CAUTIONARY ANNOUNCEMENT

In terms of the Listings Requirements of the Botswana Stock Exchange (BSE), Sefalana Holding Company Limited (Sefalana) is required to announce through the BSE and the press 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.

It was previously reported to the Shareholders of Sefalana Holding Company Limited that the Company has entered into negotiations with two unrelated third parties in the Region, which if successfully concluded, and subject to relevant regulatory approval, will result in a transaction that might have an impact on the price of the Company’s shares.

In respect of the first transaction, Shareholders are advised that the Company has entered into an agreement to purchase a large cash and carry going concern in Maseru, Lesotho on 1 November 2016. This will enable the Group to enter into the Lesotho market in line with its expansion plans into the Region. A Rights Issue program is underway to raise funds for this transaction. Details of this program have been published and further details will follow in due course.

Further updates will be provided to Shareholders on this transaction and on the progress made in respect of discussions with the other third party referred to in the previous statement to Shareholders.

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

26 October 2016

Directors:

PHK Kedikilwe, CD Chauhan, EM Dewah, K Jefferis, HW Kampmann, RM Motswaiso, MS Osman