The fair values of the company’s investment properties in Botswana at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Zambia) Limited, independent valuers. Knight Frank (Zambia) Limited are members of both the Surveyors Institute of Zambia (SID) and the Zambia Institute of Estate Agents (ZIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Zambia at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Zambia) Limited, independent valuers. Knight Frank (Zambia) Limited are members of both the Surveyors Institute of Zambia (SID) and the Zambia Institute of Estate Agents (ZIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Mauritius at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Mauritius) Limited, independent valuers. Knight Frank (Mauritius) Limited are members of the Royal Institution of Chartered Surveyors (RICS). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Namibia at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Namibia) Limited, independent valuers. Knight Frank (Namibia) Limited are members of both the Namibian Institute of Valuers and Estate Agents (NIEA), the Namibian Institution of Valuers, and the Namibian Institute of Estate Agents. The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Zimbabwe at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Zimbabwe) Limited, independent valuers. Knight Frank (Zimbabwe) Limited are members of both the Surveyors Institute of Zimbabwe (SIZ) and the Zimbabwe Institute of Estate Agents (ZIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Tanzania at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Tanzania) Limited, independent valuers. Knight Frank (Tanzania) Limited are members of the Tanzania Institute of Estate Agents (TIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Côte d’Ivoire at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Côte d’Ivoire) Limited, independent valuers. Knight Frank (Côte d’Ivoire) Limited are members of the Association des Étudants Immobiliers d’Ivoirien (AEII). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Kenya at 31 August 2017 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Kenya) Limited, independent valuers. Knight Frank (Kenya) Limited are members of the Kenya Institute of Estate Agents (KIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the company’s investment properties in Ghana at 31 December 2016 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Ghana) Limited, independent valuers. Knight Frank (Ghana) Limited are members of the Ghana Valuers and Estate Agents Association. The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.
The Directors have pleasure in announcing the audited financial results of PrimeTime Property Holdings Limited (Company) and its subsidiaries (the Group) for the year ended 31 August 2017.

**Audited Summarised Consolidated Financial Results for the Year Ended 31 August 2017**

The fair values of the identifiable assets and liabilities of Lufupa and Luongo as at the date of acquisition were:

<table>
<thead>
<tr>
<th></th>
<th>Lufupa</th>
<th>Luongo</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment property</td>
<td>54 861 840</td>
<td>54 861 840</td>
<td></td>
</tr>
<tr>
<td>Work in progress</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>9 092</td>
<td>14 077 162</td>
<td>14 086 254</td>
</tr>
<tr>
<td>Trade and receivables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>13 800 025</td>
<td>13 800 025</td>
<td></td>
</tr>
<tr>
<td>Total identifiable net assets at fair value</td>
<td>23 933 868</td>
<td>23 933 868</td>
<td></td>
</tr>
</tbody>
</table>

The gain on bargain purchase has been presented in a separate line on the face of the statement of comprehensive income. The gain on bargain purchase arises as a result of the measurement of the property under development on acquisition for fair value.

The receivables acquired in these transactions with a fair value of P14 077 162 (Luongo) and P9 092 (Lufupa) had gross contractual amounts of P14 077 162 and P9 092 respectively. The best estimate at acquisition date of the contractual cash flows is not expected to be collected for both Lufupa and Luongo.

**EVENTS AFTER THE REPORTING PERIOD**

On 1 September 2017 the company sold its investment in Ankorina Developments Proprietary Limited for nil consideration.

No other events have occurred between the end of the reporting period and the date of approval of the summarised financial statements which will materially affect the summarised financial statements.

**Capital Commitments**

The retail shopping centre at Tshipise Mark is in construction. The estimated completion date of this development is mid-2018.

An expansion to Seshego Centre for an additional shop was in progress at year-end and the total estimated cost to complete this development as at 31 August 2017 is P135 084.

An expansion to Seshego Centre in construction at Stand No. 1001, Chirundu. The total estimated cost to complete this development as at 31 August 2017 is P4 344 320.

A retail shopping centre is under construction at GIS in Setlhoa. The total estimated cost to complete this development was P10 755 705.

A retail shopping centre is under construction at Stand No. 837, Kudako. The total estimated cost to complete this development as at 31 August 2017 is P2 150 694.

In terms of the external revision exercise to market the year-end several of our properties have been identified as potentially being revalued. There are several reasons for this which have been fully appraised by the asset management team on a property-by-property level. Several of our properties are subject to ground leases and as their term shortens the market value is adjusted accordingly. A couple of our properties have experienced low occupancy levels and this has impacted negatively on their values at year end. Lastly, the suppression of rentals on some commercial properties particularly in Gaborone – as the country is still in an economic slump with little reaction to the stimulus of interest rate cuts and low CPI.

It is important to note that while the cumulative impact of the revision exercise across the Group was negligible this year, several of our properties still record an uplift in value. Most significantly Satoko Centre, South Ring Mall, Nsozwe Mall and Centro Kabulonga – reflecting the quality of our main retail investments.

Despite the impact of the fair value adjustments in the current year, we remain of the belief that the strategies we apply to tenant management, property maintenance, sectoral and geographical diversification will enable us to maintain the value of the Group’s assets in the long term.

**Performance & Results**

The PrimeTime Group has again achieved year-on-year increases in both revenues and operating profits before fair value adjustments. The cumulative net fair value adjustments in the prior period related generally impacted on the final bottom line net profit figure and hence earnings per unit. A number of factors have caused this including the consideration of the remaining period on ground leases, low occupancy levels in certain of properties and the suppression of rentals in the commercial sector. These and our outlook on the valuations going forward are discussed in more detail in the ‘Ryan valuation exercise’ section below. From the prior year the group also reported profits on disposal of investment property of P6 86m, which should be taken into consideration when comparing profits between the two years.

Significant additional have been made to the investment property portfolio during the year with the PrimeTime Group development commencing construction at the end of September 2016 and the acquisition of our largest asset by value – Centro Kabulonga, Lusaka.

Banking and service providers, we have ensured that our investments in Zambia will be looked after to the same high standards as our properties here in Botswana. Prime Crossing was also transferred out of work in progress and into investment property during the year having obtained the necessary occupation permits in September 2016.

In terms of the external revision exercise to market the year-end several of our properties have been identified as potentially being revalued. There are several reasons for this which have been fully appraised by the asset management team on a property-by-property level. Several of our properties are subject to ground leases and as their term shortens the market value is adjusted accordingly. A couple of our properties have experienced low occupancy levels and this has impacted negatively on their values at year end. Lastly, the suppression of rentals on some commercial properties particularly in Gaborone – as the country is still in an economic slump with little reaction to the stimulus of interest rate cuts and low CPI.

It is important to note that while the cumulative impact of the revision exercise across the Group was negligible this year, several of our properties still record an uplift in value. Most significantly Satoko Centre, South Ring Mall, Nsozwe Mall and Centro Kabulonga – reflecting the quality of our main retail investments.

Despite the impact of the fair value adjustments in the current year, we remain of the belief that the strategies we apply to tenant management, property maintenance, sectoral and geographical diversification will enable us to maintain the value of the Group’s assets in the long term.

**Prospects & Opportunities**

The results of our geographical diversification into Zambia are now being seen. As noted above, the Zambia operations contributed over 20% of the rental income for the current year and over the next few years this will increase significantly. The considerable amount of time which the management of the group has invested in this expansion over the last few years will reflect in the returns going forward. By the end of the financial year we have completed a further two retail centres in the country, bringing the total expected value of our Zambian properties over US$50 million.

In Botswana, we look forward to Prime Crossing becoming the successful retail corridor it was originally envisaged to be. The new Design Quarter under construction at Setlhoa also offers an exciting opportunity for tenants to be part of this first-time concept in Botswana. In terms of refurbishments, we plan to make some additional space and improvements at the Ramotswa Mall and the Utsinde Centre later in the year. Several refurbishments will also be made to Crocus House for a longer renewal of the lease early next year.

Any reference to future financial performance included in this announcement, has not been reviewed or reported on by the Group’s auditors.

**Distribution to Linked Unit Holders**

We are pleased to report that a total distribution of 15.02 thebe per linked unit has been achieved for the year – of which 5.00 thebe was paid out on 24 March 2017 (which covered profits for the 4 months to 31 December 2016) and 7.50 thebe was paid out on 28 July 2017 (which covered profits for the 5.5 months to mid-June 2017). A final interest payment of 3.42 thebe for the year ended 31 August 2017 which covers the profits for the 2.5 months to 31 August 2017 will be paid with an interim payment for the year ended 31 August 2016, in March 2018. A notice pertaining to this will be published in the press early in 2018.

**Unclaimed Interest**

The directors wish to bring to the attention of unit holders that there are unclaimed interest payments in the Group’s records, due to cheques issued becoming stale or accounts used for bank transfers having been closed. Unit holders are requested to contact the TransferSecretary to claim their outstanding interest payments.

By order of the Board

P Mutora (Chairman)
Gaborone, 22 November 2017

A L Koty (Managing Director)