



# PODI-YA-TSELA

## GRAPEVINE

November 2012

### Message from the Acting CEO

The year started on a high note for Royal Bafokeng Holdings (RBH) after the conclusion of the Rand Merchant Bank Holdings and Rand Merchant Insurance Holdings acquisitions which resulted in further diversification of the portfolio.

RBH has, for the first time, also assumed significant gearing levels and this will require more and better risk management to ensure that we manage the debt adequately. The first quarter of the 2012 financial year saw the global economic uncertainty continuing and, although it is anticipated that this will have a negative impact on the returns generated by the investment portfolio, I have no doubt that RBH should effortlessly rise above that.

Economic uncertainties are always anticipated. As a long-term investor, RBH will continue to assess the operating conditions to ensure sustainable growth and to minimise the risk to our ever-growing portfolio.

RBH has undergone a few changes since the last edition of the newsletter was published. The first was the resignation of the previous Chief Executive Officer, Niall Carroll. Furthermore, Head of Investments Pieter Rorich has also tendered his resignation. I have been appointed as acting CEO while the board undertakes the rigorous process of finding a new CEO. The RBH team would like to wish Niall and Pieter all the best in their future endeavours.

The Group will continue with its strategy of diversifying the portfolio as well as selling some of the non-core investments. We will also be looking at strengthening the team as we develop this strategy.

The future looks promising. There is still a lot of room for more of the rapid success that has come to characterise RBH.



**Lucas Ndala**  
Acting Chief Executive Officer

# New appointments at RBH

## Ditiro Kwele

Ditiro Kwele joined the Royal Bafokeng Holdings People and Sustainability Division as a Consultant earlier this year. Ditiro holds a Management Advancement Programme Certificate from the Wits Business School; a B Tech degree in Human Resource Management from the University of Johannesburg; a Higher Certificate in Management from the Foundation for Professional Development and is an accredited Skills Development Facilitator. She was previously with the Royal Bafokeng Institute.

Reporting to Executive Director: People and Sustainability, Khumo Shongwe; Ditiro's main responsibility will be the implementation of the People and Sustainability strategy. Other responsibilities will include ensuring consistent application and compliance with policies and procedures and participation in transformation-focused initiatives.

Ditiro is very excited to have the opportunity to work and learn at RBH and is looking forward to a bright future.

## Keitumetse Mongake

Keitumetse Mongake started at RBH in February 2012 as part of the "Class of" initiative. She holds a National Diploma in Journalism from the Tshwane University of Technology. Keitumetse described her experience so far as "a challenge", but as a necessary stepping stone in her growth. She looks forward to studying further and gradually stepping up to other positions.

## Nakedi Masela

Nakedi Masela joined RBH in July as Manager, Group Reporting. A Chartered Accountant by profession, she holds a Bachelor of Accounting Science (Hons) from the University of the Witwatersrand. Before she joined RBH she was an Assistant Manager at PricewaterhouseCoopers. So far, she has enjoyed her time at RBH. "I'm enjoying the experience. Although it's still early days, I'm learning a lot and looking forward to what lies ahead."



# Major translation tool

## Setswana-English dictionary launched

The long awaited RBH-sponsored *Setswana & English Illustrated Dictionary* has finally arrived. The first major scholarly resource in the Setswana language, the dictionary was launched at Lebone II, College of the Royal Bafokeng, Phokeng in late April 2012.

Researched by Professor Desmond T. Cole and lally Moncho-Warren, the dictionary has been 15 years in the making. It includes some 25,000 entries in Setswana and English, as well as over 150 illustrations by Naureen Cole. Professor Cole is Professor Emeritus of African Languages at the University of the Witwatersrand and is a known Setswana language expert.

This venture affirms the Royal Bafokeng Nation's commitment to celebrating the vibrant oral and written traditions of the Setswana language, and the importance of mother-tongue learning for children in their first years of schooling.



Desmond Thorne Cole signs a copy of the dictionary at the official launch

# Keeping up with the "Class"

## RBH places more interns

As part of the quest to develop and hone candidates with potential, RBH has created a "Class of" programme. Royal Bafokeng Nation graduates who have completed tertiary qualifications are eligible for selection. Another 18 candidates have been identified for placement as interns within RBH entities and investee companies such as DHL, Fraser Alexander and Implats. The candidates pursue various fields of study from Human Resource Management and Industrial Psychology to Marketing and Journalism, and RBH is confident that this year's "Class of" group will be just as successful as the last.

## "Class of" success stories

**Katlego Mongake (KM)**, who holds a B Com in Financial Accounting, has been appointed Junior Accountant at RBH. His responsibilities include assisting and preparing consolidation packs, annual financial statements and administering employee salaries. He describes his experience at RBH as challenging but necessary. KM says although there are challenges working for a company such as RBH, it is an experience he would not trade for anything. "I was appointed Junior Accountant in February 2012 and it has thus far been one of the most fulfilling experiences of my life," he says. "I work with some of the most talented people in the industry and learning from them every day is a bonus."

**Katlego Kobue (KK)**, a B Com graduate, has been appointed Junior Investment Manager. He is responsible for consolidating all the

investment numbers; calculating the return to RBH and to the shareholder; preparing the board numbers and charts; helping with presentations; doing equity research; and evaluations of investment opportunities. KK says: "When I came to RBH I didn't know what to expect but the reception I got was so overwhelming. I felt like part of the team from the first day. I've recently become a permanent member of the RBH family and that has been great." KK was also pleased to have played a part in recent RBH acquisitions. "I only played a small part in the acquisition of the 10% stake in both RMBH and RMIH in December last year. Nevertheless it was a good learning experience. RBH has accelerated my growth in corporate finance and I'm delighted to be part of this company, with its important responsibilities to the Bafokeng community," he concluded.



**Katlego Mongake**



**Katlego Kobue**

## Changes on the Board



**Monhla Hlahla**



**Lucas Ndala**



**Obakeng Phetwe**

There have been some changes to the RBH board:

Kgosi Leruo Molotlegi has stepped down as Chairperson and will be replaced by Monhla Hlahla.

Lucas Ndala, Executive Director for Finance is now Acting Chief Executive Officer following the resignation of Niall Carroll.

Thabo Mokgatla has also resigned from the board and will be replaced by Obakeng Phetwe, a Chartered Accountant (SA), who completed his articles at PricewaterhouseCoopers. He is currently CEO of the Royal Bafokeng Nation Development Trust, which holds all the commercial assets on behalf of the Royal Bafokeng Nation.

# A strategic move

## Profile: Wilhelm Nauta

Wilhelm Nauta, "Mandla" to his colleagues, is RBH's Strategic Investment Manager. In his department, Wilhelm helps to manage and grow RBH's diverse investment portfolio. He grew up in Secunda where his father, a chemical engineer, applied his trade. After obtaining finance degrees from the University of Pretoria, Wilhelm qualified as a Chartered Accountant. He spent five years at Deloitte Touche in Johannesburg before embarking on a 10-year career in equity research at Barnard Jacobs Mellet (BJM). Several times during his years at BJM he was rated as top investment analyst in the *Financial Mail* survey.

Wilhelm joined RBH at the beginning of 2010, initially tasked with evaluating potential acquisitions. His responsibilities were later expanded to include executing acquisitions and disposals, the management of specific investments, building relationships with executive management of investment companies and co-shareholders.

"I like growing the business through sourcing new deals, negotiating new investments or the sale of assets, and getting involved in several aspects of RBH strategy," says Wilhelm. "Fortunately the team is small enough to ensure that you receive exposure to a broad range of skills; such as debt structuring, portfolio construction and reporting to the board. What I like most about RBH are our people (Ditiro's daily Setswana lessons are a highlight!), and being part of the African success story that is Royal Bafokeng."

Wilhelm is married and has twin girls, Lisa and Mieke. When he's not working he enjoys spending time with his family, and being outdoors. He is an avid mountain biker and has completed the Cape Epic mountain bike race and the Sani2c several times. Property development and reading biographies of famous people are some of his favourite pastimes.



## Caring for our community

### School Food Gardens and Nutrition project

There is a great need for a feeding programme in schools for underprivileged children. Although the government runs feeding programmes in some primary schools, they are not always effective. Poor organisation results in some children not being fed, and the food often lacks the necessary nutrition. The School Food Garden and Nutrition project was developed as a comprehensive food programme beginning where it all starts, with growing and gardening. One of the main objectives of the project is to increase knowledge of and enthusiasm for gardening among participants, learners, educators and communities. Another is to highlight the importance of nutrition. By encouraging schools to grow fresh produce, which can then be used for school lunches, both objectives are met.

Using the gardening, nutrition and environmental education curriculum developed by Nkanyiso, educators will also incorporate gardening and basic nutrition topics into the classroom. Additionally, this CSI initiative strives to empower the community members working in the gardens with skills to enable them to supply fresh produce beyond the project and ultimately run their own profitable food-production businesses.

### Trauma Centre

The Phokeng Trauma Centre endeavours to provide a one-stop Rape and Trauma Support Centre that provides support to victims and survivors of crime and sexual assault. The trauma centre is a registered non-profit organisation which operates from the Phokeng Police Station and provides support to the Bafokeng as well as communities in and around the Rustenburg area and offers:

- Trauma counselling
- Psycho-education
- Overnight stay facilities
- Court-preparation services
- Material assistance
- Medication

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Making a difference

# Honouring Madiba's legacy

The "feel good" factor: helping others!

"I have always admired men and women who used their talents to serve the community."

– Nelson Mandela

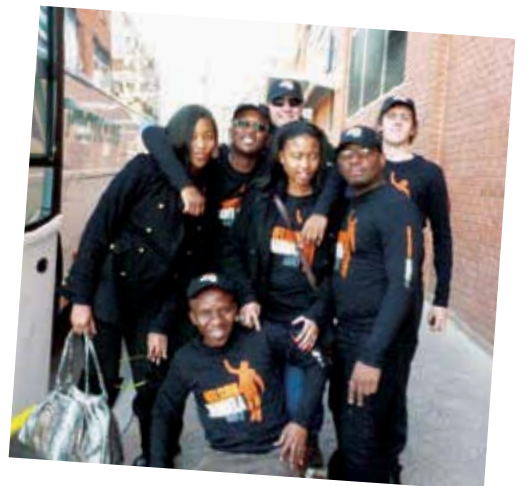
In 2009 the United Nations declared 18 July as Nelson Mandela International Day. Significantly, the day – Madiba's birthday – has been highlighted in the UN calendar to encourage people around the world to recognise the sacrifices made by Mandela to achieve a free and democratic South Africa. The campaign also encourages all individuals to perform 67 minutes of service to those less fortunate than themselves. The 67 minutes represents the 67 years he contributed towards the fight for freedom, humanity and dignity in South Africa. Wednesday 18 July 2012 marked the fourth International Mandela Day.

The RBH team took up the challenge and, on the appointed day, set out to make a difference – not just for 67 minutes – but for almost the entire day. As the day not only celebrates Nelson Mandela's inspirational life and his contribution to what is now the "rainbow nation"; but is also a global call to action for people to recognise their ability to make a positive difference in the lives of the less privileged, the RBH team set out for the Methodist Church in Diepkloof, Soweto. Arriving just before lunchtime, we were welcomed by Ms Mthembu, manager of Barona Childcare and Support, who started the care centre while she was still employed, using her own resources. The centre has grown substantially since its inception and is now doing wonders to improve young lives.

This organisation is situated in an impoverished area of Soweto, and attempts to redress the social ills of the broader community in the area. Although focused on children, it makes a huge difference to the community at large. Barona offers nourishment and care to school children, as well as stimulation to promote growth and development. Carers clean and cook meals on a daily basis, and assist the children with homework.

Our contribution was a donation of food supplies, educational games, toys, clothes for the children and paint. In addition, we divided ourselves into work groups. We cooked, we served meals, we washed dishes. We also painted yard fences to give the premises a "facelift" and the interior of the hall to make it look fresh. As the afternoon drew to a close, we continued to work together as a team until everything was done. Tired yet fulfilled, we returned to the office, pleased with a job well done.

Knowing that our time had made a difference in the lives of others made all the effort worthwhile!



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## Making a difference

# Employee volunteer day

At RBH we take our social responsibility seriously. We do this because we believe that only a stable society can provide a sound business environment. We support charitable projects and assist where needed. RBH staff took part in the first employee volunteer day in April when a group visited the Kutlwanong Old Age Home and the Mailhware Primary School. Among the tasks performed at the home, RBH staff – together with the RBED staff – cooked lunch for the elderly, cut hair and nails, cleaned windows and floors and ironed laundry. For the children at the primary school, storytelling and educational games made up a day of fun-filled activities. These CSI initiatives continue to build brand awareness and affinity with the community, but also attest to the fact that RBH cares. It is also a very rewarding feeling to be giving back to those less fortunate, and doing it with other RBH colleagues helps build team spirit.

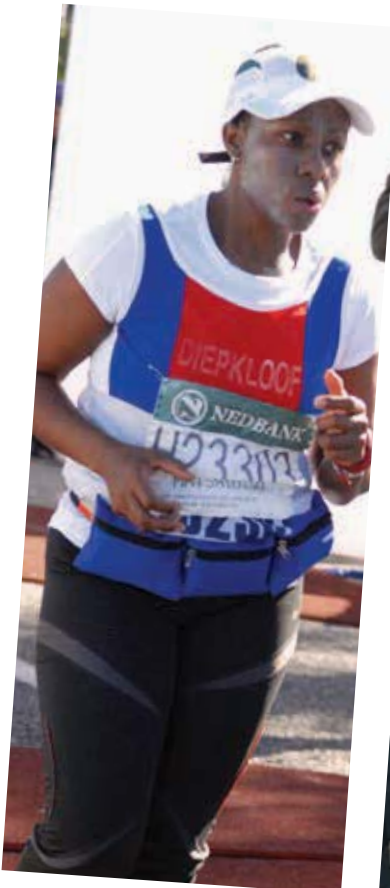


## RBH boasts two Comrades heroes

To run in competitive races, one needs discipline, dedication and drive. RBH is proud to announce that Lucas Ndala (Acting CEO) and Matshidiso Molefe (CSI) participated in the ultimate human race, the 2012 Comrades Marathon between Pietermaritzburg and Durban. Both completed the race before the 12-hour cut-off time. Matshidiso started running in 2000 when she ran a 15k road race in Soweto and since then she has completed two Comrades races.

The 2012 Comrades was Lucas's first. Part of his preparation for this gruelling race was running the Two Oceans and Om Die Da ultra marathons. Lucas stresses the importance of a healthy lifestyle: proper eating and regular exercise.

Hopefully the success of our two participants will encourage other RBH employees to embark on their own individual journey to fitness.



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## Contact us

Tel: +27 (0) 11 530 8000

Fax: +27 (0) 11 530 8039

Email: Mpueleng Poole – Executive: Public Affairs  
info@bafokengholdings.com  
www.bafokengholdings.com