	<b>(148 727 102)</b>	<b>(102 210 244)</b>	<b>(101 414 466)</b>

### 18. Right-of-use assets

Details pertaining to leasing arrangements, where the Group is lessee are presented below:

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	4 431 433	(2 062 395)	2 369 038	4 431 433	(1 321 433)	3 110 000
<b>Company</b>						
Buildings	4 431 433	(2 062 395)	2 369 038	4 431 433	(1 321 433)	3 110 000

#### Reconciliation of right-of-use assets - Group - 2025

Buildings	3 110 000	-	(740 962)	2 369 038
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#### Reconciliation of right-of-use assets - Group - 2024

Buildings	98 348	3 727 893	(716 241)	3 110 000
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#### Reconciliation of right-of-use assets - Company - 2025

Buildings	3 110 000	-	(740 962)	2 369 038
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#### Reconciliation of right-of-use assets - Company - 2024

Buildings	98 348	3 727 893	(716 241)	3 110 000
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#### Other disclosures

Interest expense on lease liabilities	187 413	184 654	187 413	184 654
Expenses on short-term leases included in operating expenses	339 017	313 797	314 816	297 295

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025 Opening balance	2024 Additions	2025 Depreciation	2024 Total
<b>18. Right-of-use assets (continued)</b>				
<b>Lease liabilities</b>				
The maturity analysis of lease liabilities is as follows:				
Within one year	863 894	807 377	863 894	807 377
Two to five years	2 080 101	2 943 995	2 080 101	2 943 995
	2 943 995	3 751 372	2 943 995	3 751 372
Less finance charges component	(270 584)	(475 544)	(270 584)	(475 544)
	<b>2 673 411</b>	<b>3 275 828</b>	<b>2 673 411</b>	<b>3 275 828</b>
Non-current liabilities	1 955 422	2 655 863	1 955 422	2 655 863
Current liabilities	717 989	619 965	717 989	619 965
	<b>2 673 411</b>	<b>3 275 828</b>	<b>2 673 411</b>	<b>3 275 828</b>

The table below describes the nature of the Group's leasing activities by the type of right of use asset recognised on balance sheet. There were no leases with variable payments linked to an index and termination option.

Right of use asset	No. of right of use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with option to purchase
Buildings	1	3 years	3 years	1	0

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
<b>19. Goodwill</b>						
Goodwill	3 986 858	-	3 986 858	3 986 858	-	3 986 858

Figures in Pula	2025		2024	
	Opening balance	Additions through business combinations	Opening balance	Additions through business combinations
<b>Reconciliation of goodwill - Group - 2025</b>				
Goodwill	3 986 858	-	3 986 858	
<b>Reconciliation of goodwill - Group - 2025</b>				
Goodwill	-	3 986 858		3 986 858

## Notes to the Consolidated Financial Statements (Continued)

### 19. Goodwill

Goodwill is not amortised but is tested for impairment annually and more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units (CGU) for the purpose of impairment testing. The allocation is made to those CGUs or Groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments of JTTM.

No impairment indicators were identified for JTTM. The recoverable amount of JTTM CGU was determined based on value-in use calculations. These calculations use pre-tax cash flow projections based on most recent financial budgets approved by The Directors covering a 1- year period from JTTM's financial year end to 31 March 2026.

### 20. Investments in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Company Name of company	% holding 2025	% holding 2024	Carrying amount 2025	Carrying amount 2024
JTTM Properties Proprietary Limited	57.79 %	57.79 %	340 322 482	340 322 482

### Subsidiaries with material non-controlling interests

The following information is provided for subsidiaries with non-controlling interests which are material to the reporting company. The summarised financial information is provided prior to intercompany eliminations.

Subsidiary	Country of incorporation	% Ownership interest held by non-controlling interest	
		2025	2024
JTTM Properties Proprietary Limited	Botswana	42.21 %	42.21 %

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>20. Investments in subsidiaries (continued)</b>				
<b>Summarised statement of financial position</b>			<b>JTTM Properties Proprietary Limited</b>	
<b>Assets</b>			<b>2025</b>	<b>2024</b>
Non-current assets			790 192 175	769 634 486
Current assets			46 388 973	35 750 889
<b>Total assets</b>			<b>836 581 148</b>	<b>805 385 375</b>
<b>Liabilities</b>				
Non-current liabilities			211 264 542	207 606 633
Current liabilities			19 269 377	220 849 007
<b>Total liabilities</b>			<b>230 533 919</b>	<b>428 455 640</b>
<b>Total net assets (liabilities)</b>			<b>606 047 229</b>	<b>376 929 735</b>
<b>Carrying amount of non-controlling interest</b>			<b>256 188 128</b>	<b>246 732 801</b>
<b>Summarised statement of profit or loss and other comprehensive income</b>			<b>JTTM Properties Proprietary Limited</b>	
			<b>2025</b>	<b>2024</b>
<b>Revenue</b>			88 361 736	53 458 129
Other income and expenses			(14 000 298)	(8 771 008)
<b>Profit before tax</b>			<b>74 361 438</b>	<b>44 687 121</b>
Tax expense			(3 572 592)	(1 712 230)
<b>Profit (loss)</b>			<b>70 788 846</b>	<b>42 974 891</b>
<b>Total comprehensive income</b>			<b>70 788 846</b>	<b>42 974 891</b>
Profit (loss) allocated to non-controlling interest			29 879 972	18 139 701
<b>Summarised statement of cash flows</b>			<b>JTTM Properties Proprietary Limited</b>	
			<b>2025</b>	<b>2024</b>
Cash flows from operating activities			17 775 558	1 529 897
Cash flows from investing activities			17 307	8 929 300
Cash flows from financing activities			(2 736 700)	1 113 122
<b>Net increase(decrease) in cash and cash equivalents</b>			<b>15 056 165</b>	<b>11 572 319</b>
<b>Debenture interest and dividend paid to non-controlling interest</b>			<b>20 424 645</b>	<b>10 445 063</b>

## Notes to the Consolidated Financial Statements (Continued)

### 21. Deferred tax taxation recoverable - related party

Amount of capital gains tax recoverable from Botswana Development Corporation Limited ("the Vendors") on disposal of investment properties acquired as part of listing.

Figures in Pula	Group		Company	
	2025	2024	2025	2024
Capital gains tax recoverable from Botswana Development Corporation Limited	3 013 800	3 095 461	3 013 800	3 095 461

### 22. Investments in associates

The following table lists all of the associates in the Group:

Group					
Name of company	Nature of operations	% ownership interest 2025	% ownership interest 2024	Carrying amount 2025	Carrying amount 2024
NBC Developments (Partnership)	Property Investment	33.33 %	33.33 %	51 963 955	51 460 533
Orbit Africa Logistics	Property Investment	30.00 %	30.00 %	-	-
				<b>51 963 955</b>	<b>51 460 533</b>

Company					
Name of company	Nature of operations	% ownership interest 2025	% ownership interest 2024	Carrying amount 2025	Carrying amount 2024
NBC Developments (Partnership)	Property Investment	33.33 %	33.33 %	51 963 955	51 460 533
Orbit Africa Logistics	Property Investment	30.00 %	30.00 %	-	-
				<b>51 963 955</b>	<b>51 460 533</b>

### Material associates

The following associates are material to the Group:

	Country of incorporation	Method	% Ownership interest	
			2025	2024
NBC Developments (Partnership)	Botswana	Equity	33.33 %	33.33 %
Orbit Africa Logistics	Kenya	Equity	30.00 %	30.00 %

## Notes to the Consolidated Financial Statements (Continued)

### 22. Investments in associates (continued)

#### Summarised financial information of material associates 2025

#### 2025

Summarised statement of profit or loss and other comprehensive income	Revenue	Other income and expenses	Profit (loss) from continuing operations	Total comprehensive income
NBC Developments (Partnership)	22 067 043	(4 655 036)	17 412 007	17 412 007
Orbit Africa Logistics	40 690 758	(133 639 295)	(92 948 537)	(92 948 537)
	<b>62 757 801</b>	<b>(138 294 331)</b>	<b>(75 536 530)</b>	<b>(75 536 530)</b>

Summarised statement of financial position	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Total net assets/(liabilities)
NBC Developments (Partnership)	229 183 848	5 169 463	76 000 000	2 461 448	155 891 863
Orbit Africa Logistics	135 821 596	89 660 665	589 284 973	2 481 955	(366 284 667)
	<b>365 005 444</b>	<b>94 830 128</b>	<b>665 284 973</b>	<b>4 943 403</b>	<b>(210 392 804)</b>

Reconciliation of net assets to equity accounted investments in associates	Total net assets	Interest in associate at % ownership	Investment in associate
NBC Developments (Partnership)	155 891 863	51 963 955	51 963 955
Orbit Africa Logistics	(366 284 667)	(109 885 400)	-
	<b>(210 392 804)</b>	<b>(57 921 445)</b>	<b>51 963 955</b>

Reconciliation of movement in investments in associates	Investment at beginning of 2025	Share of profit	Dividends received from associates	Investment at end of 2025
NBC Developments (Partnership)	51 460 533	5 803 422	(5 300 000)	51 963 955

#### 2024

Summarised statement of profit or loss and other comprehensive income	Revenue	Other income and expenses	Profit (loss) from continuing operations	Total comprehensive income
NBC Developments (Partnership)	9 169 019	(1 407 770)	7 761 249	7 761 249
Orbit Africa Logistics	52 124 844	(52 215 510)	(90 666)	(90 666)
	<b>61 293 863</b>	<b>(53 623 280)</b>	<b>7 670 583</b>	<b>7 670 583</b>

Summarised statement of financial position	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Total net assets/(liabilities)
NBC Developments (Partnership)	220 845 623	13 978 449	76 000 000	4 442 475	154 381 597
Orbit Africa Logistics	544 078 952	90 765 347	600 182 857	16 210 327	18 451 115
	<b>764 924 575</b>	<b>104 743 796</b>	<b>676 182 857</b>	<b>20 652 802</b>	<b>172 832 712</b>

## Notes to the Consolidated Financial Statements (Continued)

### 22. Investments in associates (continued) 2024

Reconciliation of net assets to equity accounted investments in associates	Total net assets	Interest in associate at % ownership	Impairment	Investment in associate
NBC Developments (Partnership)	154 381 597	51 460 533	-	51 460 533
Orbit Africa Logistics	18 451 115	5 535 335	(5 535 335)	-
	<b>172 832 712</b>	<b>56 995 868</b>	<b>(5 535 335)</b>	<b>51 460 533</b>

Reconciliation of net assets to equity accounted investments in associates	Investment at beginning of 2024	Acquisitions/ Disposals	Share of profit	Impairment	Dividends received from associates	Investment at end of 2024
NBC Developments (Partnership)	44 165 293	-	10 335 240	-	(3 040 000)	51 460 533
JTTM Properties Proprietary Limited	183 100 827	(182 028 718)	(1 059 687)	-	(12 422)	-
Orbit Africa Logistics	7 358 302	-	(27 200)	(7 331 102)	-	-
	<b>234 624 422</b>	<b>(182 028 718)</b>	<b>9 248 353</b>	<b>(7 331 102)</b>	<b>(3 052 422)</b>	<b>51 460 533</b>

### 23. Loans to Group companies

Figures in Pula Associates	Group		Company	
	2025	2024	2025	2024
Orbit Africa Logistics	104 142 629	104 142 629	104 142 629	104 142 629
Credit loss allowance	(104 142 629)	(100 406 136)	(104 142 629)	(100 406 136)
	<b>-</b>	<b>3 736 493</b>	<b>-</b>	<b>3 736 493</b>

The loan is unsecured. The loan and any accrued interest is repayable 5 years from disbursement date and bears interest at 4% per annum. The loan is denominated in United States Dollars.

During the year under review, the loan was tested for impairment and given the existence of impairment indicators, a provision for impairment amounting to P3.7 million was charged on the loan. This brings the total impairment on the loan to P104.1 million.

#### Split between non-current and current portions

Non-current assets	-	3 736 493	-	3 736 493
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#### Exposure to credit risk

Loans receivable inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

#### Reconciliation of loss allowances

##### Loss allowance measured at lifetime ECL (credit impaired):

Opening balance	100 406 136	-	100 406 136	-
Impairment charged on loan to related party	3 736 493	100 406 136	3 736 493	100 406 136
Closing balance	<b>104 142 629</b>	<b>100 406 136</b>	<b>104 142 629</b>	<b>100 406 136</b>

Due to the underperformance of the Associate Company in Kenya, the Group performed an impairment assessment in on the shareholder loan advanced to the Associate Company in line with the requirements of IFRS 9 Financial Instruments, and consequently an expected credit loss provision amounting to P104.1 million was charged.

#### Fair value of Group loans receivable

The fair value of Group loans receivable approximates their carrying amounts.

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>24. Investments at fair value</b>				
Equity investments at fair value through other comprehensive income	-	6 250 000	-	6 250 000
<b>Equity investments at fair value through other comprehensive income:</b>				
Mogo'lori Mall (Proprietary) Limited 15% shareholdings of shares and linked debentures	-	6 250 000	-	6 250 000
<b>Split between non-current and current portions</b>				
Non-current assets	-	6 250 000	-	6 250 000

#### Fair value information

Refer to note 40 Fair value information for details of valuation policies and processes.

#### Risk exposure

The investments held by the Group expose it to various risks, including credit risk, currency risk, interest rate risk and price risk. Refer to note 38 Financial instruments and risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

#### Equity instruments at fair value through other comprehensive income

The specific investments which are measured at fair value through other comprehensive income are as follows:

##### Investments held at reporting date - Group

	2025 Fair value	2024 Dividends received	2025 Fair value	2024 Dividends received
Mogo'lori Mall (Proprietary) Limited	-	-	6 250 000	-

On the 4th July 2024, the Letlole La Rona Limited Board approved for the group to exit the Mogo'lori investment due to the risks associated with the planned development. It is currently classified as non-current asset held for sale.

##### Investments held at reporting date - Company

	2025 Fair value	2024 Dividends received	2025 Fair value	2024 Dividends received
Mogo'lori Mall (Proprietary) Limited	-	-	6 250 000	-

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>25. Other financial assets</b>				
Other financial assets are presented at amortised cost, which is net of loss allowance, as follows:				
Kgori Capital Proprietary Limited	10 841 478	14 564 992	-	-
Stanlib Money Markets	12 621 642	28 065 303	12 621 642	28 065 303
Bank Gaborone Limited - Fixed deposit	39 352 132	12 047 598	39 352 132	12 047 598
Ipro Money Market	10 771 451	26 365 396	10 771 451	26 365 396
Access Bank - Fixed deposit	10 469 980	-	10 469 980	-
First National Bank- Fixed deposit	20 008 322	-	20 008 322	-
	<b>104 065 005</b>	<b>81 043 289</b>	<b>93 223 527</b>	<b>66 478 297</b>

The short term investments are unsecured, earns average interest of 5 - 6% per annum and has no fixed maturity date. The investments can be liquidated subject to an average notice period of 48 hours to the investee company.

### 26. Trade and other receivables

Financial instruments:				
Trade receivables	21 481 351	16 409 373	12 652 570	12 182 036
Trade receivables - related parties	-	-	2 486 000	-
Loss allowance	(12 747 636)	(9 721 607)	(8 892 001)	(7 767 800)
Trade receivables at amortised cost	8 733 715	6 687 766	6 246 569	4 414 236
Deposits	746 792	742 992	288 330	288 330
Other receivable	5 203 044	5 883 655	5 123 831	2 553 406
<b>Non-financial instruments:</b>				
Value added tax	137 102	-	-	-
Prepayments	2 476 395	1 838 498	2 247 157	1 714 843
<b>Total trade and other receivables</b>	<b>17 297 048</b>	<b>15 152 911</b>	<b>13 905 887</b>	<b>8 970 815</b>

#### Split between non-current and current portions

Current assets	17 297 048	15 152 911	13 905 887	8 970 815
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#### Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	14 683 551	13 314 413	11 658 730	7 255 972
Non-financial instruments	2 613 497	1 838 498	2 247 157	1 714 843
	<b>17 297 048</b>	<b>15 152 911</b>	<b>13 905 887</b>	<b>8 970 815</b>

#### Trade and other receivables pledged as security

The rental income and related receivables from certain properties which have been mortgaged to the bankers are also pledged as security.

#### Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

Trade receivables arise from rental income. The customer base is spread across commercial, retail, industrial and residential with no specific significant concentration of credit risk from these trade receivables.

## Notes to the Consolidated Financial Statements (Continued)

### 26. Trade and other receivables (continued)

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery.

The Group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

The loss allowance provision is determined as follows:

Group	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
<b>Expected credit loss rate:</b>				
Not past due:	5 744 323	(881 789)	5 468 892	(648 131)
31 - 60 days past due	4 411 639	(1 892 524)	2 384 840	(849 312)
More than 120 days past due	11 325 389	(9 973 323)	8 555 641	(8 224 164)
	<b>21 481 351</b>	<b>(12 747 636)</b>	<b>16 409 373</b>	<b>(9 721 607)</b>
<b>Company</b>	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
<b>Expected credit loss rate:</b>				
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Not past due	2 156 138	(324 557)	3 024 121	(385 898)
31 - 60 days past due	1 886 188	(847 628)	1 219 474	(385 060)
More than 120 days past due	8 610 244	(7 719 816)	7 938 441	(6 996 842)
	<b>12 652 570</b>	<b>(8 892 001)</b>	<b>12 182 036</b>	<b>(7 767 800)</b>
<b>Trade receivable - related parties</b>				
Not past due	2 486 000	-	-	-
<b>Total</b>	<b>15 138 570</b>	<b>(8 892 001)</b>	<b>12 182 036</b>	<b>(7 767 800)</b>

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>26. Trade and other receivables (continued)</b>				
<b>Reconciliation of loss allowances</b>				
The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:				
Opening balance in accordance with IFRS 9	(9 721 607)	(7 445 647)	(7 767 800)	(7 445 647)
Amounts recovered	(25 000)	1 057 578	-	-
Provision raised on new trade receivables	(3 745 852)	(322 153)	(1 869 024)	(322 153)
Acquisition of business	-	(3 011 385)	-	-
Bad debts written off	744 823	-	744 823	-
<b>Closing balance</b>	<b>(12 747 636)</b>	<b>(9 721 607)</b>	<b>(8 892 001)</b>	<b>(7 767 800)</b>

### Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

### 27. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	35 344 535	24 586 476	9 420 347	11 917 518
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### Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates. None of the banks in Botswana are rated, but are subsidiaries of reputed and rated financial institutions in Southern Africa.

### 28. Non - current assets held for sale

The Group has decided to discontinue its operations at Plot 2989 Red Square in Gaborone in June 2022. The assets and liabilities of the disposal Group are set out below.

The decision was made by the Board of Directors to discontinue these operations due poor performance by the properties.

As at 30 June 2025, sale of Plot 2989 was still ongoing with sales to sitting tenants and staff.

The P4.7 million in 2024 includes Moedi House which was disposed in August 2023.

### Profit and loss

Revenue	471 180	7 658 802	471 180	7 658 802
Fair value adjustment	47 938	54 716	47 938	54 716
Expenses	(35 117)	(2 961 470)	(35 117)	(2 961 470)
	<b>484 001</b>	<b>4 752 048</b>	<b>484 001</b>	<b>4 752 048</b>

### Assets and liabilities

#### Non-current assets held for sale

Investment property	2 400 000	13 160 000	2 400 000	13 160 000
Mogo'lori Mall Proprietary Limited	6 250 000	-	6 250 000	-
	<b>8 650 000</b>	<b>13 160 000</b>	<b>8 650 000</b>	<b>13 160 000</b>

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>29. Stated capital</b>				
<b>Issued</b>				
280 000 000 (2024: 280 000 000) Ordinary shares of no par value, fully paid up	2 718 884	2 718 884	2 718 884	2 718 884

Each Linked Unit in the Group comprises one ordinary share and one variable rate unsecured debenture as per note 30, which are indivisibly linked. It is not possible to trade the shares or the variable rate unsecured debentures separately from one another.

The linked units are listed on the Botswana Stock Exchange Limited.

All of the issued shares are of the same class and rank pari passu in every respect.

In accordance with the Constitution, at any general meeting, every shareholder present in person or by authorised representative or proxy shall have one vote on a show of hands and on a poll, every member present in person, by authorised representative or by proxy shall have one vote for every share held.

### 30. Debentures - Linked units

Each Linked Unit in the Group comprises one ordinary share as per note 29, and one variable rate unsecured debenture, which are indivisibly linked. It is not possible to trade with the shares or the variable rate unsecured debentures separately from one another.

All of the variable rate unsecured debentures are of the same class and rank pari passu in every respect.

The debentures are governed in terms of a Trust Deed entered into between the Company and the Trustee for the debenture holders.

The debentures have been sub-ordinated to First National Bank of Botswana Limited for facilities availed.

280 000 000 (2024: 280 000 000)	405 113 547	405 113 547	405 113 547	405 113 547
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### 31. Borrowings

#### Held at amortised cost

First National Bank of Botswana Limited	611 699 993	607 078 095	542 767 061	539 671 157
Bank Gaborone Limited	23 507 852	29 974 198	23 507 852	29 974 198
Stanbic Bank Botswana Limited	67 075 133	67 587 186	-	-
	<b>702 282 978</b>	<b>704 639 479</b>	<b>566 274 913</b>	<b>569 645 355</b>

#### Split between non-current and current portions

Non-current liabilities	695 549 793	697 717 704	560 470 352	563 613 402
Current liabilities	6 733 185	6 921 775	5 804 561	6 031 953
	<b>702 282 978</b>	<b>704 639 479</b>	<b>566 274 913</b>	<b>569 645 355</b>

## Notes to the Consolidated Financial Statements (Continued)

### 31. Borrowings (continued)

#### Bank Gaborone Limited

The loan facility of P47.75 million carries interest at prime rate (base rate of the bank) plus 1% currently at 7.51% (2024: 6.26%) per annum. The loan is repayable in 180 months installments and is secured by a first covering mortgage bond of P24 million over Lot 4738 Station, Gaborone and cession of P12 million held in a call deposit account.

#### First National Bank of Botswana Limited

The loan facility is for P 540 million (2024: P 540 million) split as Tranche A carrying interest at a fixed rate 6.7%, Tranche B carrying interest at prime plus 0.75%, currently 6.26% (2024: 6.26%) and facility B carrying interest at prime plus 0.75%, currently 6.26%. The loan is repayable after 5 years from initial drawdown in 2022. The loan is secured by:

- a first covering mortgage bond for P28 million over Lot 22033, Gaborone.
- a first covering mortgage bond for P11 million over Lot 14453, Gaborone.
- a first covering mortgage bond for P11 million over Lot 14454, Gaborone.
- a first covering mortgage bond for P4 million over Lot 14455, Gaborone.
- a first covering mortgage bond for P9 million over Lot 14457, Gaborone.
- a first covering mortgage bond for P8 million over Lot 14458, Gaborone.
- a first covering mortgage bond for P9 million over Lot 14459, Gaborone.
- a first covering mortgage bond for P9 million over Lot 14460, Gaborone.
- a first covering mortgage bond for P47 million over Lot 69365, Gaborone.
- a first covering mortgage bond for P44 million over Lot 69368, Gaborone.
- a first covering mortgage bond for P29 million over Lot 69369, Gaborone.
- a first covering mortgage bond for P6 million over Lot 6369-6372, Lobatse.
- a first covering mortgage bond for P38 million over Lot 22047, Gaborone.
- a first covering mortgage bond for P24 million over Lot 54060, Gaborone.
- a first covering mortgage bond for P80 million over Lot 74204, Gaborone.
- a first covering mortgage bond for P82 million over Lot 32084, Gaborone
- a first covering mortgage bond of P137 million over Lot 29052, Mahalapye.
- a first continuing covering mortgage bond of P32 million over Lot 22038, Gaborone.
- a first continuing covering mortgage bond of P74 million over Lot 28911, Gaborone.
- a first continuing covering mortgage bond of P22 million over Lot 14398, Gaborone.
- a first continuing covering mortgage bond of P31 million over Lot 64260, Gaborone.
- cession of lease rentals in relation to mortgaged properties.
- cession of insurance policies and proceeds with regards to mortgaged properties.
- cession of receivable balances.

#### Subsidiary of the company

The subsidiary has obtained a joint credit facility of P135.2 million from Stanbic Bank Botswana Limited and First National Bank of Botswana Limited in 2018. The loan is repayable in 132 months from initial drawdown of which the capital will be payable in February 2029 as a bullet payment at a rate of prime plus 1.35%. Prime is currently 6.26% (2024: 6.26%)

#### Stanbic Bank Botswana Limited

The loan is secured by:

- a first covering mortgage bond for P205 million over Lot 4716, Gaborone.
- a deed of hypothecation for P205 million

#### First National Bank Botswana Limited

The loan is secured by:

- a first covering mortgage bond for P205 million over Lot 4716, Gaborone.
- a deed of hypothecation for P205 million

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>32. Deferred tax</b>				
<b>Deferred tax liability</b>				
Capital gains on fair value increase in investment property	(116 294 386)	(109 765 483)	(40 109 285)	(37 152 974)
Accelerated capital allowances	(32 754 798)	(34 928 058)	(32 754 798)	(34 928 058)
Capital gains on disposal of investment property recoverable from related party	(3 013 800)	(3 095 461)	(3 013 800)	(3 095 461)
<b>Total deferred tax liability</b>	<b>(152 062 984)</b>	<b>(147 789 002)</b>	<b>(75 877 883)</b>	<b>(75 176 493)</b>
<b>Deferred tax asset</b>				
Tax losses available for set off against future taxable income	2 498 803	9 359 383	2 498 803	9 359 383
<b>Total deferred tax asset</b>	<b>2 498 803</b>	<b>9 359 383</b>	<b>2 498 803</b>	<b>9 359 383</b>
	(152 062 984)	(147 789 002)	(75 877 883)	(75 176 493)
Deferred tax liability				
Deferred tax asset	2 498 803	9 359 383	2 498 803	9 359 383
<b>Total net deferred tax liability</b>	<b>(149 564 181)</b>	<b>(138 429 619)</b>	<b>(73 379 080)</b>	<b>(65 817 110)</b>
<b>Reconciliation of deferred tax asset / (liability)</b>				
At beginning of year	(138 429 619)	(56 783 005)	(65 817 110)	(56 783 005)
Movement in capital gains tax recoverable/payable to related party	81 661	104 586	81 661	104 586
Other movements in deferred tax assets and liabilities	(13 389 483)	(73 818 672)	(9 816 891)	(1 206 163)
Capital gains charges to the statement of comprehensive income	2 173 260	(7 932 528)	2 173 260	(7 932 528)
	<b>(149 564 181)</b>	<b>(138 429 619)</b>	<b>(73 379 080)</b>	<b>(65 817 110)</b>
<b>33. Trade and other payables</b>				
<b>Financial instruments:</b>				
Trade payables and accruals	21 352 311	15 475 272	14 521 302	6 329 136
Refundable deposit held	14 740 463	14 747 301	11 163 294	11 486 311
Other payables	3 580 671	1 933 721	3 369 254	1 672 537
<b>Non-financial instruments:</b>				
Amounts received in advance	4 628 746	3 452 669	3 195 329	3 160 358
Accrued gratuity and leave pay	3 203 375	2 305 182	3 203 375	2 305 182
Value added tax	746 527	1 682 039	746 527	1 400 286
	<b>48 252 093</b>	<b>39 596 184</b>	<b>36 199 081</b>	<b>26 353 810</b>
<b>Financial instrument and non-financial instrument components of trade and other payables</b>				
At amortised cost	39 673 445	32 156 294	29 053 850	19 487 984
Non-financial instruments	8 578 648	7 439 890	7 145 231	6 865 826
	<b>48 252 093</b>	<b>39 596 184</b>	<b>36 199 081</b>	<b>26 353 810</b>
<b>Fair value of trade and other payables</b>				
The fair value of trade and other payables approximates their carrying amounts.				

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>34. Debenture interest and dividend payable</b>				
<b>Debenture interest to owners of parent</b>				
Interim paid - 6.26 (2024: 9.06) thebe	17 535 871	25 360 000	17 535 871	25 360 000
Final declared - 6.40 (2024: 5.24) thebe	17 913 903	14 658 678	17 913 903	14 658 678
<b>Total debenture interest</b>	<b>35 449 774</b>	<b>40 018 678</b>	<b>35 449 774</b>	<b>40 018 678</b>
<b>Dividend to owners of parent</b>				
Interim paid - 0.05 (2024: 0.05) thebe	140 000	140 000	140 000	140 000
Final declared - 0.05 (2024: 0.05) thebe	140 000	140 000	140 000	140 000
<b>Total dividend</b>	<b>280 000</b>	<b>280 000</b>	<b>280 000</b>	<b>280 000</b>
Debenture interest	35 449 774	40 018 678	35 449 774	40 018 678
Dividend	280 000	280 000	280 000	280 000
<b>Total distribution</b>	<b>35 729 774</b>	<b>40 298 678</b>	<b>35 729 774</b>	<b>40 298 678</b>
<b>Debenture interest and dividend payable to owners of parent</b>				
Debenture interest	(17 913 903)	(14 658 678)	(17 913 903)	(14 658 678)
Dividend payable	(140 000)	(140 000)	(140 000)	(140 000)
	<b>(18 053 903)</b>	<b>(14 798 678)</b>	<b>(18 053 903)</b>	<b>(14 798 678)</b>
<b>Dividends and debenture interest payable to:</b>				
Owners of parent	18 053 903	14 798 678	18 053 903	14 798 678
Non-controlling interest	1 590 350	-	-	-
	<b>19 644 253</b>	<b>14 798 678</b>	<b>18 053 903</b>	<b>14 798 678</b>
<b>35. Dividends and debenture interest paid</b>				
Balance at beginning of the year	(14 798 678)	(29 764 000)	(14 798 678)	(29 764 000)
Dividends and debenture interest declared	(56 154 418)	(50 743 741)	(35 729 773)	(40 298 678)
Balance at end of the year	19 644 253	14 798 678	18 053 903	14 798 678
	<b>(51 308 843)</b>	<b>(65 709 063)</b>	<b>(32 474 548)</b>	<b>(55 264 000)</b>
<b>Dividends and debenture interest paid attributable to:</b>				
Owners of parent	(32 474 548)	(55 264 000)	(32 474 548)	(55 264 000)
Non-controlling interest	(18 834 295)	(10 445 063)	-	-
	<b>(51 308 843)</b>	<b>(65 709 063)</b>	<b>(32 474 548)</b>	<b>(55 264 000)</b>
<b>36. Tax paid</b>				
Balance at beginning of the year	7 574 819	2 992 181	5 239 976	2 992 181
Current tax for the year recognised in profit or loss	(12 997 992)	(145 826)	(12 997 992)	(145 826)
Tax attributable to debenture interest	7 798 950	-	7 798 950	-
Adjustment in respect of businesses sold and acquired during the year including exchange rate movements	-	2 288 473	-	-
Balance at end of the year	(6 063 842)	(7 574 819)	(3 639 266)	(5 239 976)
	<b>(3 688 065)</b>	<b>(2 439 991)</b>	<b>(3 598 332)</b>	<b>(2 393 621)</b>

## Notes to the Consolidated Financial Statements (Continued)

### 37. Related parties

Parties are considered related when one has power, through ownership, contractual right, family relationship, or otherwise, to directly or indirectly control or significantly influence the other party. Parties also are related when they are under the common control or significant influence of a third party.

Botswana Development Corporation Limited owns 30% of the issued linked units of the Company as at 30 June 2025 (2024: 40.4%)

Botswana Public Officers Pension Fund (BPOPF) owns 44.82% of the issued linked units of the company as at 30 June 2025 (2024: 36.6%).

During the year the Group entered into the following trading transactions with related parties and had the following balances with related parties.wsww

#### Relationships

Shareholders	Botswana Development Corporation Limited Botswana Public Officers Pension Fund (BPOPF)
Subsidiaries	Refer to note 20
Associates	Refer to note 22
Board of Directors	Refer to page 93
Members of key management	Ms K Mowaneng (Chief Executive Officer) Ms R Modikana (Chief Financial Officer) - Effective 9 May 2025 Mr P Isaacs (Chief Financial Officer) - Resigned 31 March 2025 Ms C Masendu - Kusane (Chief Property Officer) Ms L Keitsile (Head of Investments) Ms O Obuseng (Head of Legal, Compliance & Company Secretary)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>Related party balances</b>				
<b>Loan accounts - Owing (to) by related parties</b>				
Orbit Africa Logistics	104 142 629	104 142 629	104 142 629	104 142 629
Credit loss allowances	(104 142 629)	(100 406 136)	(104 142 629)	(100 406 136)
	<b>-</b>	<b>3 736 493</b>	<b>-</b>	<b>3 736 493</b>
<b>Amounts included in Trade and other receivables regarding related parties</b>				
JTTM Properties Proprietary Limited	-	-	4 689 200	-
<b>Deferred tax recoverable from related party</b>				
Botswana Development Corporation Limited	3 013 800	3 095 461	3 013 800	3 095 461
<b>Related party transactions</b>				
<b>Dividend and debenture interest received</b>				
NBC Partnership	5 300 000	3 040 000	5 300 000	3 040 000
JTTM Properties Proprietary Limited	-	3 452 890	27 935 556	12 413 770
	<b>5 300 000</b>	<b>6 492 890</b>	<b>33 235 556</b>	<b>15 453 770</b>

## Notes to the Consolidated Financial Statements (Continued)

Figures in Pula	Group		Company	
	2025	2024	2025	2024
<b>37. Related parties (continued)</b>				
<b>Share of profit from partnership</b>				
NBC Partnership	503 422	7 295 239	503 422	7 295 239
JTTM Properties Proprietary Limited	-	787 790	-	787 790
Orbit Africa Logistics	-	(1 878 129)	-	(1 878 129)
	<b>503 422</b>	<b>6 204 900</b>	<b>503 422</b>	<b>6 204 900</b>
<b>Dividend and debenture interest paid</b>				
Botswana Development Corporation Limited	10 718 932	16 271 462	10 718 932	16 271 462
Botswana Public Officers Pension Fund (BPOPF)	16 014 084	14 749 317	16 014 084	14 749 317
	<b>26 733 016</b>	<b>31 020 779</b>	<b>26 733 016</b>	<b>31 020 779</b>
<b>Movement in credit loss allowance</b>				
Orbit Africa Logistics	3 736 493	100 406 136	3 736 493	100 406 136
<b>Interest income from related party</b>				
Orbit Africa Logistics	-	4 063 148	-	4 063 148
<b>Directors' emoluments</b>				
Directors fees	2 202 450	1 890 400	1 872 250	1 841 200
<b>Remunerations paid to members of key management</b>				
Short term employee benefits	8 827 425	10 515 589	8 827 425	10 515 589
Post employment benefits	784 359	-	784 359	-
	<b>9 611 784</b>	<b>10 515 589</b>	<b>9 611 784</b>	<b>10 515 589</b>

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management

#### Categories of financial instruments

#### Categories of financial assets

##### Group - 2025

	Note(s)	Amortised cost	Total	Fair value
Other financial assets	25	104 065 005	104 065 005	104 065 005
Trade and other receivables	26	14 683 551	14 683 551	14 683 551
Cash and cash equivalents	27	35 344 535	35 344 535	35 344 535
		<b>154 093 091</b>	<b>154 093 091</b>	<b>154 093 091</b>

##### Group - 2024

	Note(s)	Fair value through other comprehensive income - equity instruments	Amortised cost	Total	Fair value
Loans to Group companies	23	-	3 736 493	3 736 493	3 736 493
Other financial assets	25	-	81 043 289	81 043 289	81 043 289
Investments at fair value	24	6 250 000	-	6 250 000	6 250 000
Trade and other receivables	26	-	13 314 413	13 314 413	13 314 413
Cash and cash equivalents	27	-	24 586 476	24 586 476	24 586 476
		<b>6 250 000</b>	<b>122 680 671</b>	<b>128 930 671</b>	<b>128 930 671</b>

##### Company - 2025

	Note(s)	Amortised cost	Total	Fair value
Other financial assets	25	93 223 527	93 223 527	93 223 527
Trade and other receivables	26	11 658 730	11 658 730	11 658 730
Cash and cash equivalents	27	9 420 347	9 420 347	9 420 347
		<b>114 302 604</b>	<b>114 302 604</b>	<b>114 302 604</b>

##### Company - 2024

	Note(s)	Fair value through other comprehensive income - equity instruments	Amortised cost	Total	Fair value
Loans to Group companies	23	-	3 736 493	3 736 493	3 736 493
Other financial assets	25	-	66 478 297	66 478 297	66 478 297
Investments at fair value	24	6 250 000	-	6 250 000	6 250 000
Trade and other receivables	26	-	7 255 972	7 255 972	7 255 972
Cash and cash equivalents	27	-	11 917 518	11 917 518	11 917 518
		<b>6 250 000</b>	<b>89 388 280</b>	<b>95 638 280</b>	<b>95 638 280</b>

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

#### Categories of financial liabilities

##### Group - 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	33	39 673 445	39 673 445	39 673 445
Borrowings	31	702 282 978	702 282 978	702 282 978
Lease liabilities	18	2 673 411	2 673 411	2 673 411
Dividend payable	34	19 644 253	19 644 253	19 644 253
		<b>764 274 087</b>	<b>764 274 087</b>	<b>764 274 087</b>

##### Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	33	32 156 294	32 156 294	32 156 294
Borrowings	31	704 639 479	704 639 479	704 639 479
Lease liabilities	18	3 275 828	3 275 828	3 275 828
Dividend payable	34	14 798 678	14 798 678	14 798 678
		<b>754 870 279</b>	<b>754 870 279</b>	<b>754 870 279</b>

##### Company - 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	33	29 053 850	29 053 850	29 053 850
Borrowings	31	566 274 913	566 274 913	566 274 913
Lease liabilities	18	2 673 411	2 673 411	2 673 411
Dividend payable	34	18 053 903	18 053 903	18 053 903
		<b>616 056 077</b>	<b>616 056 077</b>	<b>616 056 077</b>

##### Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	33	19 487 988	19 487 988	19 487 988
Borrowings	31	569 645 355	569 645 355	569 645 355
Lease liabilities	18	3 275 828	3 275 828	3 275 828
Dividend payable	34	14 798 678	14 798 678	14 798 678
		<b>607 207 849</b>	<b>607 207 849</b>	<b>607 207 849</b>

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

#### Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances.

The capital structure of the Group consists of cash and cash equivalents and equity, comprising the stated capital, the variable rate unsecured debentures and accumulated profits as disclosed in the statement of financial position. At 30 June 2025, the Group had interest bearing borrowings of P 702 282 978 (2024:P 704 639 479).

The Group monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as borrowings divided by shareholders' equity plus borrowings.

The capital structure and gearing ratio of the Group at the reporting date was as follows:

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
Borrowings	31	702 282 978	704 639 479	566 274 913	569 645 355
Cash and cash equivalents	27	(35 344 535)	(24 586 476)	(9 420 347)	(11 917 518)
Net borrowings		666 938 443	680 053 003	556 854 566	557 727 837
Equity and borrowings		1 619 771 445	1 573 889 928	1 475 972 582	1 444 050 359
Gearing ratio		41 %	43 %	38 %	39 %

#### Financial risk management

##### Overview

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out under policies approved by the Board of Directors.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Audit, Risk And Compliance committee is responsible for monitoring compliance with the Group's risk management policies and procedures and for reviewing the adequacy of the risk management framework in relation to risks faced by the Group. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk.

##### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on debt instruments at fair value through other comprehensive income, loans to Group companies, trade and other receivables, other financial assets and cash and cash equivalents. Credit risk for exposures other than those arising on trade and other receivables, are managed by making use of credit approvals, limits and monitoring at the inception of the lease agreement. The Group evaluates credit worthiness of its tenants through several mechanism and only deals with reputable counterparties with consistent payment histories. Deposits are also obtained when necessary. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents and other financial assets are managed by the Group through dealing with well-established financial institutions with high credit ratings.

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition.

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopt this approach when information relevant to the determination of credit risk is not available on an individual instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is "past due" information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit losses before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by Grouping financial instruments on the basis of shared credit risk characteristics.

In assessing whether the credit risk on trade receivables and loans to Group companies has increased significantly since initial recognition, the Group compares the risk of a default occurring on the receivables and loans as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, Governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

By contrast, if trade receivables and loans to Group companies are assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the receivables and loans has not increased significantly since initial recognition.

The maximum exposure to credit risk is presented in the table below:

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

Group	2025			2024			
	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	
Loans to Group companies	23	104 142 629	(104 142 629)	-	104 142 629	(100 406 136)	3 736 493
Other financial assets	25	104 065 005	-	104 065 005	81 043 289	-	81 043 289
Trade and other receivables (excluding non-financial instruments)	26	27 431 187	(12 747 636)	14 683 551	23 036 020	(9 721 607)	13 314 413
Cash and cash equivalents	27	35 344 535	-	35 344 535	24 586 476	-	24 586 476
		<b>270 983 356</b>	<b>(116 890 265)</b>	<b>154 093 091</b>	<b>232 808 414</b>	<b>(110 127 743)</b>	<b>122 680 671</b>

Company	2025			2024			
	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	
Loans to Group companies	23	104 142 629	(104 142 629)	-	104 142 629	(100 406 136)	3 736 493
Other financial assets	25	93 223 527	-	93 223 527	66 478 297	-	66 478 297
Trade and other receivables (excluding non-financial instruments)	26	20 550 731	(8 892 001)	11 658 730	15 023 772	(7 767 800)	7 255 972
Cash and cash equivalents	27	9 420 347	-	9 420 347	11 917 518	-	11 917 518
		<b>227 337 234</b>	<b>(113 034 630)</b>	<b>114 302 604</b>	<b>197 562 216</b>	<b>(108 173 936)</b>	<b>89 388 280</b>

#### Liquidity risk

The Group is exposed to liquidity risk, which is the risk that the Group will encounter difficulties in meeting its obligations as they become due.

The Group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

#### Group - 2025

		Less than 1 year	2 to 5 years	Contractual amount	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	31	-	695 549 793	695 549 793	695 549 793
Lease liabilities	18	-	1 955 422	1 955 422	1 955 422
<b>Current liabilities</b>					
Trade and other payables	33	39 673 445	-	39 673 445	39 673 445
Borrowings	31	6 733 185	-	6 733 185	6 733 185
Lease liabilities	18	717 989	-	717 989	717 989
Dividend payable	34	19 644 253	-	19 644 253	19 644 253
		<b>66 768 872</b>	<b>697 505 215</b>	<b>764 274 087</b>	<b>764 274 087</b>

#### Group - 2024

		Less than 1 year	2 to 5 years	Contractual amount	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	31	-	697 717 704	697 717 704	697 717 704
Lease liabilities	18	-	2 655 863	2 655 863	2 655 863
<b>Current liabilities</b>					
Trade and other payables	33	32 156 294	-	32 156 294	32 156 294
Borrowings	31	6 921 775	-	6 921 775	6 921 775
Lease liabilities	18	619 965	-	619 965	619 965
Dividend payable	34	14 798 678	-	14 798 678	14 798 678
		<b>54 496 712</b>	<b>700 373 567</b>	<b>754 870 279</b>	<b>754 870 284</b>

#### Company - 2025

		Less than 1 year	2 to 5 years	Contractual amount	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	31	-	560 470 352	560 470 352	560 470 352
Lease liabilities	18	-	1 955 422	1 955 422	1 955 422
<b>Current liabilities</b>					
Trade and other payables	33	29 053 850	-	29 053 850	29 053 850
Borrowings	31	5 804 561	-	5 804 561	5 804 561
Lease liabilities	18	717 989	-	717 989	717 989
Dividend payable	34	18 053 903	-	18 053 903	18 053 903
		<b>53 630 303</b>	<b>562 425 774</b>	<b>616 056 077</b>	<b>616 056 077</b>

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

#### Company - 2025

		Less than 1 year	2 to 5 years	Contractual amount	Carrying amount
<b>Non-current liabilities</b>					
Borrowings	31	-	563 613 402	563 613 402	563 613 402
Lease liabilities	18	-	2 655 863	2 655 863	2 655 863
<b>Current liabilities</b>					
Trade and other payables	33	19 487 988	-	19 487 988	19 487 988
Borrowings	31	6 031 953	-	6 031 953	6 031 953
Lease liabilities	18	619 965	-	619 965	619 965
Dividend payable	34	14 798 678	-	14 798 678	14 798 678
		<b>40 938 584</b>	<b>566 269 265</b>	<b>607 207 849</b>	<b>607 207 849</b>

#### Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The debt of the Group is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary. Interest rates on all borrowings compare favourably with those rates available in the market.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Fluctuations in interest rates impact on the value of short-term cash investment and financing activities, giving rise to interest rate risk. The cash is managed to ensure surplus funds are invested in a manner to achieve maximum returns while minimising risks.

#### Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

#### Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group	2025	2025	2024	2024
	Increase	Decrease	Increase	Decrease
<b>Increase or decrease in rate by 10%</b>				
<b>Impact on profit or loss:</b>				
Net finance income and finance costs	4 296 734	(4 296 734)	3 810 665	(3 810 665)

## Notes to the Consolidated Financial Statements (Continued)

### 38. Financial instruments and risk management (continued)

Company	2025	2025	2024	2024
Increase or decrease in rate by 10%	Increase	Decrease	Increase	Decrease
<b>Impact on profit or loss:</b>				
Net finance income and finance costs	3 348 980	(3 348 980)	1 994 769	(1 994 769)

### 39. Contingent liabilities

There were no contingent liabilities in the current year.

### 40. Fair value information

#### Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

#### Levels of fair value measurements

##### Level 3

#### Recurring fair value measurements

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
<b>Assets</b>					
<b>Investment property</b>	17				
Investment property		1 837 432 873	1 776 202 680	1 056 245 243	1 017 413 813
<b>Equity investments at fair value through other comprehensive income</b>	24				
Investment at fair value		-	6 250 000	-	6 250 000
<b>Total</b>		<b>1 837 432 873</b>	<b>1 782 452 680</b>	<b>1 056 245 243</b>	<b>1 023 663 813</b>

## Notes to the Consolidated Financial Statements (Continued)

### 40. Fair value information (continued)

#### Reconciliation of assets and liabilities measured at level 3

	Note(s)	Opening balance	Fair value adjustment	Straight line rental adjustment	Existing buildings (refurbishment)	Business combinations	Non current-assets held for sale	Transfers from plant and equipment	Closing balance
<b>Group - 2025</b>									
<b>Assets</b>									
<b>Investment property</b>									
Investment property		1 776 202 680	49 475 445	365 132	11 389 616	-	-	-	1 837 432 873
<b>Equity investments at fair value through other comprehensive income</b>	24								
Investment at fair value		6 250 000	-	-	-	-	(6 250 000)	-	-
<b>Total</b>		<b>6 250 000</b>	<b>-</b>	<b>365 132</b>	<b>-</b>	<b>-</b>	<b>(6 250 000)</b>	<b>-</b>	<b>-</b>
<b>Group - 2024</b>									
<b>Assets</b>									
<b>Investment property</b>	17								
Investment property		967 983 900	55 987 169	1 787 652	6 119 110	755 611 070	(13 160 000)	1 873 779	1 776 202 680
<b>Equity investments at fair value through other comprehensive income</b>	24								
Investment at fair value		6 250 000	-	-	-	-	-	-	6 250 000
<b>Total</b>		<b>974 233 900</b>	<b>55 987 169</b>	<b>1 787 652</b>	<b>6 119 110</b>	<b>755 611 070</b>	<b>(13 160 000)</b>	<b>1 873 779</b>	<b>1 782 452 680</b>

## Notes to the Consolidated Financial Statements (Continued)

### 40. Fair value information (continued)

	Note(s)	Opening balance	Fair value adjustment	Straight line rental adjustment	Additions	Business combinations	Non current-assets held for sale	Transfers from plant and equipment	Closing balance
<b>Company - 2025</b>									
<b>Assets</b>									
<b>Investment property</b>	17								
Investment property		1 017 413 813	29 778 736	(1 507 042)	10 559 736	-	-	-	1 056 245 243
<b>Equity investments at fair value through other comprehensive income</b>	24								
Investment at fair value		6 250 000	-	-	-	-	(6 250 000)	-	-
<b>Total</b>		<b>1 023 663 813</b>	<b>29 778 736</b>	<b>(1 507 042)</b>	<b>10 559 736</b>	<b>-</b>	<b>(6 250 000)</b>	<b>-</b>	<b>1 056 245 243</b>

### Company - 2024

<b>Assets</b>									
<b>Investment property</b>	17								
Investment property		967 983 900	45 572 891	(1 150 700)	5 007 722	-	-	-	1 017 413 813
<b>Equity investments at fair value through other comprehensive income</b>	24								
Investments at fair value in unlisted entities		6 250 000	-	-	-	-	-	-	6 250 000
<b>Total</b>		<b>974 233 900</b>	<b>45 572 891</b>	<b>(1 150 700)</b>	<b>5 007 722</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 023 663 813</b>

Information about valuation techniques and inputs used to derive level 3 fair values

## Notes to the Consolidated Financial Statements (Continued)

### 40. Fair value information (continued)

#### Valuation process

The fair value of the Group's investment properties at 30 June 2025 has been carried out using the comparative discounted cashflow methods with reversion to market rentals. The valuation was carried out by Ribbery Proprietary Limited. Ribbery Proprietary Limited are members of the Real Estate Institute of Botswana and are registered in terms of the Real Estate Professionals Act 2003. The valuations, which conform to international Valuation Standards. In undertaking the valuation of the Properties, they have made the assessment on the basis of a collation and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the subject property. With the benefit of such transactions they have then applied these to the properties, taking into account size, location, covenant terms and other material factors. They have used MRI (Cougar) software to process the DCF valuation. The software takes into account the following assumptions;

- That passing rents run and are indexed each year in line with and until the end of lease contracts
- Anticipated take up of vacant space based on current negotiations
- 3% growth in market rents per year
- The net operating costs as detailed in the report
- Budgeted capital expenditure allocated to the improvements
- 10 year holding period
- All risk reversion yields of between 9.25% and 9.81%
- Discount rates between 10.64% and 11.34%

The fair value of investments in unlisted entities measured through other comprehensive income is determined based on inputs that the management receives. At the year end, the fair value of this investment is estimated to be no different from the cost due to the timing of the investment coupled with the underlying business operations of the investee company which has not changed significantly from the time the investment was initially made.

The investment property held by the subsidiary, JTTM was independently valued as of 31 March 2025. The property was valued in accordance with Statement of Asset Valuation Practice and Guidance Notes prepared by the MRICS (The Red Book) and an open market basis using investment method approach at a capitalisation rate of 8% (2024: 8.7%), assuming that the properties are not subject to any adverse easements, restrictive covenants or under provisions that would otherwise depress those values.

#### Information about the sensitivity to changes in unobservable inputs

The significant unobservable inputs used in the fair value measurement of the investment properties are the capitalisation rates. Significant increases/(decreases) in the capitalisation rates would result in significantly lower/(higher) fair value measurement. The changes to capitalisation rates are dependent on various market factors including location of properties, interest rates, length of leases and quality of tenants.

#### Valuation techniques

Discounted cash flow

Unobservable input	Range
Capitalisation rate	9%-12%

## Notes to the Consolidated Financial Statements (Continued)

### 41. Segmental reporting

The Company's business activities are concentrated in the segment of property rentals and are carried out within the geographical region of Botswana.

Group	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement Financial Position at 30 June 2025</b>					
Non-current Assets					
Investment Property including straight lining of rental income	-	1 022 129 977	847 351 234	-	1 869 481 211
Property Plant and Equipment	1 577 296	374 196	-	-	1 951 492
Right Use of Asset	2 369 038	-	-	-	2 369 038
Investment in Partnership/Associate	51 963 955	-	-	-	51 963 955
Deferred Tax	2 498 803	-	-	-	2 498 803
Goodwill	3 986 858	-	-	-	3 986 858
Deferred tax recoverable-related party	3 013 800	-	-	-	3 013 800
	65 409 750	1 022 504 173	847 351 234	-	1 935 265 157
Current Assets					
Current tax receivable	3 639 266	2 424 576	-	-	6 063 842
Trade and other receivables	6 508 893	7 537 783	2 841 095	409 277	17 297 048
Cash and cash equivalents	35 344 535	-	-	-	35 344 535
Other financial assets	104 065 005	-	-	-	104 065 005
Assets classified as held for sale	6 250 000	-	-	2 400 000	8 650 000
<b>Total assets</b>	<b>214 967 449</b>	<b>1 032 466 532</b>	<b>850 192 329</b>	<b>2 809 277</b>	<b>2 106 685 587</b>
Non-current liabilities	849 568 199	-	-	-	849 568 199
Current liabilities	75 347 520	-	-	-	75 347 520
<b>Total Liabilities</b>	<b>924 915 719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>924 915 719</b>

Group	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement Financial Position at 30 June 2024</b>					
Non-current Assets					
Investment Property including straight lining of rental income	-	1 012 496 157	796 076 465	-	1 808 572 622
Property Plant and Equipment	1 272 976	343 098	-	-	1 616 074
Right Use of Asset	3 110 000	-	-	-	3 110 000
Investment in Partnership/Associate	51 460 533	-	-	-	51 460 533
Investments at fair value	6 250 000	-	-	-	6 250 000
Deferred Tax	9 359 383	-	-	-	9 359 383
Goodwill	3 986 858	-	-	-	3 986 858
Deferred tax recoverable-related party	3 095 461	-	-	-	3 095 461
Loans to Group companies	3 736 493	-	-	-	3 736 493
	82 271 704	1 012 839 255	796 076 465	-	1 891 187 424
Current Assets					
Current tax receivable	5 239 976	2 334 843	-	-	7 574 819
Trade and other receivables	6 017 576	6 821 851	1 843 110	470 374	15 152 911
Cash and cash equivalents	11 917 518	12 668 958	-	-	24 586 476
Investments at fair value	66 478 297	14 564 992	-	-	81 043 289
Assets classified as held for sale	-	-	-	13 160 000	13 160 000
<b>Total assets</b>	<b>171 925 071</b>	<b>1 049 229 899</b>	<b>797 919 575</b>	<b>13 630 374</b>	<b>2 032 704 919</b>
Non-current liabilities	848 162 569	-	-	-	848 162 569
Current liabilities	61 936 602	-	-	-	61 936 602
<b>Total Liabilities</b>	<b>910 099 171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>910 099 171</b>

## Notes to the Consolidated Financial Statements (Continued)

### 41. Segmental reporting (continued)

Company	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement Financial Position at 30 June 2025</b>					
Non-current Assets					
Investment Property including straight lining of rental income	-	232 312 000	847 351 234	-	1 079 663 234
Property Plant and Equipment	1 577 296	-	-	-	1 577 296
Right Use of Asset	2 369 038	-	-	-	2 369 038
Investment in Partnership/Associate	51 963 955	-	-	-	51 963 955
Investments in subsidiary	340 322 482	-	-	-	340 322 482
Deferred Tax	2 498 803	-	-	-	2 498 803
Deferred tax recoverable-related party	3 013 800	-	-	-	3 013 800
	401 745 374	232 312 000	847 351 234	-	1 481 408 608
Current Assets					
Current tax receivable	3 639 266	-	-	-	3 639 266
Trade and other receivables	10 145 318	510 197	2 841 095	409 277	13 905 887
Cash and cash equivalents	9 420 347	-	-	-	9 420 347
Other financial assets	93 223 527	-	-	-	93 223 527
Assets classified as held for sale	6 250 000	-	-	2 400 000	8 650 000
<b>Total assets</b>	<b>518 173 832</b>	<b>232 822 197</b>	<b>850 192 329</b>	<b>2 809 277</b>	<b>1 610 247 635</b>
Non-current liabilities	638 303 657	-	-	-	638 303 657
Current liabilities	60 775 534	-	-	-	60 775 534
<b>Total Liabilities</b>	<b>699 079 191</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>699 079 191</b>

Company	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement Financial Position at 30 June 2024</b>					
Non-current Assets					
Investment Property including straight lining of rental income	-	243 204 769	796 076 465	-	1 039 281 234
Property Plant and Equipment	1 272 976	-	-	-	1 272 976
Right Use of Asset	3 110 000	-	-	-	3 110 000
Investment in Partnership/Associate	51 460 533	-	-	-	51 460 533
Investments at fair value	6 250 000	-	-	-	6 250 000
Deferred Tax	9 359 383	-	-	-	9 359 383
Investment in subsidiary	340 322 482	-	-	-	340 322 482
Deferred tax recoverable-related party	3 095 461	-	-	-	3 095 461
Loans to Group companies	3 736 493	-	-	-	3 736 493
	418 607 328	243 204 769	796 076 465	-	1 457 888 562
Current Assets					
Current tax receivable	5 239 976	-	-	-	5 239 976
Trade and other receivables	6 017 577	639 754	1 843 110	470 374	8 970 815
Cash and cash equivalents	11 917 518	-	-	-	11 917 518
Other financial assets	66 478 297	-	-	-	66 478 297
Assets classified as held for sale	-	-	-	13 160 000	13 160 000
<b>Total assets</b>	<b>508 260 696</b>	<b>243 844 523</b>	<b>797 919 575</b>	<b>13 630 374</b>	<b>1 563 655 168</b>
Non-current liabilities	641 445 758	-	-	-	641 445 758
Current liabilities	47 804 406	-	-	-	47 804 406
<b>Total Liabilities</b>	<b>689 250 164</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>689 250 164</b>

## Notes to the Consolidated Financial Statements (Continued)

### 41. Segmental reporting (continued)

Due to the pooling of funds, all liabilities in the statement of financial position are corporate liabilities.

Group	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement of Comprehensive Income for the year ended 30 June 2025</b>					
Segment revenue-rental income	-	115 517 808	86 239 604	-	201 757 412
Other operating income	117 024	1 289 080	115 348	-	1 521 452
Movement in credit loss allowances	(5 605 517)	(1 876 828)	-	-	(7 482 345)
Other non-operating gains	(19 992)	-	-	-	(19 992)
Administration expenses	(43 092 256)	(2 921 362)	(1 792 629)	-	(47 806 247)
Property operating expenses	(1 863 850)	(21 144 326)	(6 201 544)	-	(29 209 720)
Operating Profit	(50 464 591)	90 864 372	78 360 779	-	118 760 560
Finance income	5 612 587	927 745	-	-	6 540 332
Finance costs	(26 906 388)	(20 691 483)	(2 097 216)	-	(49 695 087)
Gain on disposal of investment in associate	-	-	-	-	-
Fair value gain on investment property net of adjustment resulting from straight lining	-	39 181 969	10 658 608	-	49 840 577
Share of profit from equity accounted investment	5 803 422	-	-	-	5 803 422
Profit before tax	(65 954 970)	110 282 603	86 922 171	-	131 249 804
Income tax	(20 641 624)	(3 572 592)	-	-	(24 214 216)
Profit from continuing operations	(86 596 594)	106 710 011	86 922 171	-	107 035 588
Profit from discontinued operations	-	-	-	484 001	484 001
<b>Profit for the year</b>	<b>(86 596 594)</b>	<b>106 710 011</b>	<b>86 922 171</b>	<b>484 001</b>	<b>107 519 589</b>

Group	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement of Comprehensive Income for the year ended 30 June 2024</b>					
Segment revenue-rental income	-	82 855 502	90 328 557	-	173 184 059
Other operating income	21 400	1 895 878	1 540 296	-	3 457 574
Movement in credit loss allowances	(100 728 289)	1 057 578	(391 500)	-	(100 062 211)
Other non-operating gains	887 953	-	-	-	887 953
Investment income	3 452 890	-	-	-	3 452 890
Administration expenses	(34 358 478)	(3 650 792)	(163 301)	-	(38 172 571)
Property operating expenses	(776 297)	(18 029 240)	(5 651 420)	-	(24 456 957)
Operating Profit	(131 500 821)	64 128 926	85 662 632	-	18 290 737
Finance income	8 042 196	476 677	-	-	8 518 873
Finance costs	(27 938 413)	(20 017 628)	(2 307 028)	-	(50 263 069)
Gain on disposal of investment in associate	6 047 948	-	-	-	6 047 948
Fair value gain on investment property net of adjustment resulting from straight lining	-	12 405 637	42 376 116	-	54 781 753
Share of profit from equity accounted investment	9 248 353	-	-	-	9 248 353
Impairment of investment in associate	(5 535 335)	-	-	-	(5 535 335)
Profit before tax	(141 636 072)	56 993 612	125 731 720	-	41 089 260
Income tax	(17 942 800)	(1 712 230)	-	-	(19 655 030)
Profit from continuing operations	(159 578 872)	55 281 382	125 731 720	-	21 434 230
Discontinued operations	-	-	-	-	-
Profit from discontinued operations	-	2 327 116	-	2 424 932	4 752 048
<b>Profit for the year</b>	<b>(159 578 872)</b>	<b>57 608 498</b>	<b>125 731 720</b>	<b>2 424 932</b>	<b>26 186 278</b>

## Notes to the Consolidated Financial Statements (Continued)

### 41. Segmental reporting (continued)

Company	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement of Comprehensive Income for the year ended 30 June 2025</b>					
Segment revenue-rental income	-	27 156 083	86 239 604	-	113 395 687
Other operating income	5 010 943	38 277	115 348	-	5 164 568
Movement in credit loss allowances	(5 605 517)	-	-	-	(5 605 517)
Other non-operating gains	(19 992)	-	-	-	(19 992)
Investment income	27 935 556	-	-	-	27 935 556
Administration expenses	(43 092 255)	(345 992)	(1 792 629)	-	(45 230 876)
Property operating expenses	(1 863 850)	(3 120 049)	(6 201 544)	-	(11 185 443)
Operating Profit	(17 635 115)	23 728 319	78 360 779	-	84 453 983
Finance income	5 612 587	-	-	-	5 612 587
Finance costs	(26 906 388)	(10 286 195)	(2 097 216)	-	(39 289 799)
Gain on disposal of investment in associate	-	-	-	-	-
Fair value gain on investment property net of adjustment resulting from straight lining	-	17 613 087	10 658 607	-	28 271 694
Share of profit from equity accounted investment	5 803 422	-	-	-	5 803 422
Profit before tax	(33 125 494)	31 055 211	86 922 170	-	84 851 887
Income tax	(20 641 624)	-	-	-	(20 641 624)
Profit from continuing operations	(53 767 118)	31 055 211	86 922 170	-	64 210 263
Profit from discontinued operations	-	-	-	484 001	484 001
<b>Profit for the year</b>	<b>(53 767 118)</b>	<b>31 055 211</b>	<b>86 922 170</b>	<b>484 001</b>	<b>64 694 264</b>

Company	Other	Commercial & Retail	Industrial	Residential	Total
	P	P	P	P	P
<b>Segmental Statement of Comprehensive Income for the year ended 30 June 2024</b>					
Segment revenue-rental income	-	19 752 797	90 328 557	-	110 081 354
Other operating income	21 400	3 299 221	1 540 296	-	4 860 917
Movement in credit loss allowances	(100 728 289)	-	(391 500)	-	(101 119 789)
Other non-operating gains	887 953	-	-	-	887 953
Investment income	12 413 770	-	-	-	12 413 770
Administration expenses	(34 299 621)	(213 218)	(163 301)	-	(34 676 140)
Property operating expenses	(835 154)	(2 180 799)	(5 651 420)	-	(8 667 373)
Operating Profit	(122 539 941)	20 658 001	85 662 632	-	(16 219 308)
Finance income	8 051 166	-	-	-	8 051 166
Finance costs	(27 938 413)	(10 342 868)	(2 307 028)	-	(40 588 309)
Gain on disposal of investment in associate	6 047 948	-	-	-	6 047 948
Fair value gain on investment property net of adjustment resulting from straight lining	-	1 991 359	42 376 116	-	44 367 475
Share of profit from equity accounted investment	9 248 353	-	-	-	9 248 353
Impairment of investment in associate	(5 535 335)	-	-	-	(5 535 335)
Profit before tax	(132 666 222)	12 306 492	125 731 720	-	5 371 990
Income tax	(17 942 800)	-	-	-	(17 942 800)
Profit from continuing operations	(150 609 022)	12 306 492	125 731 720	-	(12 570 810)
Discontinued operations	-	-	-	-	-
Profit from discontinued operations	-	2 327 116	-	2 424 932	4 752 048
<b>Profit for the year</b>	<b>(150 609 022)</b>	<b>14 633 608</b>	<b>125 731 720</b>	<b>2 424 932</b>	<b>(7 818 762)</b>

## Notes to the Consolidated Financial Statements (Continued)

### 42. Business combinations

#### Aggregated business combinations

Property, plant and equipment	-	1 756 734
Investment property	-	755 611 070
Operating lease asset	-	14 607 431
Deferred tax	-	(70 900 279)
Trade and other receivables	-	6 110 733
Current tax receivable	-	15 661 631
Cash and cash equivalents	-	2 288 473
Borrowings	-	(133 881 002)
Trade and other payables	-	(9 258 555)
<b>Total identifiable net assets</b>	-	<b>581 996 236</b>
Non-controlling interest	-	(245 660 611)
Fair value of equity interest held before the business combination	-	(190 836 566)
Goodwill	-	3 986 858
	-	<b>149 485 917</b>
Consideration paid		
Cash	-	(149 485 917)

#### JTTM Properties Proprietary Limited

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 resulted in a goodwill of P 3 986 858 arising from the acquisition.

#### Fair value of assets acquired and liabilities assumed

Property, plant and equipment	-	1 756 734
Investment property	-	755 611 070
Operating lease asset	-	14 607 431
Deferred tax	-	(70 900 279)
Trade and other receivables	-	6 110 733
Current tax receivable	-	2 288 473
Cash and cash equivalents	-	15 661 631
Borrowings	-	(133 881 002)
Trade and other payables	-	(9 258 555)
<b>Total identifiable net assets</b>	-	<b>581 996 236</b>
Non-controlling interest	-	(245 660 611)
Fair value of equity interest held before the business combination	-	(190 836 566)
Goodwill	-	3 986 858
	-	<b>149 485 917</b>

#### Non-controlling interest

Non-controlling interest, which is a present ownership interest, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, is measured at the present ownership interests proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair values.

#### Acquisition date fair value of consideration paid

Cash	-	(149 485 917)
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## Notes to the Consolidated Financial Statements (Continued)

### 43. Correction of Prior Period Error – Misallocation of Pre-Acquisition Dividend

During the current financial year, the Group identified a misallocation in the accounting treatment of a dividend declared by JTTM Properties Proprietary Limited after the acquisition date. Although the dividend was correctly recognised as relating to pre-acquisition profits, the allocation was incorrectly made entirely to the parent's retained earnings. The non-controlling interest (NCI) was not adjusted for its proportionate share of the dividend.

#### Correct Accounting Treatment

In accordance with IFRS 3 Business Combinations and IFRS 10 Consolidated Financial Statements, dividends declared from pre-acquisition profits are considered a return of capital. Such dividends should be allocated proportionately between the parent and NCI, reducing the carrying amount of the investment in the subsidiary and the NCI respectively.

#### Impact of the Correction

The error has been corrected retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The comparative figures have been restated as follows:

Extract of equity as at 30 June 2024	Initially reported	Adjustment	Restated
Retained income	461 418 018	6 622 498	468 040 516
Non-controlling interest	253 355 299	(6 622 498)	246 732 801
	<b>714 773 317</b>	<b>-</b>	<b>714 773 317</b>

There was no impact on the consolidated profit or loss and consolidated statement of cash flows for the current or prior periods.

#### Management Response

The Group has reviewed and strengthened its internal controls over dividend allocation and consolidation procedures to ensure accurate classification and allocation in future reporting periods.

### 44. Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The Directors have satisfied that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Group. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

### 45. Events after the reporting period

There are no events after reporting period.

## Notes to the Consolidated Financial Statements (Continued)

### 43. Correction of Prior Period Error – Misallocation of Pre-Acquisition Dividend

During the current financial year, the Group identified a misallocation in the accounting treatment of a dividend declared by JTTM Properties Proprietary Limited after the acquisition date. Although the dividend was correctly recognised as relating to pre-acquisition profits, the allocation was incorrectly made entirely to the parent's retained earnings. The non-controlling interest (NCI) was not adjusted for its proportionate share of the dividend.

#### Correct Accounting Treatment

In accordance with IFRS 3 Business Combinations and IFRS 10 Consolidated Financial Statements, dividends declared from pre-acquisition profits are considered a return of capital. Such dividends should be allocated proportionately between the parent and NCI, reducing the carrying amount of the investment in the subsidiary and the NCI respectively.

#### Impact of the Correction

The error has been corrected retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The comparative figures have been restated as follows:

Extract of equity as at 30 June 2024	Initially reported	Adjustment	Restated
Retained income	461 418 018	6 622 498	468 040 516
Non-controlling interest	253 355 299	(6 622 498)	246 732 801
	714 773 317	-	714 773 317

There was no impact on the consolidated profit or loss and consolidated statement of cash flows for the current or prior periods.

#### Management Response

The Group has reviewed and strengthened its internal controls over dividend allocation and consolidation procedures to ensure accurate classification and allocation in future reporting periods.

### 44. Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The Directors have satisfied that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Group. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

### 45. Events after the reporting period

There are no events after reporting period.

## Detailed Income Statement

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
<b>Continuing operations</b>					
<b>Revenue</b>					
Contractual income		186 466 411	161 134 720	108 253 526	104 809 712
Straightline lease rental adjustment		(365 132)	(1 642 076)	1 507 042	1 224 803
Operating cost recoveries		15 656 133	13 691 415	3 635 119	4 046 839
	3	<b>201 757 412</b>	<b>173 184 059</b>	<b>113 395 687</b>	<b>110 081 354</b>
<b>Other income</b>					
Management fees received		73 502	10 800	4 939 457	2 321 638
Investment income		-	3 452 890	27 935 556	12 413 770
Bad debts recovered		-	3 000	-	3 000
Operating cost recoveries		197 147	2 536 279	197 147	2 536 279
Other income		1 250 803	907 495	27 964	-
	4	<b>1 521 452</b>	<b>6 910 464</b>	<b>33 100 124</b>	<b>17 274 687</b>
<b>Other operating gains (losses)</b>					
Losses on disposal of assets		(19 935)	-	(19 935)	-
Foreign exchange (losses) gains		(57)	887 953	(57)	887 953
	6	<b>(19 992)</b>	<b>887 953</b>	<b>(19 992)</b>	<b>887 953</b>
Movement in credit loss allowances	7	(7 482 345)	(100 062 211)	(5 605 517)	(101 119 789)
		<b>(77 015 967)</b>	<b>(62 629 528)</b>	<b>(56 416 319)</b>	<b>(43 343 513)</b>
<b>Expenses (Refer to page 74)</b>					
<b>Operating profit (loss)</b>	7	<b>118 760 560</b>	<b>18 290 737</b>	<b>84 453 983</b>	<b>(16 219 308)</b>
Finance income	8	6 540 332	8 518 873	5 612 587	8 051 166
Finance costs	9	(49 695 087)	(50 263 069)	(39 289 799)	(40 588 309)
Share of profit from equity accounted investments		5 803 422	9 248 353	5 803 422	9 248 353
<b>Fair value adjustment of investment properties</b>					
Gains on disposal of investment in associate		-	6 047 948	-	6 047 948
Impairment losses		-	(5 535 335)	-	(5 535 335)
Fair value adjustment of investment properties		49 840 577	54 781 753	28 271 694	44 367 475
<b>Profit before taxation</b>		<b>131 249 804</b>	<b>41 089 260</b>	<b>84 851 887</b>	<b>5 371 990</b>
Taxation	14	(24 214 216)	(19 655 030)	(20 641 624)	(17 942 800)
<b>Profit (loss) for the year from continuing operations</b>		<b>107 035 588</b>	<b>21 434 230</b>	<b>64 210 263</b>	<b>(12 570 810)</b>
Discontinued operations		484 001	4 752 048	484 001	4 752 048
<b>Profit (loss) for the year</b>		<b>107 519 589</b>	<b>26 186 278</b>	<b>64 694 264</b>	<b>(7 818 762)</b>

## Detailed Income Statement (Cont.)

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
<b>Other operating expenses</b>					
AGM expenses		(328 716)	(461 633)	(328 716)	(461 633)
Administration fees		(1 069 640)	(356 498)	-	-
Advertising		(1 512 996)	(1 527 770)	(1 156 591)	(1 312 754)
Auditor's Remunerations - external audit	7	(1 231 005)	(1 104 844)	(637 064)	(614 514)
BSE sustaining fee		(150 000)	(150 682)	(150 000)	(150 682)
Bank charges		(115 170)	(93 927)	(83 220)	(66 994)
CSDC fees		(113 550)	(131 752)	(113 550)	(131 752)
Cleaning		(4 450 009)	(3 024 043)	(1 955 174)	(1 231 370)
Commission paid		383 996	(953 386)	(125 878)	(186 501)
Computer expenses		(220 466)	(332 158)	(220 466)	(332 158)
Consulting and professional fees		(8 142 703)	(3 512 972)	(8 086 767)	(3 335 996)
Corporate social responsibility		(907 850)	(902 958)	(907 850)	(853 758)
Directors' fees		(2 202 450)	(1 841 200)	(1 872 250)	(1 841 200)
Depreciation		(1 397 184)	(1 213 548)	(1 292 493)	(1 492 731)
Donations		(23 330)	-	-	-
Electricity and water		(13 981 100)	(13 855 842)	(1 948 943)	(2 008 172)
Employee costs		(24 574 211)	(19 818 263)	(24 574 211)	(19 642 100)
Entertainment		(452 158)	(408 141)	(452 158)	(408 141)
Fees letting		(444 750)	(423 992)	(444 750)	(423 992)
Garden		(460 036)	(772 325)	(460 036)	(772 325)
General expenses		(39 488)	(19 553)	-	-
Insurance		(1 505 471)	(1 317 901)	(1 011 729)	(997 839)
Lease rentals on operating lease		(339 017)	(313 797)	(314 816)	(297 295)
Legal fees		(818 250)	(1 749 112)	(671 909)	(441 027)
Levies		(213 751)	(226 889)	(213 751)	(226 889)
Motor vehicle expenses		(66 772)	(44 834)	(66 772)	(44 834)
Other expenses		(189 869)	(166 435)	(181 474)	(166 435)
Pest control		(37 431)	(224 038)	(1 900)	(209 752)
Postage		(25 206)	(21 928)	(25 206)	(21 928)
Printing and stationery		(32 407)	(54 196)	(25 260)	(36 031)
Property management fees		(64 492)	(225 534)	(63 854)	(219 780)
Refuse collection		(415 720)	(393 774)	(415 720)	(393 774)
Repairs and maintenance		(4 217 790)	(1 263 453)	(3 283 568)	(760 425)
Secretarial fees		(115 682)	(60 928)	(10 500)	(10 000)
Security		(3 681 578)	(2 839 361)	(1 740 796)	(1 549 752)
Sponsoring broker fees		(104 000)	(60 000)	(104 000)	(60 000)
Staff welfare		(263 882)	(156 750)	(263 882)	(156 750)
Subscriptions		(1 146 956)	(919 479)	(1 131 956)	(910 479)
Telephone and fax		(549 779)	(455 522)	(515 253)	(441 062)
Training		(893 555)	(482 126)	(662 313)	(384 704)
Travel - local		(870 197)	(716 637)	(870 197)	(716 637)
Trustees fees		(31 346)	(31 347)	(31 346)	(31 347)
		<b>(77 015 967)</b>	<b>(62 629 528)</b>	<b>(56 416 319)</b>	<b>(43 343 513)</b>

## APPENDICES

### King III Application Register

The table below explains how Letlole La Rona Limited has applied the principles set out in King III and addresses the extent of the company's compliance with the code as of 30 June 2025.

PRINCIPLE	COMMENTS	STATUS
<b>1. Ethical Leadership and Corporate Citizenship (6 principles)</b>		
1.1 The Board should provide effective leadership based on an ethical foundation.	<ul style="list-style-type: none"> <li>The ethical foundation on which The Board provides effective leadership is incorporated in the code of conduct and ethics as stipulated by The Board Charter and conditions of employment. The company's values, on which it builds its foundation, are included in the 2024 Integrated Report (IR).</li> <li>The Board has adopted the requirements of King III and considers best corporate governance practices to be critical in delivering sustainable growth.</li> <li>The Board also ensures that the company complies with the requirements of BSEL, the Companies Act, IFRS and applicable laws.</li> </ul>	APPLIED
1.2 The Board should ensure that ethics is a part of the company's business strategy.	<ul style="list-style-type: none"> <li>The company ensures that ethics is integral to the company's business strategy by fostering a culture of ethical leadership and accountability at all levels of the organisation. There was a push for the approval of the Ethics Policy for the reporting year, which shows the company's commitment to providing a guiding framework for proper ethical practices.</li> </ul>	APPLIED
1.3 The Board should ensure that the company is and is seen to be a responsible corporate citizen.	The Board ensures the company is and is seen to be a responsible corporate citizen, which is also included in The Board Charter as part of the role of The Board. The company strives to preserve value for stakeholders and maximise returns to unitholders as a responsible corporate citizen.	APPLIED
1.4 The Board should show that the company is socially responsible.	The Board integrates social responsibility into the company's core values and strategy. The Board is able to evaluate and monitor the company's impact on society and the environment through the application of integrated reporting at Letlole La Rona.	APPLIED
1.5 The Board should monitor ethical performance.	See 1.1 and 1.2	APPLIED
1.6 The Board should manage conflicts of interest.	The Board applies the concept of conflict-of-interest checks, which require regular declarations from directors and executives.	APPLIED
<b>2. Boards and Directors (18 principles)</b>		
2.1 The Board should act as the focal point for the custodian of corporate governance.	The Board Charter, approved in December 2021, sets out its responsibilities and The Board meets at least four times per year. Proper minutes are maintained by Board deliberations to ensure that proper corporate governance is being implemented on an ongoing basis.	APPLIED
2.2 The Board should appreciate that strategy, performance and sustainability are inseparable.	The Board informs and approves the strategy and ensures it is aligned with the purpose of the company, its value drivers and the legitimate interests and expectations of its stakeholders to ensure sustainable outcomes.	APPLIED
2.3 The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	Specific responsibilities have been formally delegated to The Board committees with defined terms of reference, duration and function, clearly agreed-upon reporting procedures and written scope of authority documented in its formal charters.	APPLIED

PRINCIPLE	COMMENTS	STATUS
2.4 Directors should be appointed through a formal process.	<ul style="list-style-type: none"> <li>Directors are appointed through a formal process that is guided by the Policy on Appointment of independent Non-Executive Directors, which is overseen by the NRC.</li> <li>The Board then recommends the required skills set to shareholders for appointment at the AGM.</li> </ul>	APPLIED
2.5 The Board should comprise a majority of Non-Executive Directors, most of whom should be independent.	The Board is currently made up of four (4) independent Non-Executive Directors and two (2) Non-Executive Directors. In line with best practice principles, The Board ensures a majority of independent Non-Executive Directors.	APPLIED
2.6 The Chairperson should be independent, and there should be a clear division of responsibilities between Chairperson and CEO.	Mr. Khuto Balosang is an independent non-executive director and Chairman of The Board.	APPLIED
2.7 The Board should ensure that directors receive appropriate induction and ongoing training.	Newly appointed directors visit the company's businesses and meet with senior management, as appropriate, and are offered to facilitate their understanding of the company and their fiduciary responsibilities. Directors receive training as and when required on company-specific matters.	APPLIED
2.8 There should be regular evaluation of The Board, committees and individual directors.	The evaluation of The Board, its committees and individual performance evaluations are performed on an annual basis.	APPLIED
2.9 The Board should ensure succession planning for key positions.	The Board has approved a Board Succession Plan Policy and Management Succession Plan and Talent Management Framework that was approved in September 2025.	PARTIALLY APPLIED
2.10 The Board should be assisted by a competent, suitably qualified company secretary.	The company has a suitable and competent Company Secretary. The Company Secretary is not a director of the company and remains on an arm's-length basis with The Board.	APPLIED
2.11 The Board should ensure that the CEO and executive management are evaluated regularly.	See 2.6	APPLIED
2.12 The Board should meet regularly and hold sufficient meetings to discharge its duties effectively.		APPLIED
2.13 The Board should have financial literacy and the appropriate skills mix.	The Board composition contains a mix of financial compositions with a mix of CA-qualified members and other relevant skills in financial investments and IT.	APPLIED
2.14 Non-Executive Directors should be independent and free from conflicts of interest.	To reference External Interest Check	APPLIED
2.15 Board diversity should be considered when appointing directors.	The appointment of Directors is guided by the policy on appointment of independent Non-Executive Directors.	APPLIED
2.16 Directors should seek independent, professional advice where necessary.	Applied and provided for in the approved Board Charter.	APPLIED
2.17 The Board should ensure that stakeholder interests are appropriately considered.	<p>The Board and its management ensured that stakeholder interests were considered by running initiatives in the reporting year that aimed to seek the perspective of the stakeholders.</p> <p>See Stakeholder Management Page 50.</p>	APPLIED
2.18 Directors should disclose their interests and abstain from decisions where there is a conflict of interest.	To reference External Interest Check	APPLIED

PRINCIPLE	COMMENTS	STATUS
<b>3. Audit Committees (7 principles)</b>		
3.1 The Board should ensure that the company has an effective and independent ARAC committee comprising at least three members.	LLR has an effective Audit Risk and Compliance (ARAC) Committee that consists of three independent Non-Executive Directors. See Page 87.	APPLIED
3.2 ARAC committee should oversee integrated reporting.	This function is included in the ARAC Committee's terms of reference.	APPLIED
3.3 ARAC committee should ensure a combined assurance model is applied to provide a coordinated approach to assurance.	A combined assurance model is applied in LLR with the application of the internal and external audit and the provision of regulatory compliance.	APPLIED
3.4 The ARAC committee should satisfy itself of the expertise, resources and experience of the company's finance function.	The ARAC Committee is directly involved in the employment of the Chief Financial Officer (CFO) who heads the finance function of the company. The committee is satisfied with the expertise and experience of the CFO.	APPLIED
3.5 The ARAC committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	The ARAC Committee recommends the approval of the appointment of the external auditor as well as its engagement letter and terms, nature and scope of the audit function and the audit fee.	APPLIED
3.6 The ARAC committee should be responsible for overseeing internal audit.	The ARAC Committee has oversight of the outsourced internal auditor's activities and findings.	APPLIED
3.7 The audit committee should ensure accurate financial reporting and disclosures.	Financial disclosures and reporting are subject to the ARAC Committee's approval.	APPLIED
<b>4. The Governance of Risk (7 principles)</b>		
4.1 The Board should be responsible for the governance of risk.	The Board oversees the management of risk and has delegated the process to the ARAC Committee. The committee monitors the adequacy and effectiveness of the company's internal risk management process.	APPLIED
4.2 The Board should determine the levels of risk tolerance.	The risk tolerance levels have been determined and are tracked quarterly in the risk register.	APPLIED
4.3 The Board should ensure that risk assessments are performed on a continual basis.	The inherent and residual risks are discussed at the quarterly ARAC Committee meetings.	APPLIED
4.4 The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredicted risks.	The risk registers are continuously reviewed and discussed at the quarterly ARAC Committee meetings.	APPLIED
4.5 The Board should ensure continuous risk monitoring by management.	The Board has established a comprehensive control environment, ensuring that risks are mitigated and the company's objectives are attained.	APPLIED
4.6 The Board should ensure appropriate disclosure regarding risks and how they are managed.	The Board ensures appropriate risk disclosure by adopting a proactive, transparent and structured approach to risk reporting. The Board implements robust risk governance practices that align with regulatory standards and provide clear, comprehensive information, which helps stakeholders understand how risks are managed and demonstrate the company's commitment to effective risk oversight.	APPLIED
<b>5. The Governance of Information Technology (IT) (5 principles)</b>		
5.1 The Board should be responsible for IT governance.	The Board provides oversight of LLR's IT governance and has an approved IT policy and framework in place.	APPLIED
5.2 IT should be aligned with the performance and sustainability objectives of the company.	The IT Governance Framework and Information and Security Policy are aligned with LLR's strategy and operational policies.	APPLIED
5.3 The Board should delegate to management the responsibility for the implementation of an IT governance framework.	Management outsources its IT function to an experienced, reputable firm which ensures the integrity of its IT system.	APPLIED

PRINCIPLE	COMMENTS	STATUS
5.4 IT should form an integral part of the company's risk management	The internal and external auditors perform an assessment on IT general controls. The Service Level Agreement between LLR and the outsourced service provider serves as assurance on the effectiveness of the IT internal controls that are put in place by the outsourced service provider.	APPLIED
5.5 The Board should ensure that information assets are managed effectively	A Board-approved Disaster Recovery and Business Continuity Plan is in place. LLR has a secure cloud-based backup solution through the IT service provider that will assist in the event of a disaster for business continuity purposes.	APPLIED
<b>6. Compliance with Laws, Rules, Codes, and Standards (3 principles)</b>		
6.1 The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	The Board ensures that the company complies with the requirements of the Botswana Stock Exchange Limited, the Companies Act, IFRS and applicable laws. The company, through the Company Secretary and head of Legal and Compliance, advises The Board on any legal and regulatory requirements.	APPLIED
6.2 The Board and each individual director should have a working understanding of the effect of the applicable laws, rules, codes and standards of the company and its business.	Directors have a working understanding of all applicable laws, rules, codes and standards that are applicable to the company. Additional training is provided as required.	APPLIED
6.3 Compliance should form an integral part of the company's risk management process	The compliance risk is discussed at each ARAC Committee meeting and forms part of the risk management process. The compliance function is also guided by The Board-approved Compliance Policy and Board-approved Legal and Compliance policies.	APPLIED
<b>7. Internal Audit (4 principles)</b>		
7.1 The Board should ensure that there is an effective risk-based internal audit.	The company engages external internal auditors who conduct internal audit services biannually. A quality assurance and improvement programme are in place to assess the internal audit's adherence to established standards and to evaluate if the auditors follow the code of ethics. The programme also reviews the efficiency and effectiveness of internal audit activities and highlights areas for potential enhancement.	APPLIED
7.2 Internal audit should provide a written assessment of the effectiveness of the company's system of internal controls and risk management.	At the end of each audit, the internal auditor provides a written assessment on his findings regarding the company's system of control and risk management.	APPLIED
7.3 Internal audit should be strategically positioned to achieve its objectives.	Internal audit reports are reviewed at the ARAC Committee meetings which the internal auditors attend by invitation.	APPLIED
7.4 Internal audit should provide assurance on the governance, risk management and control environment.	See 4.6	APPLIED
<b>8. Governing Stakeholder Relationships (5 principles)</b>		
8.1 The Board should appreciate that stakeholders' perceptions affect the company's reputation.	Management engages with the stakeholders and reports to The Board on their perception and how these affect the company's reputation. The Board has also approved a Stakeholder Engagement and Communication Policy.	APPLIED
8.2 The Board should delegate to management to proactively deal with stakeholder relationships.	Refer to 8.1	APPLIED
8.3 The Board should strive to achieve the appropriate balance between its various stakeholder groupings in the best interests of the company.	A Stakeholder Engagement and Communication Policy is in place. The company interacts with its major stakeholders on an ad hoc basis in the normal course of business.	APPLIED
8.4 Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	The Board strives to ensure that reporting to stakeholders is relevant, transparent and accurate.	APPLIED
8.5 The Board should ensure that disputes are resolved as effectively, efficiently and as expeditiously as possible.	LLR uses the company's Dispute and Grievance Policy to resolve disputes as effectively, efficiently and as expeditiously as possible.	APPLIED

PRINCIPLE	COMMENTS	STATUS
<b>9. Integrated Reporting and Disclosure (5 principles)</b>		
9.1 The Board should ensure the integrity of the company's integrated report.	To ensure the integrity of the company's IR, The Board takes several key steps to verify that the information presented is accurate, transparent and aligned with the company's strategic objectives, risks and performance.	APPLIED
9.2 Sustainable reporting and disclosure should be integrated with the company's financial reporting.	The company endeavours to integrate all information to stakeholders in the form of the IR and focuses on sustainability on all levels, including finances.	APPLIED
9.3 The Board should ensure that the integrated report covers both financial and non-financial aspects of performance.	See 9.1.	APPLIED
9.4 The Board should ensure that the governance disclosures in the integrated report are comprehensive and accurate.	Our IRs are subject to Board approval, on the recommendation of the ARAC Committee. Before publishing, our Board assesses and reviews all governance disclosures according to their accuracy and comprehensiveness.	APPLIED
9.5 The Board should ensure independent assurance on sustainability reporting.	Sustainability (ESG) reporting is currently being self-assured.	NOT APPLIED

## GLOSSARY AND ACRONYMS

BAOA	Botswana Accountancy Oversight Authority
BSE	Botswana Stock Exchange
CPD	Continued Professional Development
CSI	Corporate Social Investment
DPLU	Dividend Per Linked Unit
ESG	Environmental Social Governance
GLA	Gross Lettable Area
GRI	Global Reporting Initiative
IAR	Integrated Annual Report
IC	Investment Committee
IFC EDGE	An innovation of the International Finance Corporation (IFC), EDGE makes, designs and certifies resource efficient and Zero Carbon buildings.
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
Information Tech-nology	Information Technology
JTTM	JTTM Properties (Pty) Ltd
King III	The King III™ Code of Governance Principles
LLR	Letlole la Rona Limited, also referred to as 'the Company'
LTV	Loan-To-Value
NAV	Net Asset Value
WALE	Weighted Average Lease Expiry
IODSA	Institute of Directors South Africa

## NOTICE OF ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 2025 annual general meeting of the unitholders of letlole la rona limited shall be held by means of audio- or audio-visual communication on 18 December 2025 at 09:00hours in terms of section 11.1 (B) of the constitution of the company for the following purpose:

### Agenda

**1. To read the Notice convening the meeting and confirmation of quorum in accordance with the Company Constitution.**

**2. To approve minutes of the Annual General Meeting held on 14 December 2024.**

**3. To receive the Chairperson's Report.**

**4. Ordinary Resolution 1**

To receive, consider, and adopt the Audited Annual Financial Statements and the reports of the Auditors and Directors for the year ended 30 June 2025.

**5. Ordinary Resolution 2**

To approve and ratify the distributions declared by the Directors for the year ended 30 June 2025.

**6. Ordinary Resolution 3**

To approve the remuneration of the Directors for the year ended 30 June 2025.

**7. Ordinary Resolution 4**

To approve the remuneration of Grant Thornton, the Company's Auditors, for the year ended 30 June 2025.

**8. Ordinary Resolution 5**

To ratify the appointment of KPMG Botswana as external auditors of the Company for the ensuing year.

**9. Ordinary Resolution 6**

To re-elect Mr. Khuto Balosang who retires by rotation in terms of section 20.9.1 of the Constitution and being eligible, offers himself for re-election (refer to profile on page 71 of the Integrated Report).

**10. Ordinary Resolution 7**

To re-elect Mr. Mooketsi Maphane who retires by rotation in terms of section 20.9.1 of the Constitution and being eligible, offers himself for re-election (refer to profile on page 72 of the Integrated Report).

**11. Ordinary Resolution 8**

To ratify the appointment of Ms. Amantle Kerebotswe to the Board of Directors of the company in terms section 20.4 of the Constitution. Ms. Kerebotswe's Curriculum Vitae is available for inspection at our offices.

Ms. Kerebotswe holds a Bachelor of Science in Information Systems Development (with a minor in Telecommunications Management) from Murdoch University, Western Australia, and a Master of Business Administration from Heriot-Watt University, UK. She also holds various professional certifications, including Strategic Business Management, PRINCE2 and PRINCE2 Agile Project Management, Prosci Change Management Methodology, eTOM Business Process, Framework ITIL (IT Service Management) and Company Directorship Training (refer to profile on page 76 of the Integrated Report).

**12. Any other Business:**

To transact any other business which may be transacted at an Annual General Meeting.

**By order of the Board Secretary**

27 November 2025

A member entitled to attend, and vote may appoint a proxy to attend and vote for him, on his behalf, and such proxy need not also be a member of the company. A proxy form is available at the end of the report.

**Notes to the notice:**

1. The Company's Annual General Meeting will be held by means of audio or audio-visual communication in terms of Section 11.1 (b) of the Constitution of the Company on 18 December 2025.

2. Unitholders who wish to attend the meeting should RSVP by email to bobuseng@letlole.com, djonah@letlole.com, and Cc: compliance@letlole.com by close of business on 16 December 2025.

3. A proxy form must be deposited at the registered office of the Company, being Unit 2B, First Floor, Peel Place, Plot 54366, New CBD, Gaborone or emailed to the above referenced emails not less than 48hrs before the time of holding the meeting.





Letlole La Rona Limited

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