

**DRAFT SPEECH ON THE OCCASION OF THE ANNOUNCEMENT OF RPC
DATA LTD'S FINANCIAL RESULTS FOR THE YEAR 2008 –
MONDAY 1 SEPTEMBER 2008 AT FALCON CREST**

MASTER OF CEREMONIES

MEMBERS OF THE FINANCIAL FRATERNITY HERE PRESENT

MEMBERS OF THE MEDIA PRESENT HERE

MEMBERS OF THE RPC BOARD OF DIRECTORS

DISTINGUISHED GUESTS

LADIES AND GENTLEMEN

I AM PLEASED TO WELCOME YOU TO THIS MEETING TO SHARE WITH YOU THE FINANCIAL RESULTS OF OUR COMPANY FOR THE PAST FINANCIAL YEAR ENDED 31 MAY 2008. BEFORE GOING IN TO THE FINANCIAL MATTERS, LADIES AND GENTLEMEN IT IS MY DUTY TO TAKE YOU THROUGH THE JOURNEY OF RPC DATA SO FAR.

RPC DATA IS A UNIQUELY FOCUSED INFORMATION TECHNOLOGY (IT) COMPANY THAT SPECIALISES IN THE IMPLEMENTATION OF INTEGRATED SOFTWARE SYSTEMS AND SERVICES. WITH A MODEST BEGINNING IN 1989, RPC DATA HAS COME A LONG WAY AND TODAY WE ARE THE LEADING SOFTWARE COMPANY IN BOTSWANA WITH SUBSIDIARIES IN ZAMBIA, UGANDA AND INDIA.

TODAY RPC DATA STANDS BEFORE YOU LADIES AND GENTLEMEN WITH SEVERAL SUCCESSES TO ITS CREDIT BOTH DOMESTICALLY AND IN THE REGION. WE ARE VERY PROUD TO HAVE BEEN GIVEN THE OPPORTUNITY BY THE GOVERNMENT OF BOTSWANA TO

DEVELOP AND IMPLEMENT THE GOVERNMENT'S ACCOUNTING AND BUDGETING SYSTEM POPULARLY KNOWN AS GABS THROUGH WHICH GOVERNMENT ACCOUNTS FOR THE MONEY RECEIVED AND SPENT. WORKING IN TANDEM WITH GABS IS THE GOVERNMENT PAYROLL, PENSIONS AND PASSAGES SYSTEM ALSO DEVELOPED AND IMPLEMENTED BY RPC DATA WHICH HAS AUTOMATED THE PAYMENT OF SALARIES AND PENSIONS OF ALL CENTRAL GOVERNMENT EMPLOYEES.

ANOTHER FEATHER IN OUR CAP IS THE COMPLETE AUTOMATION OF THE VAT AND TAX SYSTEMS FOR BOTSWANA UNIFIED REVENUE SERVICES. THROUGH THE IMPLEMENTATION AND CONTINUED SUPPORT OF THESE SYSTEMS, RPC DATA HAS TIME AND AGAIN SHOWN THAT SUCH COMPLEX SYSTEMS CAN BE IMPLEMENTED BY LOCAL COMPANIES.

NOW COMING TO THE REGIONAL SUCCESS, RPC DATA WAS SELECTED THROUGH AN INTERNATIONAL TENDER TO DEVELOP AND IMPLEMENT A COMPREHENSIVE PENSION MANAGEMENT SYSTEM IN KENYA THROUGH THE MINISTRY OF FINANCE FOR OVER 160,000 PENSIONERS GROWING TO 400,000 IN THE NEXT 3 YEARS. IN UGANDA RPC DATA ROLLED OUT THE MINISTRY OF FINANCE EQUIVALENT OF GABS AND CONTINUES TO PROVIDE SOLUTIONS IN ZAMBIA. ACROSS THE CONTINENT, RPC DATA SUCCESSFULLY DEVELOPED AND IMPLEMENTED AN INTEGRATED ROAD MANAGEMENT SYSTEM IN INDIA. THESE ARE OUR SUCCESSES TO SHARE WITH YOU LADIES AND GENTLEMEN.

AS YOU MAY BE AWARE THE GLOBAL IT MARKET CONTINUES TO BE MORE AND MORE COMPETITIVE. RPC DATA WAS UNTIL RECENTLY BOTSWANA'S ONLY ORACLE CERTIFIED ADVANTAGE PARTNER AND IS ALSO A SILVER PARTNER OF NOVELL TECHNOLOGIES. WITH OVER 60 PROFESSIONALS BASED IN BOTSWANA, RPC DATA IS THE ONLY SOFTWARE COMPANY LISTED ON THE BOTSWANA STOCK EXCHANGE

WE ARE COMMITTED TO SOFTWARE EXCELLENCE IN BOTSWANA AND IN THE REGION.

NOW LADIES AND GENTLEMEN, WITH THAT BRIEF BACKGROUND, IT IS MY PLEASURE TO PRESENT THE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MAY 2008.

I AM PLEASED TO INFORM YOU THAT REVENUE GENERATED FROM THE BOTSWANA HOLDING COMPANY INCREASED BY A GRATIFYING 74% ON THE PREVIOUS YEAR. THIS IS ATTRIBUTABLE TO A BREAK THROUGH CONSULTANCY PROJECT UNDERTAKEN FOR THE KENYAN MINISTRY OF FINANCE. HOWEVER DUE TO HIGH LEVELS OF TAX INCURRED, THE OVERALL TAX CHARGE FOR THE YEAR WAS IMPACTED NEGATIVELY.

THE COMPANY HAS SHOWN RESILIENCE AND EARNED REVENUE FROM A NUMBER OF APPLICATION AND DEVELOPMENT MAINTENANCE CONTRACTS WITHIN BOTSWANA. SOFTWARE SALES CONTINUED TO CONTRIBUTE STRONGLY TO REVENUE, ALTHOUGH MARGINS EARNED ON THIS BUSINESS ARE SHRINKING UNDER PRESSURE FROM COMPETITORS, PRINCIPALS AND CUSTOMERS.

WITH A DEVELOPMENT CENTRE IN INDIA, RPC DATA HAS MANAGED TO CUT COSTS SIGNIFICANTLY WHEREBY THE OVERALL COSTS WERE MAINTAINED AT LAST YEAR LEVELS DESPITE THE 74% INCREASE IN THE REVENUE THIS YEAR.

ALTHOUGH THE REVENUE FROM BOTH CONSULTANCY AND SOFTWARE SALES INCREASED BY ALMOST 44% IN ZAMBIA, THE UGANDAN BUSINESS SHRUNK SUBSTANTIALLY DURING THE FINANCIAL YEAR. BOTH THESE SUBSIDIARIES DID NOT RECORD A PROFIT DURING THIS YEAR - HOWEVER, PROSPECTS ARE PROMISING PARTICULARLY IN THE ZAMBIAN MARKET. AGAINST THIS BACKDROP,

THE BOARD HAS PRUDENTLY IMPAIRED P2 MILLION OF THE INVESTMENT IN THE SUBSIDIARIES.

THE FINANCIAL POSITION OF RPC DATA HAS IMPROVED WITH CASH AND CASH EQUIVALENTS AMOUNTING TO P9.4 MILLION AS AGAINST P5.4 MILLION IN YEAR 2007. RPC DATA REMAINS FREE OF ANY EXTERNAL DEBT, WITH THE FULL WORKING CAPITAL INVESTMENT OF P10.9 MILLION BEING FINANCED FROM INTERNAL RESOURCES.

TOTAL EQUITY HAS ALSO INCREASED BY P3.4 MILLION MAINLY AS A RESULT OF AN ADDITIONAL P2.15 MILLION ACCRUED BY THE REVALUATION OF THE GROUP'S HEAD OFFICE IN COMMERCE PARK, GABORONE.

THE GROUP'S DECISION TO SELL ITS CONTROLLING STAKE IN THE SUBSIDIARY ASC SERVICES TO ITS MANAGEMENT HAS HELPED BOTH RPC DATA AND ASC SERVICES TO FOCUS ON RESPECTIVE NICHE MARKETS. AS A RESULT ASC SERVICES HAS CONTINUED TO RECORD GROWTH BOTH IN REVENUE AND PROFITS, AS REFLECTED IN THE GROUP'S INCREASING INVESTMENT IN ASSOCIATE.

THE FOCUS GOING FORWARD IS TO INCREASE CONSULTANCY AND SERVICE REVENUES AS WELL AS TO DIVERSIFY THE DOMESTIC CLIENT BASE AND TARGET THE OPPORTUNITIES OFFERED BY THE GROUP'S EXPERIENCE IN SUCCESSFULLY COMPLETING LARGE PROJECTS IN OTHER REGIONAL CENTRES. IN ADDITION, THE BOARD HAS TASKED THE MANAGEMENT TO IDENTIFY, EVALUATE AND PURSUE PROMISING MERGER AND ACQUISITION OPPORTUNITIES IN THE DOMESTIC AND REGIONAL MARKETS.

IN BOTSWANA, RPC DATA IS CURRENTLY NEGOTIATING PRICING ON DOMESTIC CONTRACTS WORTH IN EXCESS OF P12 MILLION, WHEREAS WE BELIEVE THE COMPANY IS A FRONTRUNNER IN A

NUMBER OF OTHER DOMESTIC TENDERS WHICH ARE CURRENTLY BEING EVALUATED BY PRINCIPALS.

LADIES AND GENTLEMEN, THE BOARD OF DIRECTORS TOOK A CONSCIOUS DECISION TO USE THE EXISTING CASH RESOURCES TO SUPPORT THE BUSINESS INITIATIVES MENTIONED ABOVE AND AS SUCH NO DIVIDEND WAS DECLARED FOR THE 2008 FINANCIAL YEAR.

THE BOARD IS PLEASED TO TAKE THIS OPPORTUNITY TO ANNOUNCE THE APPOINTMENT OF MR. VINCENT SERETSE AS GROUP MANAGING DIRECTOR. VINCENT JOINS THE GROUP AS THE FIRST CITIZEN MANAGING DIRECTOR.

VINCENT BRINGS WITH HIM A WEALTH OF KNOWLEDGE AND EXPERIENCE IN THE BOTSWANA BUSINESS ENVIRONMENT HAVING SERVED AS DIRECTOR OF NUMEROUS PUBLIC AND PRIVATE ENTITIES. HIS KNOWLEDGE OF THE ICT SECTOR, EXPERIENCE IN DEVELOPING NEW BUSINESSES AND OPTIMISING EXISTING BUSINESS OPERATIONS MAKES HIM IDEALLY SUITED TO LEAD RPC DATA DURING THE NEXT PHASE OF ITS BUSINESS DEVELOPMENT.

LADIES AND GENTLEMEN, THE BOARD WOULD LIKE TO PLACE ON RECORD ITS THANKS AND APPRECIATION FOR THE OUTGOING MANAGING DIRECTOR MR. ROB POOL WHO LED THE GROUP FROM ITS INFANCY, THROUGH ITS LISTING AND THEREAFTER. MR. POOL CONTINUES TO SUPPORT VINCENT AND THE EXISTING MANAGEMENT TEAM FOR A PERIOD, IN ORDER TO ENSURE CONTINUITY IN THE GROUP'S OPERATION.

WITH THOSE FEW REMARKS, I THANK YOU FOR YOUR ATTENTION AND HAVE A GOOD DAY.

