Letlole La Rona Limited ("LLR" or the "Company") announces that on the 27th November 2017, LLR and Jus Posh Investments (Proprietary) Limited ("JPI") entered into a Sale Agreement ("the Agreement") under which LLR would acquire Lot 29052, Mahalapye ("the Property") from JPI. ("Acquisition Transaction")

The acquisition of the Property by LLR includes all land, buildings and improvements comprising of mainly a fully developed retail center known as Watershed Piazza.

The Agreement contemplates the sale of the Property to LLR, as a going concern.

The sale and purchase of the Botswana Business is conditional upon certain regulatory approvals and other customary conditions precedent which *inter alia*:

(1) LLR conducting a due diligence on the Property, being satisfied with the outcome thereof and notifying JPI in writing;

(2) the board of directors of LLR approving and ratifying the entering into of this Agreement, the Sale and all other agreements and transactions contemplated herein;

(3) LLR obtaining the necessary finance to pay the Purchase Price;

(4) the Botswana Stock Exchange approving the transaction;

(5) the Competition Authority approving the transaction unconditionally, or on condition satisfactory to LLR or confirming in writing that their approval is not required.

The total consideration payable in respect of the Acquisition Transaction is **BWP 149,000,000.00**. The total consideration has been determined based on a negotiated sale price which was guided by an independent valuation undertaken by the Seller and another independent valuation undertaken by LLR.
The market value of the asset is BWP149,000,000 being the median of independent valuations undertaken by the JPI and LLR, and this transaction represents 22% of value of the total net assets of LLR as at the Latest Accounts Date (30th June 2017).

The benefits which are expected to accrue to LLR as a result of the Acquisition Transaction are:

- The transaction provides LLR with an opportunity to diversify and create a more balanced and efficient portfolio, by increasing its exposure to retail from 10% to 25%.
- The transaction further provides LLR with a growth opportunity and will enhance the Company’s earning and in turn improves distribution to Unitholders.

This transaction will be wholly funded through debt, therefore:

- The effect of the subject transaction on the net assets (per share) of the company is not material due the funding structure of the transaction.
- A significant portion of the revenue generated by the acquired asset will cover interest expense in the first year, therefore the effect of the net assets of the subject transaction will have an insignificant effect on the net profit (per share) of the company.

A circular which will be dispatched to Unitholders within 28 days from publication of this announcement.

Unitholders are advised to exercise caution in dealing with their units until a further announcement is made.

Dated at Gaborone this 21 Day of December 2017.

By order of the Board

Company Secretary

Magdeline Tsiané

Sponsoring Broker

ARMSTRONGS
Attorneys, Notaries & Conveyancers

IMARA
INVESTING IN AFRICA
Securities