

For Immediate Release

05 December 2019

BDC FINISHES STRONG WITH DTB5 STRATEGY, DRIVES 40% YOY OPERATING PROFIT GROWTH

Gaborone – Botswana Development Corporation “BDC” has continued to be an economic force in the Botswana financial services sector having delivered impressive returns for the financial year ended 30 June 2019. The Corporation presented to stakeholders its results on 05 December 2019 at Cresta Lodge.

“The Corporation’s overall financial performance for the year remained positive and the financial position remains strong with income and asset ratios in good condition. Liquidity and capital ratios also remain robust and supportive of the business drive to deliver on strategic goals. **Interest income** was the main contributor to overall positive performance reflecting a positive shift in asset structure from equity-based assets to more debt-based assets,” said BDC Acting Managing Director, Mr. Moatlhodi Lekaukau.

Key highlights for the financial year ended 30 June 2019 include the following:

- Company Operating Profit of **P277 Million representing a 40% YOY growth**
- Growth in net worth of the business by **P700 million to a record P2.1 billion**, the first time in 49 Years. **Total assets and Net worth both experienced a 12% YOY growth** owing to increase in investment assets.
- Group total assets showed a **16% YOY growth** to a record **P4.8 billion** largely due to strong growth in the value of investment assets
- **Disbursed P742 million to new project ventures** during FY19, exceeding the P705 million bold target
- **Concluded first major international transaction 1,700 new jobs created in the period. Over 5,000 jobs sustained** across Group of companies.
- Sustained our **investment-grade credit rating of Baa2 / Stable by Moody’s Investors Service** during (reaffirmed in September 2019), **BDC is the first local company to achieve such a ranking**. A key underpin of the issuer rating is the strong company solvency and liquidity position.

Looking ahead, BDC has solidified a bold new direction bedrocked upon maximising long-term value for the shareholder and creating sustainable wealth for future generations by deeply integrating Botswana into the global economy through investments and partnerships. BDC’s strategic ambition overall is to explore ventures that further build and enhance Botswana industries that transform the economy and make high returns contributing towards the Vision 2036 ambition to realise a high-income country standing.

“We are confident to remain profitable into the next financial year where growth will largely be driven by enhancing our portfolio to generate higher returns. BDC will continue to explore both the local and international markets to facilitate our requisite long-term funding requirements and strategic targets to

position Botswana's standing as an investment destination of choice. We are thankful to our staff, clients, partners, our shareholders and wider Stakeholders for their continued support," concluded Mr. Lekaukau.

– Ends –

For more information please contact the following:

Boitshwarelo Lebang

Head - Corporate Affairs & Strategy

Tel: +267 365 1339

Email : boitshwarelo@bdc.bw

Renga Matanda

Senior Corporate Affairs Officer

Tel: +267 365 1324

Email : renga@bdc.bw

NOTES TO THE EDITOR

ABOUT BDC

Botswana Development Corporation Limited, or 'BDC,' is the country's main agency for commercial and industrial development. Established in 1970, under the Companies Act, BDC is a company Limited by Shares and fully owned by the Government of Botswana. BDC is mandated to provide, facilitate and support financing of commercially viable enterprises that contribute towards building a sustainable and diversified Botswana economy; to stimulate the growth of the private sector; to invest in the region and internationally; whilst generating wealth for the Shareholder.

The Corporation invests in commercially viable projects across all sectors of the economy except large-scale diamond mining. These include Energy, Manufacturing, Industry, Property, Services, Tourism, Innovation and Technology as well as Agriculture locally.

Throughout, BDC intends to promote best practices in business, governance and environmental standards in the funds or companies they choose to invest in. BDC conducts its business on a commercial basis and exercises special care and regard to economic and commercial merits.