RDC, a Botswana listed company, announced today that through its investment in Capitalgro, has purchased “The Edge” building, subject to regulatory approval and mortgage bond finance approval, for a price of R300 million plus costs, representing an initial net yield before finance costs in excess of 8%. Current blue-chip tenants include Mercantile Bank, Distell, Sanlam, PSG and other professional business enterprises. The initial yield reflects the exceptional calibre of the building and rentals are contractually bound to increase at an average of approximately 8% per annum.

The state of the art nine-storey commercial building located at the entrance to the Tyger Falls precinct on the Tyger Valley Waterfront has been awarded a 5 Star “design” and “as built” ratings by the Green Building Council of South Africa. Striking modern architecture (BAM Architects) and innovative design have greatly reduced
the carbon footprint supporting the owners’ commitment to a greener sustainable environment making it an attractive energy and water efficient option for tenants. The Edge also enjoys ample parking facilities and excellent access from the precincts’ expanding urban village residential area as well as to shops, restaurants and fitness facilities.

**RDC’s investment in Capitalgro**

Capitalgro has concluded a successful rights issue in which its shareholders have subscribed for R127.9 million worth of shares for the purpose of the acquisition of The Edge.

The purchase price of The Edge is R300 million plus acquisition costs. Capitalgro has entered into final negotiations with a major commercial bank for a non-recourse loan facility to fund the balance of the total cost of The Edge property.

RDC’s allocation of the rights issue is R120 million worth of shares. This subscription will result in RDC controlling 62.75% of the voting rights of the issued share capital of Capitalgro, an increase of 27.9% from the current shareholding of 34.85%.

The remaining 37.25% of the shares of Capitalgro are not owned by anyone associated with the controlling shareholders of RDC nor their subsidiaries or associates.

The effect of the purchase of The Edge property on the net assets (per linked unit) of RDC is not material due the funding structure of the transaction.

The combined effect of RDC’s total shareholding in Capitalgro is expected to increase earnings per share of RDC by approximately 10.5%.

**RDC Properties Limited**, as outlined in its 2017 growth strategy, has continued expanding in to the SADC region through the creation of partnerships in Madagascar, Mozambique, Namibia and, through Capitalgro, in to South Africa. Further growth through RDC’s current and new partnerships is in the pipeline for 2018 for Mozambique, Namibia and South Africa, with the objective of supporting the communities and local economies in the areas in which it operates.

**Capitalgro** is a Western Cape property loan stock company registered in South Africa and structured to hold commercial property for the benefit of its shareholders. Capitalgro is managed by an independent company “Capitalgro Asset Management (Pty) Limited” which serves as the asset manager. The executive directors of Capitalgro are experienced property professionals and have a broad knowledge of the local market. The directors of Capitalgro also include the Chairman of RDC, Mr Guido R Giachetti, and at conclusion of the transaction, the executive board member, Jacopo Pari.