In terms of the Listings Requirements of the Botswana Stock Exchange (BSE), Sefalana Holding Company Limited (Sefalana) is required to announce through the BSE any circumstances or events that have or are likely to have a material effect on the financial results of the Company for the period to be reported upon next.

**Potential transaction in the region**

The board of Sefalana previously reported that agreements have been finalised between the group and a consortium of companies in the fast moving consumer goods sector in South Africa, pertaining to a potential transaction in the Region. The objective of this consortium will be to acquire a number of target supermarket and wholesale chains across the country. The largest participant in this consortium is the well-established buying-group, Unitrade Management Services (Pty) Limited (UMS).

Sefalana is due to invest R250 million in this consortium and will participate in the board of the consortium. The two groups look forward to leveraging off one another’s experience in the industry to grow this consortium into a sizable enterprise over the next 10 years. This investment is expected to generate a return that will significantly increase the profitability of the Sefalana group.

The transaction is subject to a number of regulatory and procedural matters expected to be concluded by end of October 2017. Progress is being made in this regard. Further updates will be provided to shareholders in due course.

Accordingly, Shareholders are advised to exercise caution when dealing in the Company’s shares until a further announcement is made.

By order of the Board

Mohamed Osman
Group Finance Director

9 October 2017