Moruo Developments

EXTRAORDINARY

GENERAL MEETING

pioneer MALL

MANTHABISENG CONVENTION CENTRE

MASERU - 4 AUGUST 2023

MORUO DEVELOPMENTS LIMITED
Registration No. 2007/861

NOTICE

EXTRAORDINARY GENERAL MEETING (EGM)
Venue: Manthabiseng Convention Centre – Cathedral Area, Maseru
Date: Friday (Labohlano) 4th August 2023
Time: 14H00 (02:00pm)

AGENDA

1. **Constitution**
   1.1. **Registration at 13H00(01:00pm)**
   1.2. **Attendance Register (present and apologies)**
   1.3. **Confirmation of Notice Calling the EGM and Quorum**

2. **Adoption of Agenda**

3. **Matters for Information and Noting**
   3.1. **10Year Income Statement Forecast 2023/24 to 2032/33 of Moruo Developments Limited**
   3.2. **Pioneer Mall Performance**
   3.3. **Phase 4 Expansion to Accommodate New Tenancy**

4. **Matters for Approval**
   4.1. **Approval of 2023 Debenture Interest – Cash Payment and Debenture Allotment/Split Proposal**

5. **Closure**
   5.1. **Date of the 15th Annual General Meeting (AGM) 1st December 2023 at 14h00, Venue to be advised on Notice Publications.**

Notice by: Attorney Tiisetso Sello-Mafatle
Moruo Developments Limited Company Secretary
Ref: EGM 1 of 2023

Moruo Developments

Income Statement 10 Year Forecast
Maloti

Financial year ending March …..	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total revenue	58 345 154	64 571 360	69 342 250	73 407 491	77 713 307	82 161 190	86 874 275	91 868 703	97 161 621	102 771 249
Total operating expenses	28 809 492	30 560 590	32 420 771	34 397 025	36 496 805	38 728 056	41 099 251	43 619 427	46 298 223	49 145 920
EBITDA	29 535 662	34 010 770	36 921 479	39 010 466	41 216 502	43 433 134	45 775 024	48 249 276	50 863 398	53 625 329
Amortisation and depreciation	1 665 202	1 363 628	1 117 649	916 854	752 807	618 672	508 899	418 987	345 277	284 796
Interest - Bank loan	16 367 220	15 644 213	14 833 534	13 924 553	12 905 350	11 762 558	10 481 193	9 044 450	7 433 488	5 627 182
Debenture Interest	**12 000 000**	**14 000 000**	**18 000 000**	**19 000 000**	**20 000 000**	**21 000 000**	**34 462 800**	**38 462 800**	**42 462 800**	**46 000 000**
Profit before tax	**(496 760)**	**3 002 929**	**2 970 296**	**5 169 059**	**7 558 345**	**10 051 904**	**322 132**	**323 039**	**621 833**	**1 713 351**

Moruo Developments

DEBENTURE	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Minimum Number of Shares per Unit Issue	11	12	12	12	12	12	12	12	13	14	14
Current Linked Units in Issue	287 719	313 876	313 876	313 876	313 876	313 876	313 876	313 876	340 033	366 190	392 347
Linked Units to be Issued	26 157							26 157	26 157	26 157	
Total Linked Units Issued	**313 876**	**313 876**	**313 876**	**313 876**	**313 876**	**313 876**	**313 876**	**340 033**	**366 190**	**392 347**	**392 347**
Debenture Value	125 519 013	125 519 013	125 519 013	125 519 013	125 519 013	125 519 013	125 519 013	135 979 197	146 439 382	156 899 566	156 899 566
Cash Component	8 000 000	12 000 000	14 000 000	18 000 000	19 000 000	20 000 000	21 000 000	23 000 000	28 000 000	32 462 800	46 000 000
Linked Unit Component	10 462 800	-	-	-	-	-	-	10 462 800	10 462 800	10 462 800	-
Total Value of Debenture Interest	**18 462 800**	**12 000 000**	**14 000 000**	**18 000 000**	**19 000 000**	**20 000 000**	**21 000 000**	**33 462 800**	**38 462 800**	**42 925 600**	**46 000 000**

established in 2009

Moruo Developments is a public company with an enviable track record of success. Its major asset is its investment in Pioneer Mall in Maseru, Lesotho, which was erected from a Lesotho capital base.
A key differentiator of Moruo is that it's shareholding consists almost exclusively of Lesotho based enterprises, individuals and fiduciary interests. The wide spread of shareholding interests demonstrates the broad level of local participation that has been achieved at an ownership level and it speaks to its ability to achieve the financial inclusion of Basotho participants.

1 INVESTMENT pioneer MALL

1115 SHAREHOLDERS

VALUE M 396 MILLION

Moruo Developments

you own it

92 TENANTS

1000 EMPOLYEES IN PIONEER SHOPPING CENTER

100% OCCUPANCY

2009	2012	2015	2023-2024
PHASE 1	PHASE 2	PHASE 3	PHASE 4
GLA: 8 229 M	GLA: 14 616 M2	GLA: 22 977 M2	GLA: 24 000 M2

CHAIRMAN
SEBEHELA SELEPE

M66,6 MILLION
PAID TO SHAREHOLDERS

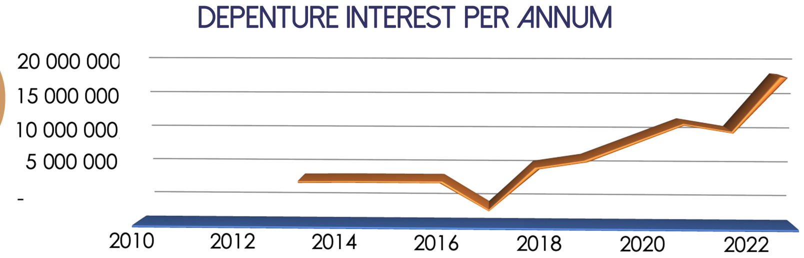
SHARE VALUE:

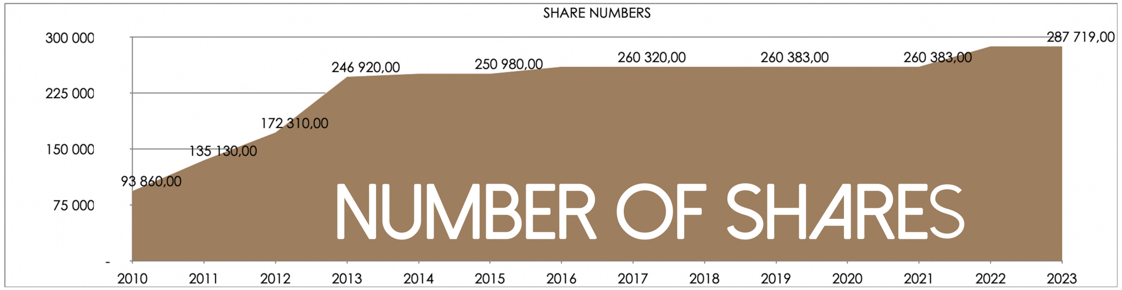
2019	860, 8
2020	777,20
2022	844,58
2023	1000,70

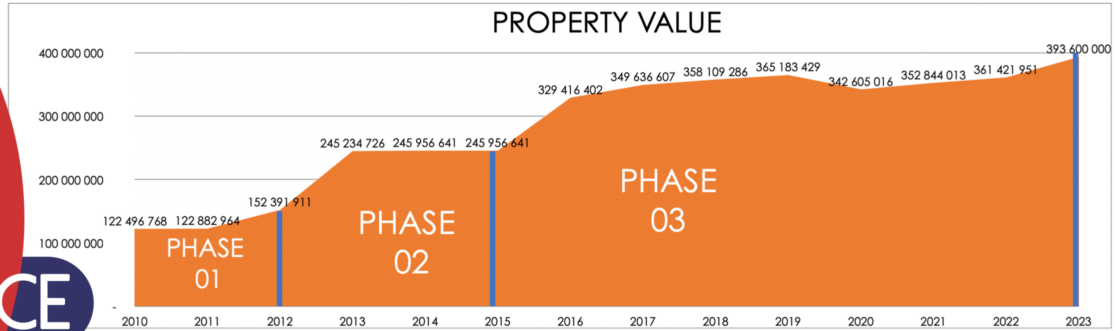
THE PRICIPLES OF THIS COMPANY HAVE BEEN BASED ON GOOD CORPORATE GOVERNANCE. PARTICULARLY, UNDER THE EXPERT LEADERSHIP OF OUR FIRST CHAIRMAN MR. SAM MONTSI, OUR SECOND CHAIRMAN MR. JOSEPH LETSOELA AND NOW MR. SEBEHELA SELEPE.

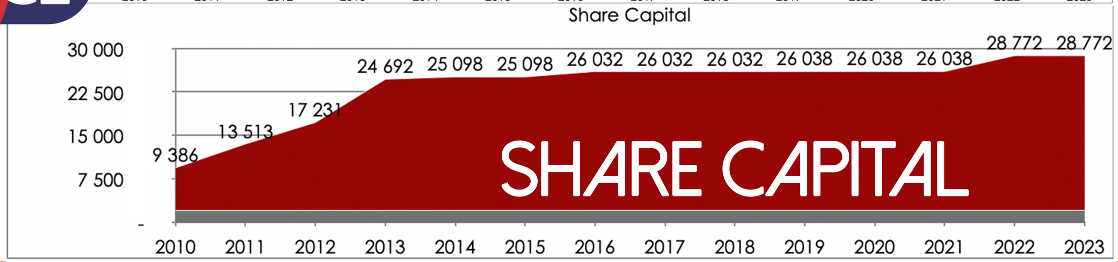
CORPORATE GOVERNANCE

11 DIRECTORS



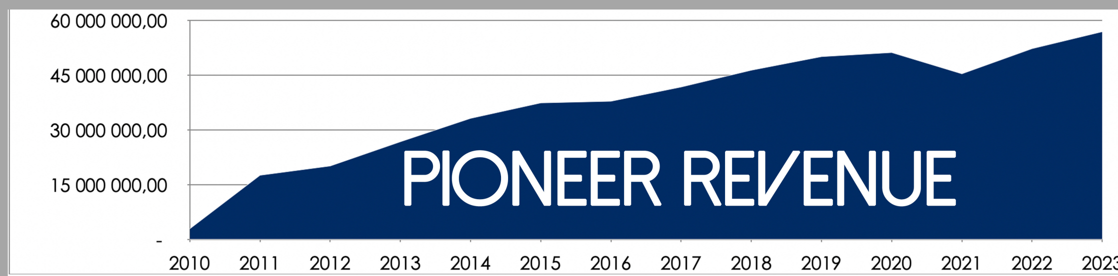




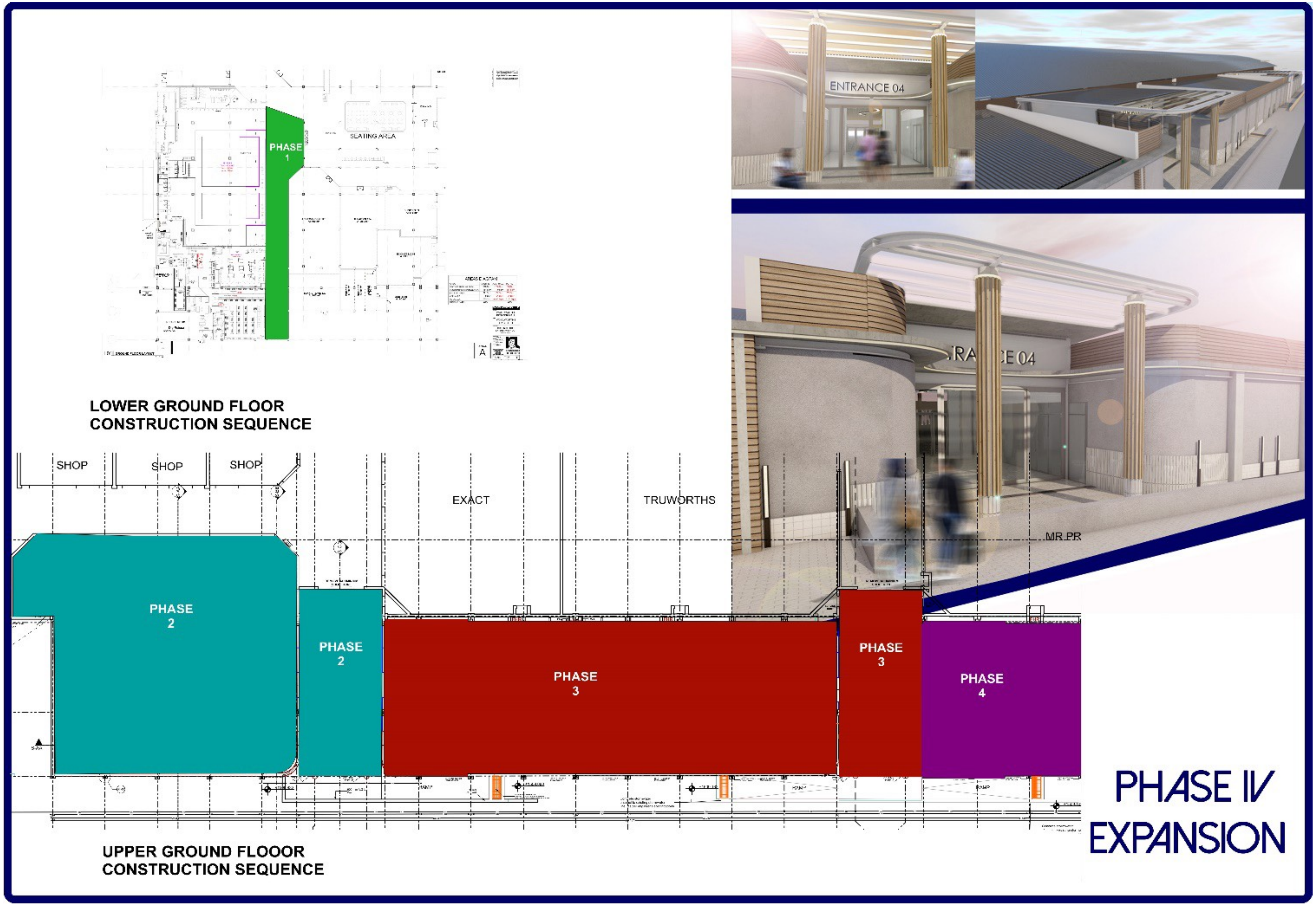


Moruo Developments

pioneer MALL



Phase 4 Expansion to Accommodate New Tenancy



Moruo Developments

LIMITED

PO Box 1564, Maseru 100

Registration No. 2007/861

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Re: Debenture Interest declaration 4th August 2023

Background

Following the comments and feedback from shareholders at the Moruo Developments Ltd AGM held on 02 December 2022, the Board of Directors have arrived at a solution which will deliver value to the shareholders, in addition to meeting certain requirements required of other major stakeholders.

The Board has approved the below as a strategy to address the concerns of shareholders:

- Shareholders.

Provide consistent increasing value to our shareholders. In Financial Year 2023, this value takes the form of a combination of cash payout of debenture interest and issue of linked units (at a discount rate to market).

- Tenants and the shopping public

  Ensure the long-term growth and sustainability of the Mall through regular upgrades and renovation.

- Revenue Services Lesotho

  Tax compliant, yet as tax efficient as possible.

In the special general meeting of the notice issued on the 14th July 2023, the shareholders will be asked to approve and note the below mentioned recommendation of directors:

- ❖ Debenture interest.

  THAT M18,463 million debenture interest be and is hereby declared for Financial year 2023 and that M8,00 million is payable in cash on the first week

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of October 2023 and the balance converted to Linked Units at a price of M399.90 per debenture and M0.10 per share.

THAT, it be noted, that any monies not balancing to a complete Linked Unit will be paid to the shareholder.

THAT, it be noted ,that any liabilities to withholding tax to be paid from the gross debenture interest as declared above.

THAT, it be noted, that a cash balance of around M5.2 million has been used as a minimum balance of free cash to retain in the business.

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Chairman