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 2018.

- 13% increase in contractual lease revenue to P125 million
- 12% increase in profit from operations to P102 million
- Distribution per ordinary share unit increased by 6% from P0.56 to P0.59 per year level.
- Investment property value increase of 26% over prior year to P1.4 billion
- 11% increase in NAV from P689 million to P762 million
- Completion of 3 new developments during the year:
  - Design Quarter, market value of P239 million
  - Chirundu Mall, market value at USD8 million
  - Munali Mall, market value of USD12.5 million

**SEGMENTAL REPORTING**

The Group’s business activities are concentrated in the segment of property rentals and are concentrated within the geographical regions of Botswana and Zambia. The geographical segmental information is outlined below:

<table>
<thead>
<tr>
<th>Segment</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local operations</td>
<td>11 740 923</td>
<td>9 206 805</td>
</tr>
<tr>
<td>Foreign operations</td>
<td>624 390 892</td>
<td>524 760 942</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1 397 006 115</td>
<td>1 321 867 855</td>
</tr>
<tr>
<td>Total equity</td>
<td>766 705 235</td>
<td>768 603 218</td>
</tr>
<tr>
<td>Total assets</td>
<td>1 163 711 350</td>
<td>1 089 462 074</td>
</tr>
</tbody>
</table>

The fair values of the company’s investment properties in Botswana at 31 August 2018 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Botswana) (Proprietary) Limited, independent valuers. Knight Frank (Botswana) (Proprietary) Limited are members of the Real Estate Institute of Botswana and are registered in terms of the Real Estate Professionals Act 2010. The principal valuation hold 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 2018 have been valued at PNil consideration.

The Group’s audited consolidated financial statements from which these results were extracted, all International Financial Reporting Standards and interpretations issued by the IFRS Interpretations Committee, and as a minimum contain the information required by International Accounting Standards 34 - Interim Financial Reporting. In preparing the audited consolidated financial statements from which these summarised consolidated financial statements were extracted, all International Financial Reporting Standards and International Reporting Interpretations Committee Interpretations issued and effective for annual periods ended 31 August 2018 have been applied. The Group’s underlying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards. The principal accounting policies are in terms of IFRS consistent in all material aspects with those adopted in the previous year, except for the adoption of the revised standards in which have not had a material impact on the consolidated financial statements. In the preparation of the consolidated financial statements, the Group has applied key assumptions concerning the future and other inherent uncertainties in recording various assets and liabilities. These assumptions were applied consistently to the consolidated financial statements for the year ended 31 August 2018. These assumptions are subject to ongoing review and possible amendments.

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The fair values of the company’s investment properties in Zambia at 31 August 2018 have been valued at PNil consideration.
INFORMATION ABOUT SENSITIVITY TO CHANGES IN UNOBSERVABLE INPUTS

The fair value of investment properties is a function of the unobservable inputs and factors including location of property and quality and length of lease periods.

SIGNIFICANT RELATED PARTY TRANSACTIONS

The company has entered into a Property Management Agreement and an Asset Management Agreement with Time Projects (Botswana) (Proprietary) Limited. The shares of Time Projects (Botswana) (Proprietary) Limited owned 19.3% of the issued linked units of the Company at 31 August 2018 (2017: 22%).

RECLASSIFICATION OF PREVIOUSLY REPORTED AMOUNTS

In the prior year, on preparation of the consolidated financial statements some journal entries for P33 082 069 for the reclassification of the fair value adjustments were incorrectly reincluded in the foreign currency translation reserve instead of retained earnings. The misclassification has been retrospectively corrected resulting in changes to the previously stated amounts.

EVENTS AFTER THE REPORTING PERIOD

No events occurred between the end of the reporting period and the date of approval of the summarised consolidated financial statements which will effectively annul the summarised consolidated financial statements.

CAPITAL COMMITMENTS

The capital shopping centre at Lot 9 at 430 Plaine was completed during the prior year. An additional extension was in progress at the year end and the total estimated cost to complete as at 31 August 2018 was P1 085 114. An extension for a fast food outlet was in progress at the year end and the total estimated cost to complete as at 31 August 2017 was P1 980 740. The fast food outlet extension was completed during the year.

The capital park at Plot 70974 Selinta, Gaborone was completed during the year. The total estimated cost to complete this development as at 31 August 2017 was P57 900.

The extension at Selita Centre for an additional shop was completed during the year and the final total estimated cost to complete as at 31 August 2017 was P2 135 894.

The capital shopping centre at Stand No. 105.1, Chitoka was completed during the year. The total estimated cost to complete this development as at 31 August 2017 was P49 344 120.

The capital shopping centre at subsidiaire No. 8 of subsidiaire 8 de Form No. 609 Corner of Meneli Road and 129 Street, Lusaka was completed during the year. The total estimated cost to complete this development as at 31 August 2017 was P57 085 260.

PERFORMANCE & RESULTS

The PrimeTime Group has achieved substantial year-on-year increases in revenues and profits in 2018. The net market value increments for the year are considerable and due largely to US$ gains recognised against our Zambian portfolio. Several of the Botswana properties also saw increased market values including our capital centre in Serowe and Prime Plaza in the Gaborone CBD. One small property was disposed of during the year – Motswa House in Francistown – with the PRP profit over the year therefore recorded in the profit for the year.

Significant additions have been made to the investment property portfolio during the financial year. The Chirunda retail mall in Zambia – located on the border with Zimbabwe – was completed in April 2018. A second retail mall – Menela Mall – a central suburb of Lusaka, was completed in mid-2018. Both forms of the Design Quarter at Selita was also completed in August 2018, offering an exclusive home and office décor shopping experience in Gaborone. With these 3 additions to our investment properties only having completion towards the end of the financial year their impact on rental income and profits will only be evidenced during our 2019 year end.

The PTi7 work-in-progress underway at the financial year-end represents a second plot at Selita on which a commercial development is planned with the main building works scheduled to commence in Q1 2019.

At the end of August 2018, vacancies stood at an average of 5% across the portfolio. While slightly higher than the 3% recorded in this prior year, this reflects a solid performance given the volume of retail developments completed at the end of the financial year – where it is typical that the anchor tenants and some other national retailers are already signed on, with the smaller ride shops filling up as the centre has opened. At the time of writing, some of these vacant units have been let.

The revaluation of PrimeTime Plaza has settled down after its challenging start. National retailers Chefs, Joll, PEP and Ackermans are already trading during the year. A road as well as the elevation of a drive through Kentucky fried Chicken. A second 1,100m extension is now underway at the centre, scheduled for completion Q2 of 2019. The new extension of Selita Centre opened in good time for the 2017 Christmas trade with both the blue sky shops filling up as the centre has opened. At the time of writing, some of these vacant units have been let.

The location of PrimeTime Plaza is well set on the challenging start. National retailers Chefs, Joll, PEP and Ackermans are already trading during the year. A road as well as the elevation of a drive through Kentucky fried Chicken. A second 1,100m extension is now underway at the centre, scheduled for completion Q2 of 2019. The new extension of Selita Centre opened in good time for the 2017 Christmas trade with both the blue sky shops filling up as the centre has opened. At the time of writing, some of these vacant units have been let.

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