1. Basis of Presentation And Accounting Policies

The Company's financial results for the year ended 30 June 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS) and applying the interpretation issued by the International Financial Reporting Standards Interpretations Committee (IFRIC). In preparing the underlying financial statements, the directors have adopted International Accounting Standards (IAS) and IFRIC interpretations issued and effective for annual periods ended 30 June 2014. The directors have adopted International Accounting Standards and IFRIC interpretations which were determined by reference to certain accounting standards and interpretations that were effective on the date of these financial statements and that adopted the accounting standards on the date of these financial statements. The directors have based their financial statements on the overall financial results for the year ended 30 June 2014 on the assumptions concerning future events and expected transactions. The assumptions are subject to ongoing review and possible adjustment.

2. Operational Overview

Letlole La Rona Limited continues to successfully execute its portfolio strategy despite difficult market conditions. The Company has delivered the R600 million warehouse project at Midrand and completion of the building damaged by fire in the previous year will be completed by October 2014. There will be an increase in contract revenue from these projects. The Company has appointed one of the best performers in Botswana by the Independent Property Database for the Botswana market.

3. Financial Results

Profit after fair value adjustment and before tax for the year ended 30 June 2014 increased to P24.0 million compared to P18.8 million for the previous year. The independent valuation of the portfolio properties has been carried out which resulted in a valuation of P20.5 million as at 30 June 2014 being a 18% increase from previous year, which includes additions to investments properties of P5.8 million.

4. Governance

The Board of Directors recognizes the need to conduct the business of the Company with integrity and in accordance with generally accepted practices and endorses the independently accepted principles of Government of public and responsible.

5. Capital Commitments & Contingent Liabilities

The Company has no capital commitments or contingent liabilities as at 30 June 2014.

6. Property Portfolio Information

The fair value of the Company's investments properties as at 30 June 2014 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 independent valuers who are members of the Real Estate Institute of Botswana and registered in the Real Estate Professional Act 2001. The valuations conform to Independent Valuation Standards, which were determined by reference to commercial rental norms and market evidence of transaction prices for similar properties.

7. Distributions

The Board of Directors has declared distributions comprising of a dividend of 0.10 thebe and interest of 13.0 thebe per linked unit for the twelve month period ended 30 June 2014. The distribution declared on 18th June 2014 was possible as linked units holders registered in the books of the Company at the close of business on 11th July 2014. The distribution was in accordance with the Trustees of the Letlole La Rona Limited Trust. The distributions are payable to the registered holders of the Company's units to the extent of the applicable rate was deducted by the Company from distribution paid to unit holders unless they were specifically exempted.

8. Audited Results - Independent Auditor's Opinion

Debots & Touche, the independent auditors, have audited the financial statements of Letlole La Rona Limited from which the summarised financial results have been derived and have expressed an unqualified audit opinion on annual financial statements. The summarised financial results comprise the summarized statement of comprehensive income, summarized statement of changes in equity, summarized statement of cash flows and notes to the financial statements. The Board of Directors should be read in conjunction with the audited financial statements from which the summarised financial results were derived and the audit report thereon. The audit was conducted in accordance with International Standards on Auditing.