TRADING STATEMENT

In terms of the Botswana Stock Exchange Rules, shareholders are advised that Imara Holdings Limited ("Imara" or the “Group”) expects its financial results for the full year ended 30 April 2016 to reflect a loss. The loss will however be smaller than the attributable loss of P15.25 million reported for the full year ended 30 April 2015. The reduced loss is partly due to the profit arising from the disposal of Imara SP Reid (Pty) Limited ("ISPR"), our South African stockbroking subsidiary, which was concluded in June 2015 and included in the attributable profit of P2.82 million reported for the half year ended 31 October 2015.

The difficult trading conditions experienced by the Group’s operating businesses in the first half persisted into the second half of the year. Emerging markets in general and African markets in particular, also weakened, directly affecting the performance of our asset management and stockbroking businesses.

Management is taking action to reduce the fixed cost base across the Group to sustainable levels to enable Imara to endure the present adverse trading conditions and to emerge as a leaner and more efficient organisation.

The net cash proceeds from the disposal of ISPR are principally held in US Dollars and the Group has benefited from favourable currency movements on these funds.

The Board is committed to ensuring that the Group’s balance sheet has the strength to endure current market conditions, while continuing to evaluate the balance between optimal capitalisation levels for subsidiary companies and the possibility of returning excess capital to shareholders, either through a special dividend or through the share buyback that was approved by shareholders in October 2015.

The financial information on which this Trading Statement is based has not been reviewed or reported on by Imara’s auditors.

Audited results for the year ended 30 April 2016 will be published in the latter part of July 2016 at which time a more comprehensive overview of the Group’s performance will be published.

Accordingly, shareholders are advised to exercise caution when dealing in Imara securities, until such time as a more detailed announcement of the financial results for the full year to 30 April 2016 is made.

Post the financial year end, Imara reduced its business providing private client wealth management advisory services in South Africa. This followed the retirement of the long serving head of the Imara Asset Management (South Africa) subsidiary. This is a highly competitive sector in South Africa, facing significant regulatory change. The move is consistent with our strategic decision to divest of ISPR and to focus primarily on institutional asset management and on African markets outside of South Africa, where we have leading market positions. In the short term, this will have an adverse impact on Group earnings but will not impact 2016 results.

For and on behalf of the Board of Directors

Gaborone
24 May 2016