PRIME TIME

PrimeTime Property Holdings Limited

Annual Report 2017

contents

a decade of progress

153%
rise in price per linked unit since listing

highlights

the last year in review

The year ending 31st August 2017 saw the PrimeTime Group take a quantum leap forward.

Here are some of the highlights;

OCCUPANCY

97%
occupancy rate across the portfolio

48%
of leases have 4 or more years remaining

PERFORMANCE

4% increase in plu
P3.16 plu up from P3.05 in 2016

Close to P300m in New additions
Centro Kabulonga & Pilane Crossing

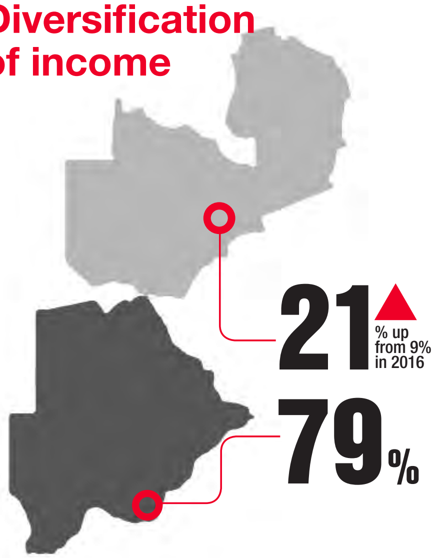
27% rise in lease revenue
P110m up from P87m in 2016

CAPITAL

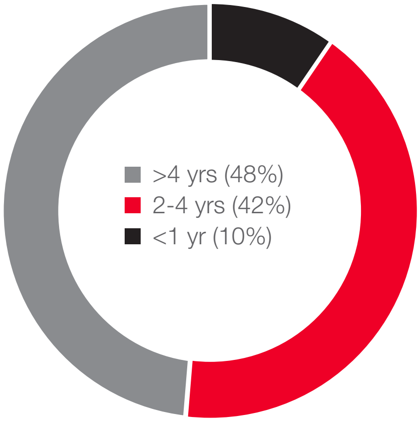
P201m
Equity capital raised from Rights Issue

P1.12bn
34% increase in investment property value
up from P838m in 2016

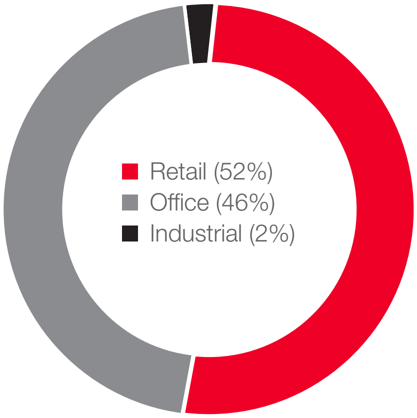
Diversification of income



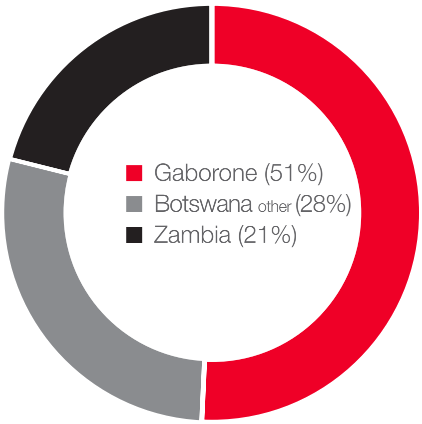
Lease expiry profile



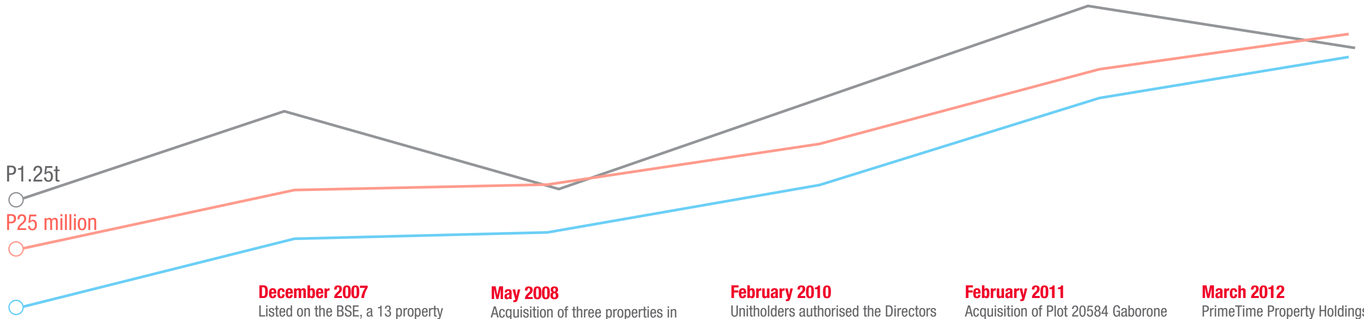
Rental income by sector



Rental income by geographical area



a decade in review



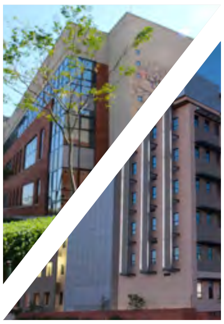
December 2007
Listed on the BSE, a 13 property portfolio born out of Time Projects with an initial market capitalisation of P193 million

May 2008
Acquisition of three properties in Francistown for P75m paid with the issue of 25.6m linked units plus cash raised on the IPO.

February 2010
Unitholders authorised the Directors to raise debt capital for the acquisition of property up to a limit of 66% of the value of the assets (including acquisitions).

February 2011
Acquisition of Plot 20584 Gaborone from G4S Security Services on a sale and leaseback basis.

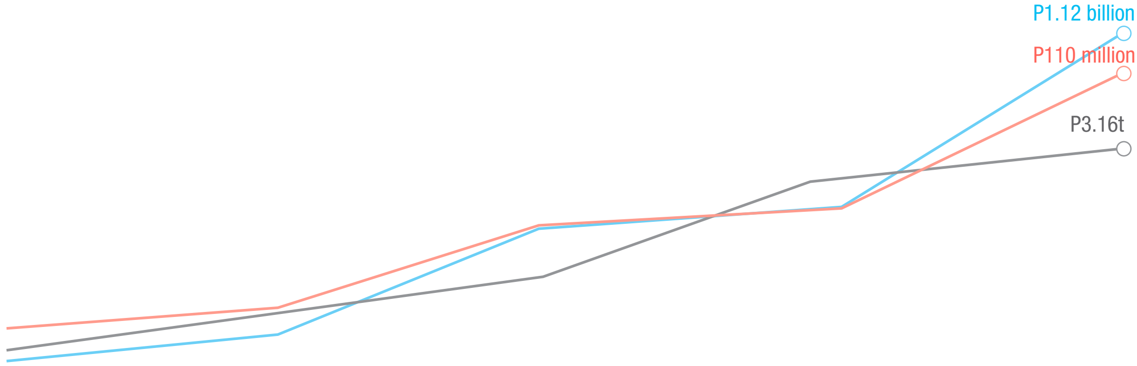
March 2012
PrimeTime Property Holdings Limited (Zambia Branch) registered in Zambia.



August 2010
Acquisition of 75% of a Gaborone CBD plot for P6.5m – later to become Prime Plaza.

June 2011
Completion of the Sebele Centre retail development for P100m.

August 2012
First building at Prime Plaza – CEDA House - completed.



P1.12 bn
Investment property value as at August 2017

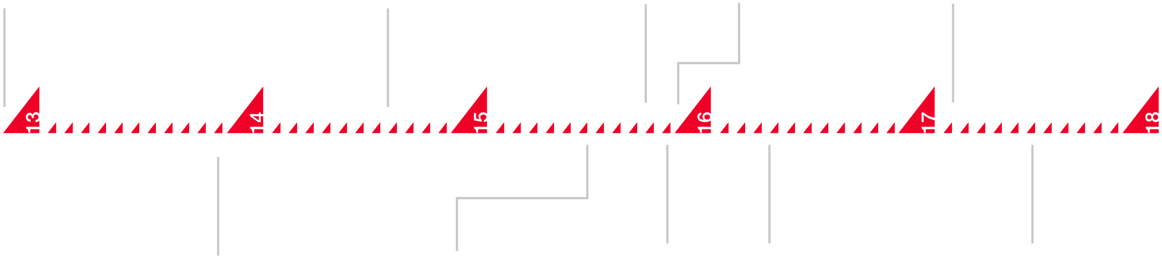
December 2012
Acquisition of two properties in Zambia from G4S Secure Solutions. PrimeTime's first additions to the portfolio outside of Botswana.

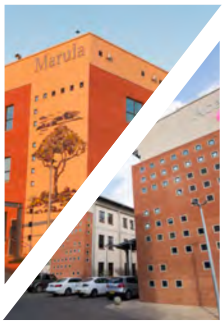
August 2014
New 5,600 sqm HQ for Barclays Bank of Botswana at Prime Plaza completed.

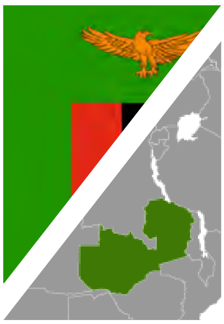
October 2015
PrimeTime Property Holdings (Mauritius) Limited incorporated in Mauritius.

December 2015
Sale of Blue Jacket Square and Barclays Plaza in Francistown for P71m.

January 2017
Acquisition of Centro Kabulonga, Lusaka for $17.3 million – PrimeTime's biggest single asset





November 2013
Second building at Prime Plaza – Morula House – completed.

June 2015
Unitholders approved the development of Pilane Crossing, adding up to 9,000 sqm of retail to the portfolio

November 2015
PrimeTime Property Holdings (Zambia) Limited incorporated in Zambia.

March 2016
Acquisition of over 4,000 sqm of offices at PWC Office Park Lusaka, Zambia.

June 2017
P201 million raised through a rights issue, unitholders approve the development of the Munali and Chirundu Malls in Zambia and development of two plots at Setlhoa in Gaborone

top ten at ten

top ten by value (Pula)

1	Centro Kabulonga	196 m
2	Prime Plaza	190 m
3	Sebele Centre	134 m
4	Pilane Crossing	104 m
5	PwC Office Park	97 m
6	Nswazwi Mall	83 m
7	Letshego Place	48 m
8	South Ring Mall	38 m
9	Boiteko Junction	36 m
10	South African High Commission	34 m

top ten by size (sqm)

top ten tenants (sqm)

BARCLAYS	7,109
Pick n Pay Inspired by you	6,043
SPAR	5,850
G4S	5,402
CHOPPIES VALUE FOR YOUR MONEY!	3,062
W WOOLWORTHS	2,456
Letshego Let's improve life	2,026
	2,010
Cavmont Bank It's Possible	1,885
DHL	1,276

86,461 sqm
Portfolio GLA from 49,410 on listing

what's next?

The core of the PrimeTime Group's ethos is to create long-term wealth for its unitholders while growing and diversifying the asset base.

After ten years of phenomenal progress, what lies ahead? While the longer-term is hard to predict with absolute certainty as we operate in an environment of moving targets and multiple variables, some major projects, as well as some smaller ones at Sebele and Pilane, are already well underway and will add to the PrimeTime portfolio in the 2017/18 financial year:

The Design Quarter, Gaborone, Botswana:

Estimated cost:	**c.P28.9 m**
Size:	**3,000 sqm**
Opening:	**August 2018**

Munali Mall, Zambia:

Estimated cost:	**c.$13.5 m (P140 m)**
Size:	**6,000 sqm**
Opening:	**August 2018**

Chirundu Mall, Zambia:

Estimated cost:	**c.$8.3 m (P86 m)**
Size:	**4,700 sqm**
Opening:	**April 2018**


3
4
5
2
1

443%
increase in contractual lease revenue since listing

directors profiles

1 PETRONELLA MATUMO (CHAIRMAN)
HND (Shannon, Rep. of Ireland), IHCI

Petronella is a hotelier by profession and is the Managing Director of Private Collection (Pty) Limited and Fine Jewellery Manufacturing (Pty) Limited – diamond jewellery retailer and manufacturing companies respectively. She has extensive business experience gained on the boards of a diverse range of companies.

2 SANDY KELLY (MANAGING DIRECTOR)
Pr. Eng. BSc (Civ Eng) MBA MBIDP

Sandy has been involved in property investment and development for over 30 years. As Managing Director of Time Projects, he engineered the development of PrimeTime's initial property portfolio.

3 CROSS KGOSIDIILE
BaC (Accounting), MsB Admin, FCMA FCPA (Bots)

Cross is a fellow of the Chartered Institute of Management Accountants and chairs the Audit Committee for PrimeTime. He was the CEO of the Motor Vehicle Accident Fund for over 10 years from 2005, he is now the CFO of the Botswana Power Corporation and sits on various boards in Botswana.

4 SIFELANI THAPELO
LL.B (UB) LL.M (Cambridge)

Since 2005 Sifelani has been Senior Partner at S. Thapelo Attorneys. He is a fellow of the Cambridge Commonwealth Society Law Organisation and a member of various boards in Botswana.

5 JOANNA JONES
BA (Hons) FCA (UK) FCPA (Bots)

Jo has been the Finance Director of Time Projects (Botswana) (Pty) Limited for over 10 years. With 25 years' experience in financial accounting she was appointed to the Board on 1 June 2017.

6 TURNIE MOROLONG
BA (UB) MBA (UB) Dip. PM

Turnie is the Property Director of Time Projects (Botswana) (Pty) Limited and has been with the company for over 10 years. He has 20 years' experience in property management.

management profiles

473%
increase in value of investment property since listing

1 SANDY KELLY MANAGING DIRECTOR

Pr. Eng. BSc (Civ Eng) MBA MBIDP

Following an early career in South Africa in construction, Sandy came to Botswana in 1988 to “open the doors” for Time Projects. He was instrumental in developing PrimeTime’s initial portfolio and its successful listing on the BSE in December 2007. Since then, as Managing Director of Time Projects and PrimeTime, he has led the team that has built up the Company’s investment properties from an initial 13 to 25 today including the expansion into Zambia.

2 JOANNA JONES

BA (Hons) FCA (UK) FCPA (Bots)

Jo has been Time Project’s Finance Director since 2007. Having qualified as a Chartered Accountant in the UK, she moved to Botswana 20 years ago initially with PricewaterhouseCoopers. With a background in audit she has been working in industry for the last 17 years. She oversees the finances for the PrimeTime group of companies and was appointed as a Director to PrimeTime’s Board this year.

3 MERAPELO MOPAKI

Merapelo has been the Property and Maintenance Manager at Time Projects since 2013. He holds a certificate in Real Estate and has over 10 years’ experience in the Botswana property industry, having worked all over the country. Merapelo is a key player in the servicing and utility provision to PrimeTime’s Botswana properties, as well as assisting in the improvement projects and providing tenant liaison.

4 JOE SIMPSON

BA (Hons)

Joe has been the Asset Manager for Time Projects since 2014. His 17-year career has all been in the Real Estate field, joining Knight Frank London in 2001 he rose to head up their International Research Division, before transferring to their Botswana office. His main role for PrimeTime is in assessing, negotiating and facilitating property acquisitions and disposals, and in managing the larger lease renewals and maintenance projects. Joe has been at the forefront of the Group’s investment into Zambia in the last few years and makes regular trips there to oversee this expansion.

5 TURNIE MOROLONG

BA (UB) MBA (UB) Dip. PM

Turnie has been with Time Projects since 2005 and was appointed Director of the Property Management Division in December 2007. Turnie has also sat on the PrimeTime Board since inception. He has gained vast experience in property management attained over a 20-year period in various capacities. He is responsible for the day-to-day management of all the properties in the PrimeTime group portfolio.

6 WANI NYASULU

Wani is the Group Finance Manager for the PrimeTime companies, having worked her way up in Time Projects from where she started in 2008 as a Property Administrator. With a career spanning 25 years in the property and accounting sectors, she holds a Diploma in Accounting and Business Studies and is in the final stages of her ACCA professional examinations.


Est.
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chairman & managing director's statement

We are delighted to present your 10th annual report as we celebrate a most successful decade following our listing on 20th December 2007. During this time, we have grown from an initial portfolio of 13 properties valued at P175 million to 25 valued at P1.12 billion and total assets of over P1.3 billion.

Performance & Results

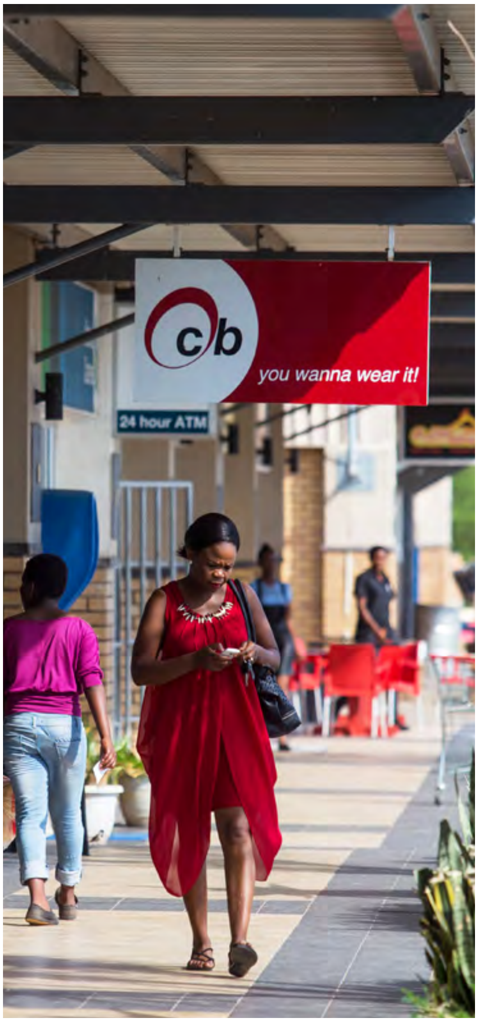
The financial year ending 31st August 2017 was another extremely busy and fruitful one for the PrimeTime Group despite some challenging conditions in the markets in which we operate.

PrimeTime has again achieved year-on-year increases in both revenues and operating profits before fair value adjustments. Lease revenue grew by 27% to P110 million, completed investment property by 34% to stand at P1.12 billion and the price per linked unit by 4% to end the year at P3.16.

Notwithstanding the vacancies and the ensuing loss of rental, the acquisition costs of new group companies, interest on projects in our development pipeline and the addition of a further 64,760,484 linked units we are pleased to report that a total distribution of 15.92 thebe per linked unit was achieved for the year, maintaining last year's level while having laid the foundations for growth in 2018 and beyond.

Acquisitions & Developments

Significant additions have been made to the investment property portfolio during the year with the Pilane Crossing development commencing trading at the end of September 2016 and the acquisition of our largest asset by value - Centro Kabulonga, Lusaka. Kabulonga represents



chairman & managing director's

our entry into the Zambian retail market with rentals accruing to the group from 21 January 2017. Purchased with a one-year rental guarantee, the centre was fully let at the year end. This acquisition has resulted in the Zambian operations contributing over 20% of the group's annual rental income, demonstrating the successful implementation of our geographical diversification strategy.

Centro Kabulonga boasts Pick n Pay, Woolworths and Mr Price as anchor tenants with a mix of fashion, bank branches, service outlets and restaurants taking up the balance. Demand for space at the mall is strong with a waiting list for space including major regional and national brands. The acquisition brings PrimeTime's portfolio in Zambia to $30 million, representing 27% of the group's portfolio at the year end.

Tenancies

The tenanting of Pilane Crossing has been an obstacle we have had to overcome, with partial settlement of the widely reported trade licence problem only being achieved more than a year after the centre opened. With several large shops standing empty for months this put pressure on the initial tenants in the centre and we thank them for their tolerance in this regard. Things are looking extremely positive for the 2018 financial year with Clicks, Jet, PEP and Ackermans having commenced trading in the final quarter of 2017.

Elsewhere in our portfolio existing tenancies were successfully renewed/replaced during the year. Notable ones to mention are Cashbuild and FNB at Boiteko Junction Serowe. At Prime Plaza in the CBD, the Companies and Intellectual Property Agency (CIPA) took over CEDA House on a 5-year lease and Cresta renegotiated their lease at Morula House for an extended 5-year period.

At the end of August 2017, vacancies stood at an average of 3% across the portfolio. While higher than in the prior year, we believe this reflects a good performance given the ever-more challenging conditions in the occupier market. Post the year end, most of the units have been leased or terms have been agreed in principal with prospective tenants which will push the vacancy rate down to 1% in early 2018.

Work in progress

Substantial work-in-progress was underway at the financial year-end. In Zambia a further two retail centres are under construction – in Munali, a central suburb of Lusaka, and Chirundu a town on the border with Zimbabwe – which will add a further $20 million in value to the portfolio there. This will take our total country investment to over $50 million - close to 40% of the group's assets.

In Botswana, we have started construction on our smaller Setlhoa plot with a retail park concept for the home décor and design sector – the first of its kind in Botswana. Two smaller extensions to existing centres were also underway with a one shop extension at Sebele Centre and a fast food drive-through at Pilane Crossing where KFC will be opening in early 2018.

Funding & Rights Issue

This expansion drive has been possible thanks to the continued support of our investors and financiers. In June 2017 we completed our first rights issue which was very well received in the market, raising just over P200million. In terms of debt finance, we issued a further P120million in long-term bonds earlier in the year and utilised P30million of the monies raised from the rights issue to settle some of our smaller amortising commercial bank debt. This prepayment together with the renegotiation of the Barclays Bank Botswana facility to interest only will enable us to limit the disturbance to our debenture interest distribution as the Group continues to grow. The balance of the money raised under the rights issue is being used to fund the new developments.

Revaluation of properties

In terms of the external revaluation exercise to market at the year-end several of our properties have been revalued downwards from the prior year, impacting the bottom line profit. There are several reasons for this which have been fully appraised by the asset management team on a property-by-property level. A number 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 remains in an economic slump with little reaction to the stimuli of interest rate cuts and low CPI.

It is important to note that while the cumulative impact of the revaluation exercise across the Group was negative this year, several of our properties did record an uplift in value. Most significantly Sebele Centre, South Ring Mall, Nswazwi 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 Zambian 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 year will reflect in the returns going forward.

In Botswana, we look forward to Pilane

statement

Crossing becoming the successful retail centre 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 major refurbishments, our plans for some additional space and improvements at the Ramotswa Mall are still on the table, as are the extensions to some of our ground lease periods.

Conclusions

PrimeTime took another huge step forward in the financial year ending 31st August 2017. The group is well positioned to take advantage of opportunities that may present themselves in the coming year and the management team is constantly searching for suitable investments which will enable us to continue to grow the company and diversify into new markets.

We are pleased with what has been accomplished in the last year and look forward to growing the group further from the platform that has been established. More than ever we are grateful for the support of our unitholders, funding institutions and fund managers, management teams and especially our tenants, without whom none of this would have been achievable.

Petronella Matumo
(Chairman)

Alexander Kelly
(Managing Director)

portfolio

PRIME PLAZA
Plot 74358,
New CBD, Gaborone
Tenants: Barclays,
GIZ,Cresta Hotels, Minerals
Development Company, CIPA

25 properties
Portfolio increased from 13 since listing

AFA HOUSE
Plot 67079, Fairgrounds, Gaborone
Tenants: AFA, Pula Medical Aid

BOITEKO JUNCTION MALL
Tribal Lot 2461, Serowe
Tenants: Spar, FNB, Ellerines,Cashbuild, PEP, CB Group, Bata, JB Sports

CAPRICORN HOUSE
Plot 165, Pilane Rd, Gaborone
Tenants: Bright Employee Benefits, Bank Gaborone, Chamber of Mines

DHL BROADHURST
Plot 20610 Broadhurst, Gaborone
Tenant: DHL

G4S HEADQUARTERS
Plot 20584, Broadhurst, Gaborone
Tenant: G4S Security Services

G4S LUSAKA HEADQUARTERS
Stand No. 3144, Lusaka, Zambia
Tenant: G4S

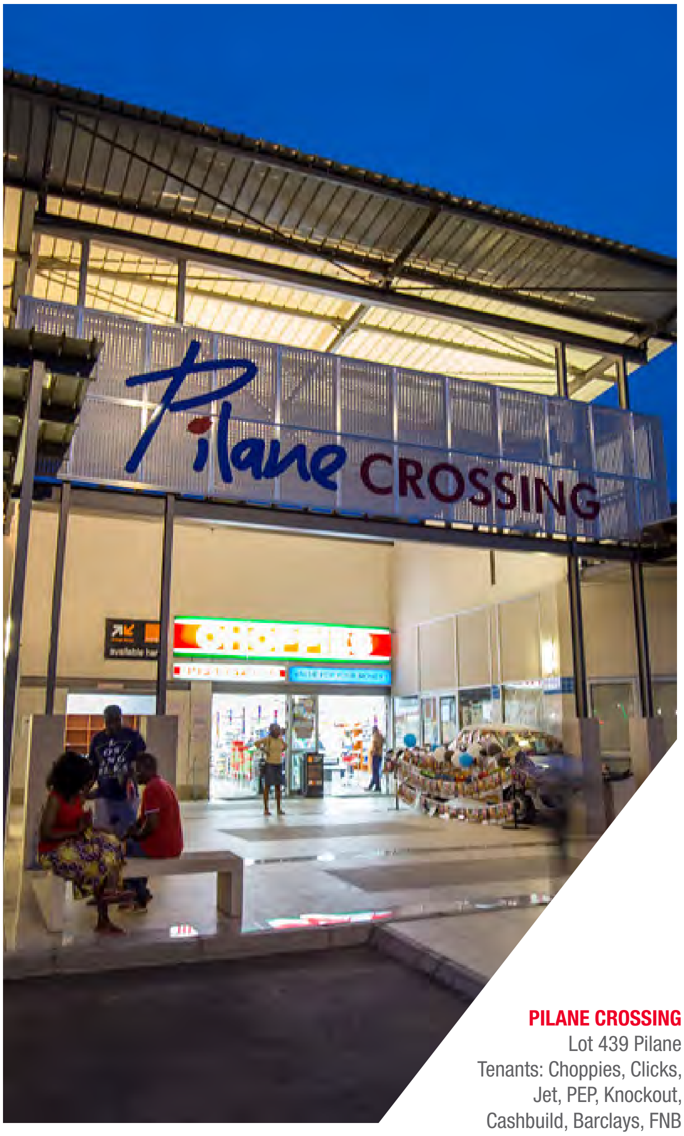
G4S KITWE HEADQUARTERS
Stand No. 3714, Kitwe, Zambia
Tenant: G4S

GHANZI SHOPPING CENTRE
Plot 29, Ghanzi
Tenants: Spar, Barclays, Topline

portfolio

HILLSIDE MALL
Plot 4649, Lobatse
Tenants: Choppies, Barclays,
Mr Price, PEP

INDEPENDENCE PLACE
Plot 203, Independence Ave,
Gaborone
Tenant: Alexander Forbes



PILANE CROSSING
Lot 439 Pilane
Tenants: Choppies, Clicks,
Jet, PEP, Knockout,
Cashbuild, Barclays, FNB

LETSHEGO PLACE
Plot 22, Main Mall, Gaborone
Tenants: Letshego, EY

MANTLO HOUSE
Plot 689/690, Francistown
Tenants: Beares, Taku

244,650,684
Number of linked units increased from 154,316,300'

NSWAZWI MALL
Plot 16177-85,
Francistown
Tenants: Spar,
PEP, Dunns, CB Stores,
Ackermans

PWC OFFICE PARK
Part of Stand no.2374,
Thabo Mbeki Rd, Lusaka
Tenants: Cavmont Bank, PwC

RAMOTSWA SHOPPING CENTRE
Tribal Plot 3273, Ramotswa
Tenants: Choppies, CB Stores,
PEP

SEBELE CENTRE
Plot 62417, Gaborone
Tenants: Pick n Pay, Woolworths, Mugg
& Bean, PEP

SOUTH RING MALL
Plot 50423, Southring Rd,
Gaborone
Tenants: Pick n Pay, Liquorama, PEP

SOUTH AFRICAN HIGH COMMISSION
Plot 29, Main Mall, Gaborone
Tenant: South African High
Commission Gaborone

CENTRO KABULONGA
Corner of Bishops & Kabulonga Road
Tenants: Pick n Pay, Woolworths, Mr
Price, Pizza Hut, Nandos, KFC, FNB,
Barclays, Standard Chartered, Stanbic

corporate governance

Corporate governance provides a framework to ensure PrimeTime's compliance with all of its contractual, statutory and regulatory obligations and assists in providing the stakeholders with timely, relevant and meaningful reports. We are aware of the Botswana Accountancy Oversight Authority's directive to public interest entities regarding the adoption of King III as the framework for Corporate Governance. The Group is in the process of adopting the recommended framework and further disclosures will be made in the 2018 financial year.

The successful operation of the company is the responsibility of the Board and its ultimate aim is to build a sustainable business. The Unitholders' role is to appoint the Board of Directors and the external auditors, and to evaluate their performance.

THE BOARD

As PrimeTime's highest decision-making body, the Board determines investment and performance criteria and ensures that reports to stakeholders provide them with an objective view of the company and its activities, enabling them to assess each transaction on its merits. The Board is proud of its consistent policy of transparency – ensuring an openness and willingness to disclose financial performance figures which are truthful and accurate.

The Board is comprised of three Executive Directors and three Non-Executive Directors. The Chairman is a Non-Executive Director whose role is separate from the Managing Director, providing leadership to the Board in all deliberations and ensuring independent input. From a variety of business disciplines, they bring a mix of skills, experience and technical expertise.

All Directors are subject to retirement by rotation and re-election by the Company's Unitholders, at least once every 3 years.

Board meetings and attendance

Name Board	Quarterly	Annual General Meeting	Extra General Meeting
P Matumo (Ch)	3 (4)	1 (1)	2 (3)
A L Kelly (MD)	3 (4)	- (1)	2 (3)
J C Jones	1 (1)	- (-)	- (1)
C Kgosidiile	4 (4)	1 (1)	- (3)
M T Morolong	4 (4)	1 (1)	3 (3)
S Thapelo	4 (4)	1 (1)	- (3)

(The number in brackets represents the number of meetings held during the office of the member)

DAY-TO-DAY MANAGEMENT

While the Board is responsible for formulating and implementing Company policy and making all strategic decisions, it has delegated the day-to-day management of the Company and its subsidiaries (the "Group") to Time Projects (Botswana) (Pty) Limited ('Time Projects'), who have a contractual relationship as the property and asset managers. The Board performs a detailed review of this management and the performance of the Group at its quarterly meetings, monitoring the financial results against the business plan and budget.

RELATED PARTY TRANSACTIONS WITH THE MANAGEMENT COMPANY

The Board remains sensitive to the related party transactions between the Group and Time Projects. All such transactions are subject to full scrutiny and approval by the Non-Executive Board members before Unitholder approval is sought. Additional meetings and/or discussions are held by the Non-Executive Board members if necessary in order to facilitate this.

Unitholders are provided with full disclosure of these transactions prior to voting and the Linked Units held by the related parties are not entitled to vote. Examples of these transactions during the year are the development of the Chirundu Plot which was voted on at an EGM held on 31st October 2016 and the Munali, Choma and Setlhoa developments voted on at an EGM held on 19th June 2017.

DIRECTORS REMUNERATION FOR THE YEAR ENDED 31 AUGUST 2017

	BWP
P Matumo (Ch)	94 699
A L Kelly (MD)	90 190
J C Jones	42 536
C Kgosidiile *	123 684
M T Morolong	112 880
S Thapelo	101 535

*Including fees paid for attendance at Audit Committee meetings

Directors' fees are approved by the Board and ratified by PrimeTime's Unitholders at the Annual General Meeting. The Executive Directors are remunerated by the external management company which is not disclosed here.

AUDIT COMMITTEE

Certain specific duties have been delegated to the Audit Committee, whilst overall responsibility remains with the Board. The Committee Chairman reports back to the Board on all meetings held and the Board has access to the minutes of all Committee meetings held.

The Committee comprises one Non-Executive Director as Chairman and one Independent Non-Executive member – Mario Bellini CA (SA) CA (Australia) FCPA (Bots). Mario, an Audit Committee member since 2009, brings with him a wealth of financial experience. Having completed his training in South Africa he then moved to Botswana in 1991 and has worked across a broad spectrum of industries, many of which have operations across the African continent. He has a detailed knowledge of our local market having spent over 20 years of his career based in Botswana; he also spent three years working and studying in Australia gaining his dual qualification.

The Board is satisfied that the Committee members have recent and relevant financial experience. The implementation of recommendations made by this Committee enhances the company's transparency and corporate governance.

The Committee meets independently of

corporate governance

the Board together with the external auditors, representatives of Time Projects and Executive Directors by invitation. It is involved in the planning of the statutory annual audit at which a detailed risk assessment of the Group is performed. The Committee reviews the consolidated annual financial statements before publication and also receives a direct report from the auditors on the results and findings of the audit process.

The main duties of this Committee are to provide the Board with additional assurance on the following:

- the accuracy and reliability of the annual financial statements,
- that appropriate financial and operating controls are in place,
- that significant operating and financial risks have been identified, evaluated and mitigated,
- compliance by the Group with legal and regulatory requirements; and
- the independence and performance of the Group's external auditors.

Considering the size and structure of the Group, a dedicated internal audit function is not required at this stage. The internal controls documented by Time Projects have been reviewed at Audit Committee meetings and found to be adequate.

MEETINGS AND ATTENDANCE

(The number in brackets represents the number of meetings held during the office of the member)

Audit committee member	Committee meetings
C Kgosidiile (Ch)	2 (2)
M Bellini	2 (2)

DIRECTORS' DEALINGS

The Company operates a policy of prohibiting dealings by Directors and management in periods immediately preceding the announcement of its interim and year-end financial results, and any period when the Company is trading under a cautionary announcement.

COMPANY SECRETARY AND PROFESSIONAL ADVICE

On 1 June 2017 PricewaterhouseCoopers was appointed as Company Secretary. A representative from PricewaterhouseCoopers attends all Annual and Extraordinary General meetings. Time Projects provides a meeting secretary to take minutes at the Board meetings and these are subsequently ratified by the Board. The Directors have unlimited access to the services of the Company Secretary, who ensures compliance with applicable procedures and legislation, and the removal of the Company Secretary is a matter for the Board as a whole.

The Directors are entitled to seek independent professional advice concerning the affairs of the Company, at the Company's expense.

EXTERNAL AUDITORS

The external auditors are responsible for the independent review and the expression of an opinion on the reasonableness of the financial statements based on the audit. The external auditors have unrestricted access to the Board and Audit Committee members.

The audit partner was rotated in 2015 in order to ensure continued independence.

shareholders information

as at 31 August 2017

MAJOR LINKED UNITHOLDERS	LINKED UNITS	%
LINWOOD SERVICES LIMITED	46 755 269	19.11%
FNB NOMINEES (PTY)LTD RE:AGRAY BPOPF EQUITY	41 515 657	16.97%
TATI COMPANY LIMITED	24 000 000	9.81%
STANBIC NOMINEES BOTSWANA RE: AG DPF	14 478 450	5.92%
SCBN(PTY) LTD RE: METROPOLITAN LIFE BOTSWANA	13 696 192	5.60%
FNB BOTSWANA NOMINEES (PTY) LTD RE: BIFM BPOPF-EQU	10 855 463	4.44%

LINKED UNIT BAND	NO. LINKED UNITS	%	NO OF HOLDERS	%
0 - 1 999	667 587	0.27%	1 164	64.10%
2 000 - 4 999	703 354	0.29%	243	13.38%
5 000 - 9 999	672 272	0.27%	98	5.40%
10 000- 49 999	4 245 540	1.74%	219	12.05%
50 000-99 999	1 267 578	0.52%	18	0.99%
100 000-499 999	7 908 172	3.23%	37	2.04%
500 000-50 000 000	229 186 181	93.68%	37	2.04%
	244 650 684	**100.00%**	**1 816**	**100.00%**

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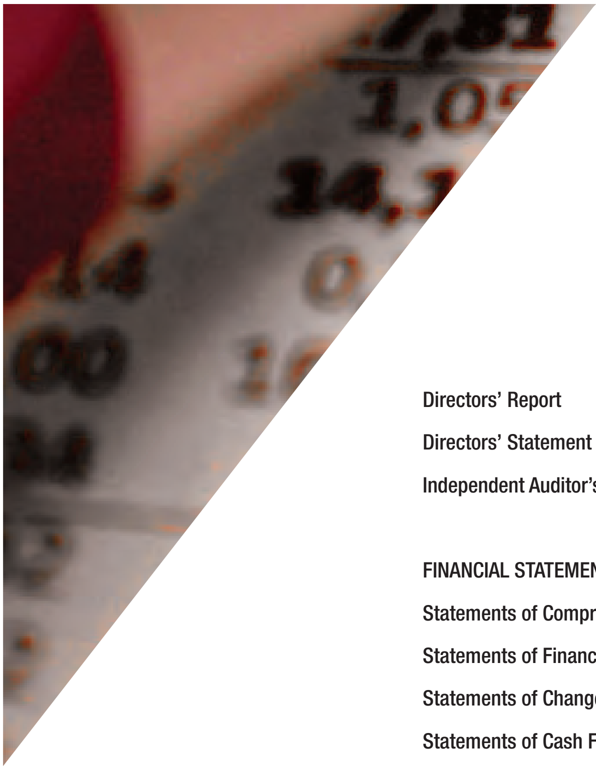

AUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 August 2017

PRIMETIME PROPERTY HOLDINGS LIMITED

Corporate information

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31 August 2017

DIRECTORS

P Matumo	(Chairman)
A L Kelly	(Managing Director)
J Jones	(Appointed 1st June 2017)
C Kgosidiile	
M T Morolong	
S Thapelo	

INCORPORATED IN THE REPUBLIC OF BOTSWANA

Registration number 2007/4760
Date of Incorporation 29 August 2007

NATURE OF BUSINESS

The company is engaged in property investment

PHYSICAL ADDRESS

Acacia
Prime Plaza
Plot 74538 CBD
Cnr of Khama Crescent Extension and PG Matante
Gaborone

DEBENTURE TRUST TRUSTEE

J Hinchliffe
Unit G, Plot 129
Kgale Mews
P. O. Box 2378
Gaborone

COMPANY SECRETARY

PricewaterhouseCoopers

REGISTERED OFFICE

Plot 50371, Fairgrounds Office Park
P O Box 249
Gaborone

AUDITOR

Deloitte & Touche
Plot 64518, Fairgrounds
P O Box 778
Gaborone

TRANSFER SECRETARIES

Transaction Management Services (Proprietary) Limited
t/a Corpserve Botswana Transfer Secretaries
Unit 206
Plot 64516
Fairgrounds Close
Gaborone

PROPERTY & ASSET MANAGERS

Time Projects (Botswana) (Propriety) Limited
Acacia, Prime Plaza, Plot 74538 CBD, Gaborone
P.O. Box 1395, Gaborone
Tel: 3956080 Fax: 3900160
E-mail: time@time.co.bw

PRIMETIME PROPERTY HOLDINGS LIMITED

Directors Report

31 August 2017

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The directors have pleasure in submitting to the linked unit holders their report and the audited financial statements of PrimeTime Property Holdings Limited (“Company”) and its subsidiaries (the “Group” or “Consolidated”) for the year ended 31 August 2017.

Nature of Business

The company is a variable rate loan stock public company and derives its revenue primarily from the rental of investment properties. The company was incorporated under company number CO 2007/4760.

Stated Capital and Debentures

At 31 August 2016 the stated capital of the company comprised 179 890 200 ordinary shares, with a nominal value of P4 716 210, which are linked to 179 890 200 variable rate unsecured debentures with a nominal value of P132 610 057.

On 20 June 2017 the company had a rights issue of 64 760 484 linked units. At 31 August 2017 the stated capital of the company comprised 244 650 684 ordinary shares, with a nominal value of P14 242 773, which are linked to 244 650 684 variable rate unsecured debentures with a nominal value of P323 329 682.

Each linked unit comprises an ordinary share and one variable rate unsecured debenture, which are indivisible.

The 244 650 684 linked units are listed on the Botswana Stock Exchange.

Financial Statements

The statements of financial position sets out the financial position of the Company and Group at 31 August 2017 and the statements of comprehensive income, statements of cash flows and statements of changes in equity reflect the operating results for the year ended on that date.

Linked Units Distribution Policy

Distributions to linked unit holders is primarily in the form of debenture interest. The following distributions were made/proposed during the year:

Debenture interest (thebe)	2017	2016
Interim paid 24 March 2017 (18 March 2016)	5.00	5.10
Interim paid 28 July 2017 (26 August 2016)	7.50	7.41
Final proposed	3.42	3.41
	15.92	15.92

Administration and Management

The management of the Group’s properties is undertaken by Time Projects (Botswana) (Proprietary) Limited.

Directors

The following persons acted as directors of the company during the period under review:

P Matumo* (1)	(Chairman)
A L Kelly (2)	(Managing Director)
J Jones (3)	Appointed 1 June 2017
C Kgosidiile* (1)	
M T Morolong (1)	
S Thapelo* (1)	

*Non-executive (1)Motswana (2)South African (3)British

Directors’ Holdings in Linked Units

The number of linked units held directly and indirectly by directors at the year end is as follows:

Directors	Held Directly	Held Indirectly
J Jones and family	37 360	-
A L Kelly and family	332 264	46 755 269
P Matumo	661 729	-
M T Morolong and family	6 000	-

Directors' statement of responsibility

and approval of the financial statements

31 August 2017

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The directors are responsible for the preparation and fair presentation of the financial statements of PrimeTime Property Holdings Limited, comprising the consolidated and separate statements of financial position at 31 August 2017, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity, and the statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards ("IFRS").

The directors are required by the Companies Act of Botswana (Companies Act, 2003), to maintain adequate accounting records and are responsible for the content and integrity of and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with IFRS. The external auditors are engaged to express an independent opinion on the financial statements. Their unmodified opinion is presented on pages 27-28.

The financial statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the Company and Group will not be a going concern in the foreseeable future based on forecasts and available cash resources.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Approval of the financial statements

The consolidated and separate financial statements set out on pages 29-55, which have been prepared on the going concern basis, were approved by the Board of Directors on 22 November 2017 and were signed on its behalf by:

Director	Director
P Matumo	**A L Kelly**

Independent auditor's report

to the members of primetime property holdings limited

31 August 2017

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Deloitte.

PO Box 778
Gaborone
Botswana

Deloitte & Touche
Assurance & Advisory Services
Chartered Accountants
Deloitte House
Plot 64518
Fairgrounds
Gaborone
Botswana

Tel: +(267) 395 1611
Fax: +(267) 397 3137
www.deloitte.com

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of PrimeTime Property Holdings Limited and its subsidiaries ("the Group"), set out on pages 29 to 55 which comprise the statements of financial position as at 31 August 2017, and the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of PrimeTime Property Holdings Limited as at 31 August 2017, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B), together with other ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Botswana, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Investment Properties	
The carrying value of investment properties amounted to P1.1 billion (Company: P785 million) and the fair value loss recorded in net profit for the year in respect of investment properties was P16.8 million (Company: P18.5 million). Significant judgement is required by the Directors in determining the fair value of investment property and for the purposes of our audit, we identified the valuation of investment properties as representing a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the significant assumptions associated with determining the fair value. The properties of the Group are revalued on a yearly basis by independent professional valuers. The independent valuers perform full valuations on the portfolio on a five year rotational cycle, in between the full valuation, the properties are subjected to a desktop valuation. The inputs with the most significant impact on these valuations are disclosed in Note 9, and include future net income and the range of capitalisation rates.	We assessed the competence, capabilities and objectivity of the Directors' independent valuers, and verified their qualifications. In addition, we discussed and reviewed their terms of engagement to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approaches they used are consistent with IFRS and industry norms. We did not come across any evidence which made us to doubt the objectivity of the and independence of the external valuers. We tested a selection of data inputs underpinning the investment property valuation, including rental income, tenancy schedules and capitalisation rates, against appropriate supporting documentation, to assess the accuracy, reliability and completeness thereof. We also evaluated the appropriateness of the valuation methods used by comparison to valuation methods used by other property companies. We found the models (discounted cashflow and net income model)to be appropriate and the capitalisation rates were comparable to market rates and those used in the prior year. We assessed the adequacy of the disclosures in the financial statements relating to investment properties and we found the disclosures in the consolidated and separate financial statements to be appropriate and comprehensive.

Independent auditor's report

to the members of primetime property holdings limited (continued)

31 August 2017

Deloitte.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report and the Directors Statement of Responsibility and Approval of Financial Statements, which we obtained prior to the date of this auditor's report, and the Chairman and Managing Directors' Report and the Corporate Governance Report, which are expected to be made available to us with the Annual Report and after the date in this report. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope andtiming of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them any relationships and other matters that may reasonably be thought to bear on our independence that we are aware of, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements for the financial year ended 31 August 2017, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the users' interest benefits of such communication.

Deloitte & Touche

Deloitte & Touche
Certified Auditors
Practicing Member: C Ramatlapeng (20020075)
Gaborone

22 November 2017

PRIMETIME PROPERTY HOLDINGS LIMITED

Statements of comprehensive income

For the year ended 31 August 2017

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	Notes	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Revenue					
Contractual lease revenue		89 524 092	80 165 565	110 452 276	86 755 351
Rentals straight line adjustment		7 342 442	4 146 917	8 940 809	4 431 381
Rental income		96 866 534	84 312 482	119 393 085	91 186 732
Other operating revenue	1	13 614 788	12 090 987	15 022 340	12 090 987
Operating expenses	2	(41 219 437)	(31 686 895)	(46 693 567)	(32 989 215)
Profit on disposal of investment property		-	8 639 317	-	8 639 317
Gain on a bargain purchase	26	-	-	5 506 961	-
Dividend income		400 640	-	-	-
Exchange differences on translating foreign balances		(2 318 120)	(1 537 590)	(2 408 375)	(1 537 590)
Ground lease straight line adjustment		(28 188)	(40 423)	(28 188)	(40 423)
Profit from operations before fair value adjustment		67 316 217	71 777 878	90 792 256	77 349 808
Fair value adjustment	3	(18 476 698)	29 824 690	(16 882 355)	39 010 191
Profit from operations		48 839 519	101 602 568	73 909 901	116 359 999
Interest income	4	17 886 797	3 640 272	725 416	420 415
Interest expense	4	(39 911 802)	(20 740 354)	(42 482 309)	(22 124 117)
Profit before taxation		26 814 514	84 502 486	32 153 008	94 656 297
Taxation	6.1	(1 283 892)	(12 535 303)	(3 864 025)	(13 138 634)
Profit for the year		**25 530 622**	**71 967 183**	**28 288 983**	**81 517 663**
Other comprehensive loss					
Items that may be subsequently classified to profit or loss					
Exchange differences on translation foreign operations		(16 061 537)	(1 822 631)	(7 923 872)	(1 881 793)
Other comprehensive loss		(16 061 537)	(1 822 631)	(7 923 872)	(1 881 793)
Total comprehensive income for the year		**9 469 085**	**70 144 552**	**20 365 111**	**79 635 870**
Earnings per linked unit (thebe)	7	**16.80**	**43.51**	**18.24**	**48.82**
Distribution per linked unit (thebe)	5	**15.92**	**15.92**	**15.92**	**15.92**

PRIMETIME PROPERTY HOLDINGS LIMITED

Statements of financial position

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As at 31 August 2017

	Notes	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
ASSETS					
Non-current assets					
Investment properties	8	785 163 086	695 010 161	1 069 677 905	799 722 419
Work in progress	10	22 398 109	109 369 635	122 515 807	115 020 193
Investment in subsidiary	11	1 020	6 061 020	-	-
Rentals straight-line adjustment		43 022 426	36 146 324	44 834 326	36 417 363
Amount due from related parties	13	324 493 041	45 789 389	-	-
		1 175 077 682	892 376 529	1 237 028 038	951 159 975
Current assets					
Trade and other receivables	12	3 802 339	5 338 262	21 254 558	5 767 786
Amount due from related parties	13	17 152 056	14 118 357	-	-
Rentals straight-line adjustment		2 425 386	1 995 776	2 447 147	2 007 146
Taxation receivable		107 264	-	107 264	-
Cash and cash equivalents		37 707 577	31 253 754	52 480 989	49 009 555
		61 194 622	52 706 149	76 289 958	56 784 487
Total assets		**1 236 272 304**	**945 082 678**	**1 313 317 996**	**1 007 944 462**
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	14	14 242 773	4 716 210	14 242 773	4 716 210
Debentures	15	323 329 682	132 610 057	323 329 682	132 610 057
Accumulated profits	16	344 635 721	343 170 695	356 507 120	352 283 733
Foreign currency translation reserve		(21 299 299)	(5 237 762)	(13 220 796)	(5 296 924)
Debenture interest reserve	17	8 367 053	6 134 256	8 367 053	6 134 256
Total equity and reserves		669 275 930	481 393 456	689 225 832	490 447 332
Non-current liabilities					
Deferred taxation	6	34 133 290	40 023 441	34 133 290	40 023 441
Long term borrowings	22	383 943 208	382 454 113	421 939 997	428 675 138
Ground lease straight-line adjustment		878 362	850 174	878 362	850 174
		418 954 860	423 327 728	456 951 649	469 548 753
Current liabilities					
Trade and other payables	18	20 828 966	14 238 304	32 744 769	15 144 786
Amount due to related parties	19	2 944 569	3 865 344	3 653 722	3 900 300
Current portion of long term borrowings	22	118 671 294	19 421 007	124 837 160	26 066 452
Deferred revenue	20	2 858 993	2 585 805	2 879 236	2 585 805
Bank overdraft		2 640 308	78 848	2 640 308	78 848
Tax payable		97 384	172 186	385 320	172 186
		148 041 514	40 361 494	167 140 515	47 948 377
Total equity and liabilities		**1 236 272 304**	**945 082 678**	**1 313 317 996**	**1 007 944 462**

Statements of changes in equity

For the year ended 31 August 2017

	Notes	Stated capital P	Debentures P	Accumulated profits P	Foreign currency translation reserve P	Debenture interest reserve P	Total P
Company							
Balance at 1 September 2015		4 716 210	132 610 057	293 541 558	(3 415 131)	4 857 035	432 309 729
Total comprehensive income/(loss) for the year		-	-	71 967 183	(1 822 631)	-	70 144 552
Debenture interest	5	-	-	(28 638 520)	-	28 638 520	-
Taxation attributable to debenture interest	6.1	-	-	6 300 474	-	-	6 300 474
Debenture interest paid		-	-	-	-	(27 361 299)	(27 361 299)
Balance at 31 August 2016		4 716 210	132 610 057	343 170 695	(5 237 762)	6 134 256	481 393 456
Rights Issue issue during the year	15,16	9 526 563	190 719 625	-	-	-	200 246 188
Total comprehensive income/(loss) for the year		-	-	25 530 622	(16 061 537)	-	9 469 085
Debenture interest	5	-	-	(30 853 328)	-	30 853 328	-
Taxation attributable to debenture interest	6.1	-	-	6 787 732	-	-	6 787 732
Debenture interest paid		-	-	-	-	(28 620 531)	(28 620 531)
Balance at 31 August 2017		**14 242 773**	**323 329 682**	**344 635 721**	**(21 299 299)**	**8 367 053**	**669 275 930**
Consolidated							
Balance at 1 September 2015		4 716 210	132 610 057	293 104 116	(3 415 131)	4 857 035	431 872 287
Total comprehensive income/(loss) for the year		-	-	81 517 663	(1 881 793)	-	79 635 870
Debenture interest	5	-	-	(28 638 520)	-	28 638 520	-
Taxation attributable to debenture interest	6.1	-	-	6 300 474	-	-	6 300 474
Debenture interest paid		-	-	-	-	(27 361 299)	(27 361 299)
Balance at 31 August 2016		4 716 210	132 610 057	352 283 733	(5 296 924)	6 134 256	490 447 332
Rights Issue issue during the year	15,16	9 526 563	190 719 625	-	-	-	200 246 188
Total comprehensive income/(loss) for the year		-	-	28 288 983	(7 923 872)	-	20 365 111
Debenture interest	5	-	-	(30 853 328)	-	30 853 328	-
Taxation attributable to debenture interest	6.1	-	-	6 787 732	-	-	6 787 732
Debenture interest paid		-	-	-	-	(28 620 531)	(28 620 531)
Balance at 31 August 2017		**14 242 773**	**323 329 682**	**356 507 120**	**(13 220 796)**	**8 367 053**	**689 225 832**

PRIMETIME PROPERTY HOLDINGS LIMITED

Statements of cash flows

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31 August 2017

	Notes	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Cash flows from operating activities					
Profit for the year before taxation		26 814 514	84 502 486	32 153 008	94 656 297
Interest income	4	(17 886 797)	(3 640 272)	(725 416)	(420 415)
Interest expense	4	39 911 802	20 740 354	42 482 309	22 124 117
Gain on bargain purchase		-	-	(5 506 961)	-
Fair value adjustments on revaluation of investment properties	3	11 162 444	(33 931 184)	7 969 734	(43 401 149)
Profit on disposal of investment property		-	(8 639 317)	-	(8 639 317)
Operating income before working capital changes		60 001 963	59 032 067	76 372 674	64 319 533
Decrease/(increase) in trade and other receivables		1 535 923	(1 375 366)	(1 400 519)	(1 804 890)
Increase in trade and other payables		6 590 661	2 938 506	3 799 959	3 816 988
Decrease in amounts due to related parties		(920 775)	(5 603 335)	(246 578)	(5 568 379)
Increase in amounts due from related parties		(3 033 699)	(14 118 357)	-	-
Increase in deferred revenue		273 188	160 353	293 431	160 353
Cash generated from operations		64 447 261	41 033 868	78 818 968	60 923 605
Income taxes paid		(568 377)	(430 448)	(2 860 574)	(1 033 778)
Net cash generated from operating activities		63 878 884	40 603 420	75 958 394	59 889 827
Cash flows used in investing activities					
Interest received	4	17 886 797	3 640 272	725 416	420 415
Acquisition of subsidiary companies, net of cash acquired	26	-	(1 020)	(231 454 023)	-
Divestment of subsidiary	11	6 060 000	-	-	-
Increase in non-current amounts due to related parties		(278 703 652)	(45 789 389)	-	-
Cost of additions and interest capitalised to investment properties	8	(20 119 502)	(1 028 329)	(22 086 418)	(96 621 415)
Additions to work in progress	10	(1 749 011)	(92 064 245)	(48 931 365)	(92 064 245)
Proceeds on disposal of investment properties		-	71 000 000	-	71 000 000
Net cash used in investing activities		(276 625 368)	(64 242 711)	(301 746 390)	(117 265 245)
Cash flows from financing activities					
Net increase in long term borrowings		100 739 383	123 079 991	92 035 567	175 946 461
Debenture interest paid		(28 620 531)	(27 361 299)	(28 620 531)	(27 361 299)
Interest paid	4	(39 911 802)	(20 740 354)	(42 482 309)	(22 124 117)
Stated capital raised on rights issue		9 526 563	-	9 526 563	-
Debentures raised on rights issue		190 719 625	-	190 719 625	-
Net cash generated from financing activities		232 453 238	74 978 338	221 178 915	126 461 045
Net increase/(decrease) in cash and cash equivalents for the year		19 706 754	51 339 047	(4 609 081)	69 085 627
Cash/(cash deficit) at beginning of the year		31 174 906	(17 467 964)	48 930 707	(17 467 964)
Effects of exchange rates		(15 814 391)	(2 696 177)	5 519 056	(2 686 956)
Cash balances at end of the year		**35 067 269**	**31 174 906**	**49 840 681**	**48 930 707**
Comprising:					
Bank balances and cash		37 707 577	31 253 754	52 480 989	49 009 555
Bank overdraft		(2 640 308)	(78 848)	(2 640 308)	(78 848)
Cash balances at end of the year		**35 067 269**	**31 174 906**	**49 840 681**	**48 930 707**

PRIMETIME PROPERTY HOLDINGS LIMITED

Significant accounting policies

31 August 2017

GENERAL INFORMATION

PrimeTime Property Holdings Limited is a limited company incorporated in the Republic of Botswana. The company is listed on the Botswana Stock Exchange. The address of its registered office, principal place of business and principal activities are disclosed under the Corporate Information on page 24.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Standards affecting amounts reported in the current period

The adoption of the new standards and revisions which became effective in the current year did not have a material impact on the consoliadated and separate financial statements.

New/Revised International Financial Reporting Standards		Effective Date
IAS 1	Presentation of Financial Statements (Amendments arising under the Disclosure Initiative)	Annual periods beginning on or after 1 January 2016
IAS 16	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	Annual periods beginning on or after 1 January 2016
IAS 19	Employee Benefits (Amendments resulting from 2012-2014 Annual Improvements Cycle)	Annual periods beginning on or after 1 January 2016
IAS 27	Equity Method in Separate Financial Statements	Annual periods beginning on or after 1 January 2016
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Annual periods beginning on or after 1 January 2016
IAS 34	Interim Financial Reporting (Amendments resulting from 2012-2014 Annual Improvements Cycle)	Annual periods beginning on or after 1 January 2016
IAS 38 (amended)	Intangible Assets (Amendments resulting from clarification of acceptable methods of depreciation and amortisation (Amendments to IAS 16 and IAS 38))	Annual periods beginning on or after 1 January 2016
IAS 16 and IAS 41	Agriculture: Bearer Plants	Annual periods beginning on or after 1 January 2016
IFRS 1	First-time Adoption of International Financial Reporting Standards (Amendments resulting from 2012-2014 Annual Improvements Cycle)	Annual periods beginning on or after 1 January 2016
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Amendments resulting from 2012-2014 Annual Improvements Cycle)	Annual periods beginning on or after 1 January 2016
IFRS 7 (amended)	Financial Instruments: Disclosures (Amendments resulting from September 2014 Annual Improvements to IFRSs)	Annual periods beginning on or after 1 January 2016
IFRS 10 (amended)	Consolidated Financial Statements	Annual periods beginning on or after 1 January 2016
IFRS 11	Accounting for Acquisition of Interests in Joint Operations	Annual periods beginning on or after 1 January 2016
IFRS 12	Disclosure of Interests in Other Entities (Amendments related to the application of the investment entities exceptions)	Annual periods beginning on or after 1 January 2016
IFRS 14	Regulatory Deferral Accounts	Annual periods beginning on or after 1 January 2016

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS *continued*

New and revised Standards in issue but not yet effective

IFRS 9 (amended)	Financial Instruments (Reissue of a complete standard with all the chapters incorporated) This is a finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing International Accounting Standard ("IAS") 39 Financial Instruments: Recognition and Measurement. The standard contains requirements in the following areas: Classification and measurement: Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. There is an introduction of a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk. Impairment: Introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised. Hedge accounting: Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. Derecognition: The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.	Annual periods beginning on or after 1 January 2018
IFRS 15	Revenue from Contracts with Customers IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows: Identify the contract with the customer Identify the performance obligations in the contract Determine the transaction price Allocate the transaction price to the performance obligations in the contracts Recognise revenue when (or as) the entity satisfies a performance obligation Guidance is provided on topics such as the point at which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.	Annual periods beginning on or after 1 January 2018
IFRS 16	Leases IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.	Annual periods beginning on or after 1 January 2019
IFRS 17	Insurance contracts IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2021.	Annual periods beginning on or after 1 January 2021
IFRIC 22	Foreign Currency Transactions and Advance Consideration The Interpretation addresses foreign currency transactions or parts of transactions where: there is consideration that is denominated or priced in a foreign currency; the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepayment asset or deferred income liability is non-monetary. The Interpretations Committee came to the following conclusion: The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.	Annual periods beginning on or after 1 January 2018
IFRIC 23	Uncertainty over Income Tax Treatments The Interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers: Whether tax treatments should be considered collectively; Assumptions for taxation authorities' examinations; The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and The effect of changes in facts and circumstances.	Annual periods beginning on or after 1 January 2019

The Directors have not yet evaluated the effect of all the new standards, amendments and interpretations in issue but not yet effective. The Company and Group intends to adopt these standards, if applicable, when they become effective.

Significant accounting policies *continued*

31 August 2017

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STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards. No significant accounting judgements or estimates, other than the fair value of investment properties, were made in the application of International Financial Reporting Standards.

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis as modified by the revaluation of investment properties. The financial statements are based on the following principal accounting policies:

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements incorporate the financial statements of the company and of its subsidiary, which are those entities in which the Group has an interest of more than one half of the voting rights or otherwise has power to govern their financial and operating policies and the subsidiary have not been classified as investments held for sale. The results of the subsidiary is included in the consolidated financial statements from the effective dates of acquisition and up to the effective dates of disposal. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. All significant intercompany transactions and balances between group companies are eliminated on consolidation. The accounting policies of the subsidiary are consistent with the policies adopted by the Group.

REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer credits, rebates and other similar allowances.

Rental Income

Rental income from operating leases is recognised in the profit or loss on a straight-line basis over the term of the relevant leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Other Operating Revenue

Other operating revenue comprises utility expenses, service levies and other costs recovered from tenants. The income is recognised on an accruals basis by referenced to the service bills for the respective properties.

Interest Revenue

Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

TAXATION

Current Tax

The charge for current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by reporting date.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. In principle deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model in accordance with IAS 40 Investment Property, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of an entity whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in IAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

FOREIGN CURRENCY TRANSACTIONS

The Group's consolidated financial statements are presented in Botswana Pula, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income ("OCI') until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into Botswana Pula at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Significant accounting policies *continued*

31 August 2017

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BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All borrowing costs are recognised in profit or loss in the period in which they are incurred.

LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as Lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as Lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

PROVISIONS

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

INVESTMENT PROPERTIES

Investment properties, which are properties held to earn rentals and capital appreciation, are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Costs incurred for additions to investment properties in the interim period between the fair value measurements are capitalised to the carrying value of such investment properties at cost. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Any gain or loss arising on derecognition of investment property is included in profit or loss in the period in which the investment property is derecognised.

The change in fair value of investment properties is offset against the rental straight-line adjustment and ground lease straight line adjustment in profit or loss.

WORK IN PROGRESS

Properties in the course of construction or development for use as investment properties are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

IMPAIRMENT

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

FINANCIAL INSTRUMENTS

Financial Assets

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Bank balances and cash are defined as cash on hand, demand deposits and short term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

FINANCIAL INSTRUMENTS *continued*

Financial Assets *continued*

Impairment of financial assets

Trade and other receivables, which generally have 30 to 60 day terms, are recognised and carried at original invoice amount less impairment losses. Impairment losses are recognised in profit or loss when collection of the full amount is no longer probable. Impairment losses are written off as incurred.

Trade receivables are assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying value and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, is recognised in profit or loss.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument.

Equity instruments

An equity instrument is any contract in that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments, which comprise stated capital and variable rate unsecured debentures, are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

The Group's significant financial liabilities include related party balances and trade payables which have been classified as other financial liabilities.

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Gains and Losses on Subsequent Measurement of Financial Instruments

Gains and losses arising from a change in the fair value of financial instruments are included in profit or loss in the period in which the change arises.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

RELATED PARTY TRANSACTIONS

Related parties are defined as those parties:

(a) directly, or indirectly through one or more intermediaries, if the party:
  (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
  (ii) has an interest in the entity that gives it significant influence over the entity; or
(b) that are members of the key management personnel of the entity, including close members of the family.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The most significant estimates and assumptions made in the preparation of these consolidated financial statements are discussed below:

Fair value of investment properties

The directors use their judgement in selecting an appropriate valuation technique for the investment properties. Independent experts will be engaged periodically in terms of management's judgement. Investment properties are valued by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

Trade and other receivables

Management identifies impairment of trade receivables on an ongoing basis. Impairment adjustments are raised against trade receivables when the collectability is considered to be doubtful. Management believes that the impairment write-off is conservative and there are no significant trade receivables that are doubtful and have not been provided for. In determining whether a particular receivable could be doubtful, the following factors are taken into consideration e.g. age, customer current financial status, security held and disputes with customer.

Taxation

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

PRIMETIME PROPERTY HOLDINGS LIMITED

Notes to the financial Statements

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31 August 2017

		Company		Consolidated	
		2017 P	2016 P	2017 P	2016 P

1 OTHER OPERATING REVENUE

Other operating revenue comprises:

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Utilities, service levies and other costs recovered from tenants	13 614 788	12 090 987	15 022 340	12 090 987

2 OPERATING EXPENSES

Included in operating expenses are the following costs:

Amounts paid to related parties

		Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Asset management fees		7 287 142	7 657 701	9 331 630	8 706 058
Property management fees		4 003 337	3 729 432	4 769 113	3 795 034
Letting fees		781 438	652 461	781 438	652 461
		12 071 917	12 039 594	14 882 181	13 153 553
Less: Asset management fees capitalised		(399 170)	(2 365 817)	(2 152 295)	(3 304 630)
		11 672 747	9 673 777	12 729 886	9 848 923
Auditors' remuneration	Audit fees - current year	456 036	484 900	715 342	486 900
	Other services - taxation	-	59 656	17 937	59 656
	Other services - consultancy	545 944	798 010	630 001	798 010
Directors' emoluments -	For services as directors	565 524	524 825	565 524	524 825
Directors' emoluments -	For additional services	264 600	75 600	264 600	75 600
Professional fees		3 096 665	645 285	3 297 873	1 040 314
Rentals and ground leases		1 811 508	1 408 307	2 660 986	1 408 307
Rates		603 570	642 970	645 349	659 973
Trustees' fees		48 310	31 433	48 310	31 433
Utilities, service levies and other property costs		16 129 759	13 803 823	17 390 474	13 803 823

3 FAIR VALUE ADJUSTMENT

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Change in fair value of investment properties for the year (Note 8)	(11 162 444)	33 931 184	(7 969 734)	43 401 149
Rentals straight-line adjustment for the year (Note 8)	(7 342 442)	(4 146 917)	(8 940 809)	(4 431 381)
Ground lease straight-line adjustment (Note 8)	28 188	40 423	28 188	40 423
	(18 476 698)	29 824 690	(16 882 355)	39 010 191

4 INTEREST

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
			(32 429)	
Interest income				
- Bank deposits	688 313	420 415	725 416	420 415
- Related parties	17 198 484	3 219 857	-	-
	17 886 797	3 640 272	725 416	420 415
Interest expense				
- Bank borrowings and bonds	41 997 938	24 660 774	44 568 445	25 015 668
- Other	32	1 267	32	1 030 136
	41 997 970	24 662 041	44 568 477	26 045 804
Less: capitalised to work in progress (Note 10)	(1 545 365)	(3 921 687)	(1 545 365)	(3 921 687)
Less: capitalised to investment property (Note 8)	(540 803)	-	(540 803)	-
	39 911 802	20 740 354	42 482 309	22 124 117

5 DEBENTURE INTEREST

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Interim paid 24 March 2017 - 5.00 thebe (2016:18 March 2016 - 5.10 thebe)	8 994 510	9 174 400	8 994 510	9 174 400
Interim paid 28 July 2017 - 7.50 thebe (2016: 26 August 2016 - 7.41 thebe)	13 491 765	13 329 864	13 491 765	13 329 864
Final proposed - 3.42 thebe (2016: 3.41 thebe)	8 367 053	6 134 256	8 367 053	6 134 256
	30 853 328	28 638 520	30 853 328	28 638 520
Weighted average number of linked units in issue for the year	192 349 447	179 890 200	192 349 447	179 890 200
Distribution per linked unit (thebe)	15.92	15.92	15.92	15.92

	Company		Consolidated	
	2017 P	2016 P	2017 P	2016 P
6 TAXATION				
6.1 Company Taxation				
Withholding taxation - foreign interest	102 516	225 770	102 516	225 770
Withholding taxation - foreign rental income	253 747	160 773	2 721 725	764 103
Withholding taxation - dividend income	30 048	-	30 048	-
Normal taxation	-	67 216	112 155	67 216
Deferred taxation	(5 890 151)	5 781 070	(5 890 151)	5 781 070
(Credit)/charge for the year	(5 503 840)	6 234 829	(2 923 707)	6 838 159
Income tax expense comprises:				
Charge to statement of comprehensive income	1 283 892	12 535 303	3 864 025	13 138 633
Attributable to debenture interest credited to statement of changes in equity	(6 787 732)	(6 300 474)	(6 787 732)	(6 300 474)
	(5 503 840)	6 234 829	(2 923 707)	6 838 159

6.2 Estimated Tax Losses

The company has estimated tax losses amounting to P7 157 814 (2016: Pnil) available to offset against future taxable income. Deferred taxation of P1 574 719 (2016: Pnil) has been recognised on these estimated tax losses. Based on budgets and forecasts the directors believe that the company will generate sufficient profits in future to utilise the accumulated losses. As a result a deferred tax asset has been recognised.

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
6.3 Deferred Taxation				
Gains on fair value of investment property	19 006 329	27 806 669	19 006 329	27 806 669
Capital allowances	16 701 680	12 216 772	16 701 680	12 216 772
Estimated tax losses	(1 574 719)	-	(1 574 719)	-
Deferred tax liability at end of the year	34 133 290	40 023 441	34 133 290	40 023 441
Deferred taxation arises as follows:				
Gains on fair value of investment property:				
Balance at beginning of the year	27 806 669	24 932 229	27 806 669	24 932 229
Movement during the year	(8 800 340)	2 874 440	(8 800 340)	2 874 440
Balance at end of the year	19 006 329	27 806 669	19 006 329	27 806 669
Capital allowances on investment property:				
Balance at beginning of the year	12 216 772	10 285 610	12 216 772	10 285 610
Movement during the year	4 484 908	1 931 162	4 484 908	1 931 162
Balance at end of the year	16 701 680	12 216 772	16 701 680	12 216 772
Estimated tax losses:				
Balance at beginning of the year	-	(975 468)	-	(975 468)
Arising during the year	(1 574 719)	-	(1 574 719)	-
Utilised during the year	-	975 468	-	975 468
Balance at end of the year	(1 574 719)	-	(1 574 719)	-
Total deferred tax	34 133 290	40 023 441	34 133 290	40 023 441

	Company		Consolidated	
	2017 P	2016 P	2017 P	2016 P
6 TAXATION (CONTINUED)				
6.4 Reconciliation of Taxation Charge				
Profit before taxation	26 814 514	84 502 486	32 153 008	94 656 297
Taxation at the current tax rate of 22%	5 899 193	18 590 547	7 073 662	20 824 385
Debenture interest	(6 296 517)	(6 019 486)	(6 296 517)	(6 019 486)
Fair value adjustments	(6 006 333)	(5 899 973)	(6 715 863)	(7 983 366)
Profit on disposal of investment property	-	(1 900 650)	-	(1 900 650)
Offset Zambian taxation being withheld on income	-	(231 983)	(372 639)	(382 429)
Foreign exchange losses	171 716	338 270	191 573	338 270
Expenses not deductible	341 789	280	341 789	280
Recoupment of capital allowances on disposal	-	971 282	-	971 282
Withholding taxation - foreign income	356 263	386 543	2 824 241	989 873
Withholding taxation - dividends	30 048	-	30 048	-
Charge for the year	(5 503 840)	6 234 829	(2 923 707)	6 838 159

7 EARNINGS PER LINKED UNIT

The earnings and weighted average number of linked units used in the calculation of earnings per linked unit are as follows:

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Profit for the year	25 530 622	71 967 183	28 288 983	81 517 663
Taxation attributable to debenture interest (Note 6.1)	6 787 732	6 300 474	6 787 732	6 300 474
Earnings for the year attributable to linked unit holders	32 318 354	78 267 657	35 076 715	87 818 137
Weighted average number of linked units in issue for the year	192 349 447	179 890 200	192 349 447	179 890 200
Earnings per linked unit (thebe)	16.80	43.51	18.24	48.82

8 INVESTMENT PROPERTIES

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
At fair value				
Freehold properties	185 251 736	184 463 606	185 251 736	184 463 606
Leasehold properties	599 911 350	510 546 555	884 426 169	615 258 813
Total investment properties	785 163 086	695 010 161	1 069 677 905	799 722 419
Reconciliation of fair value				
Balance at beginning of the year	695 010 161	665 586 239	799 722 419	665 586 239
Property additions at cost	19 578 699	1 900 529	21 545 615	97 493 615
Acquisition of subsidiary (Note 26)	-	-	181 812 915	-
Finance costs capitalised	540 803	-	540 803	-
Property disposals at cost	-	(96 198)	-	(96 198)
Adjustment of final cost estimates	-	(872 200)	-	(872 200)
Transfers from work in progress	88 720 537	-	94 371 095	-
Fair value adjustment for the year	(11 162 444)	33 931 184	(7 969 734)	43 401 149
Foreign exchange translation reserve	(210 416)	(1 332 899)	(11 432 587)	(1 399 228)
Rentals straight-line adjustment for the year	(7 342 442)	(4 146 917)	(8 940 809)	(4 431 381)
Ground lease straight line adjustment for the year	28 188	40 423	28 188	40 423
Balance at end of the year	785 163 086	695 010 161	1 069 677 905	799 722 419

8 INVESTMENT PROPERTIES *continued*

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 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 2003. 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 (SIZ) 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 Directors assessed the external valuation performed at year end as reasonable.

Capital commitments relating to investment properties are disclosed in Note 29. These have been cotracted for.

Revenue earned from the investment properties is disclosed as Rental Income on the face of the statement of comprehensive income and the related expenses are disclosed in Note 2.

Freehold properties comprise:

- Plot 203, Gaborone	
- Plot 22, Gaborone	*2
- Plots 689 and 690, Francistown	
- Plot 29, Gaborone	*1
- Plot 16177 - 16185, Francistown	*2

Leasehold properties comprise:

- Plot 50423, Gaborone	50 year State grant from 20 October 1994	*2
- Plot 20610, Gaborone	50 year State grant from 31 January 2000	*2
- Plot 165, Gaborone	15 year Ground lease from 1 May 2005, with an option to renew for another 5 year period	
- Plot 67979, Gaborone	50 year State grant from 13 July 2000	*2
- Plot 29, Ghanzi	25 year Ground lease from 1 November 2001	*2
- Plot 3273, Ramotswa	50 year Tribal lease from 9 March 1998	
- Lease Area 110 MP on Plot 2461, Serowe	25 year Ground lease from 1 December 2006	
- Plot 4649, Lobatse	20 year Ground lease from 1 November 2004	*2
- Plot 20584, Gaborone	50 year State grant from 27 November 1998	
- Plot 62417, Gaborone	50 year State grant from 26 September 2005	*2
- Plot 74538, Gaborone	50 year state grant from 26 September 2005	*2
- Tribal Lot 439, Pilane	Notarial deed of cession and delegation from Amatrix Developments (Pty) Limited of a 50 year lease from 18th December 2008 registered at the Deeds Office on 14th October 2016	
- Stand 3144, Lusaka	99 year state lease from 1 July 1975	
- Stand 3714, Kitwe	99 year state lease from 1 January 1968	

Additionally in the group:

Leasehold property:

- PwC Office Park, Subdivision D part of Stand No. 2374, Thabo Mbeki Road, Lusaka	Ceded lease agreement from the Agricultural and Commercial Society of Zambia for 50 years from 2004.	*2
- Kabulonga Centro, Subdivision 6 of Farm No. 377a, Bishops Road, Lusaka	Renewable lease agreement with the Zambian Diocesan Trustees for 35 years from 8 April 2015.	

*1 This property is encumbered as per Note 21

*2 These properties are encumbered as per Note 22

9 FAIR VALUE MEASUREMENT

Assets measured at fair value

The investment properties of the company and group are measured at fair value at the end of the reporting period are categorised under Level 3 - Significant unobservable inputs.

	Company		Consolidated	
	2017 P	**2016** P	**2017** P	**2016** P
Recurring fair value measurements at the end of the reporting period				
Investment properties	785 163 086	695 010 161	1 069 677 905	799 722 419
Reconciliation of fair value measurements categorised within Level 3 of fair value hierarchy				
Investment properties				
Opening balance	695 010 161	665 586 239	799 722 419	665 586 239
Included in profit or loss	(18 476 698)	29 824 690	(16 882 355)	39 010 191
Acquisition of a subsidiary	-	-	181 812 915	-
Foreign exchange translation reserve	(210 416)	(1 332 899)	(11 432 587)	(1 399 228)
Additions and transfers	108 840 039	1 900 529	115 916 710	97 493 615
Finance costs capitalised	-	-	540 803	-
Disposals	-	(96 198)	-	(96 198)
Cost accrual reductions	-	(872 200)	-	(872 200)
Closing balance	785 163 086	695 010 161	1 069 677 905	799 722 419
Gains and losses arising from fair valuation of investment properties are shown as a separate line in the statement of comprehensivenincome as follows:				
Total (losses)/gains for the period	(18 476 698)	29 824 690	(16 882 355)	39 010 191

Valuation techniques and inputs	Fair value at 31/08/2017 Company P	Fair value at 31/08/2017 Group P	Valuation technique	Unobservable input	Range
Investment properties	785 163 086	1 069 677 905	Discounted net rentals	Capitalisation rate	8-13.5%

Valuation process

The valuation process has been described in Note 8.

information about sensitivity to changes in unobservable inputs

The fair value of investment properties is a function of the unobservable inputs and the net rental generated by each property in the portfolio of the company. Significant increases / (decreases) in the capitalisation rate would result in significantly lower (higher) fair value measurement. The changes are dependant on various market factors including location of property and quality and length of lease periods.

10 WORK IN PROGRESS

	Company		Consolidated	
	2017 P	**2016** P	**2017** P	**2016** P
Balance at beginning of the year	109 369 635	17 305 390	115 020 193	22 955 948
Transferred to investment property	(88 720 537)	-	(94 371 095)	-
Transferred to expenses	(958 534)	-	(958 534)	-
Additions	1 162 180	88 142 558	48 344 534	88 142 558
Acquisition of a subsidiary (note 26)	-	-	54 861 840	-
Finance costs capitalised	1 545 365	3 921 687	1 545 365	3 921 687
Foreign exchange translation reserve	-	-	(1 926 496)	-
Balance at end of the year	22 398 109	109 369 635	122 515 807	115 020 193

These costs are in relation to:
a) the development of a retail shopping centre on Tribal Lot 439 Pilane - named Pilane Crossing. The building was commissioned on 22 September 2016 and the costs transferred to investment property.
b) the purchase of Plot 75782 Setlhoa, not yet developed.
c) the purchase of Plot 75749 Setlhoa, bulk earthworks have commenced.

Additionally in the group:
d) the development of a retail shopping centre is at Stand No. 1001, Chirundu.
e) the development of a retail shopping centre is at subdivision No. 8 of subdivision E of farm No. 609 corner of Munali Road and 12th Street, Lusaka.
The finance costs capitalised relate to interest incurred on the various long term borrowings as disclosed in note 22.

Notes to the financial Statements *continued*

31 August 2017

	Proportion of ownership interest %	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
11 INVESTMENT IN SUBSIDIARIES					
Amatrix Developments (Proprietary) Limited	100	-	6 060 000	-	-
PrimeTime Property Holdings (Mauritius) Limited	100	1 020	1 020	-	-
		1 020	6 061 020	-	-

Amatrix Developments (Proprietary) Limited, a property investment company incorporated in Botswana, was acquired on 27 February 2015. The value of this investment was in the land on which Pilane Crossing (refer to note 10) was constructed. On completion of the construction, the lease was ceded to PrimeTime Property Holdings Limited (refer note 8) thus reducing the investment in the subsidiary to Pnil.

PrimeTime Property Holdings (Mauritius) Limited, a holding company incorporated in Mauritius, was incorporated on 30 October 2015. It owns 100% of the shares of PrimeTime Property Holdings (Zambia) Limited, Luongo and Lufupa.

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
12 TRADE AND OTHER RECEIVABLES				
Trade receivables	1 900 235	1 821 514	4 951 085	2 052 868
Allowance for doubtful debts	(585 225)	(545 030)	(1 128 038)	(545 030)
Net trade receivables	1 315 010	1 276 484	3 823 047	1 507 838
Other receivables	2 487 329	4 061 778	17 431 511	4 259 948
	3 802 339	5 338 262	21 254 558	5 767 786

The directors consider the carrying amount of trade and other receivables to approximate their fair value. The average credit period is 30 days (2016: 30 days). No interest is charged on overduen receivables. The company has provided for past due and impaired receivables based on estimated irrecoverable amounts determined by reference to default experience.

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Ageing of past due but not impaired				
60 to 90 days	340 762	1 249 570	728 305	1 249 570
Over 90 days	72 928	264 384	373 130	264 384
	413 690	1 513 954	1 101 435	1 513 954
Movement in the allowance for doubtful debts				
Balance at beginning of year	545 030	577 818	545 030	577 818
Amounts written off during the year	(194 827)	(122 804)	(194 827)	(122 804)
Impairment losses reversed	(138 403)	(208 263)	(138 403)	(208 263)
Impairment losses recognised during the year	373 425	298 279	916 238	298 279
Balance at end of year	585 225	545 030	1 128 038	545 030

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
13 AMOUNTS DUE FROM RELATED PARTIES	341 645 097	59 907 746	-	-
PrimeTime Property Holdings (Mauritius) Limited	341 645 097	48 246 859	-	-
PrimeTime Property Holdings (Zambia) Limited	-	11 647 659	-	-
Amatrix Developments (Proprietary) Limited	-	13 228	-	
Less amount due after more than one year:				
PrimeTime Property Holdings (Mauritius) Limited	(324 493 041)	(45 789 389)	-	-
Amounts due within one year	17 152 056	14 118 357	-	-

14 STATED CAPITAL

	Company & Consolidated		Company & Consolidated	
	2017 Number of units	2016 Number of units	2017 P	2016 P
Fully paid linked units				
Balance at the beginning of the year	179 890 200	179 890 200	4 716 210	4 716 210
Issued 20 June 2017 (Rights issue)	64 760 484	-	9 526 563	-
Balance at the end of the year	244 650 684	179 890 200	14 242 773	4 716 210

Each Linked Unit in the Company comprises one ordinary share and one variable rate unsecured debenture as per Note 15, which are indivisibly linked. It is not possible to trade with the shares or the variable rate unsecured debentures separately from one another. The linked units are listed on the Botswana Stock Exchange.

All of the issued shares are of the same class and rank pari passu in every respect.

In accordance with the Constitution, at any general meeting, every linked unit holder present in person or by authorised representative or proxy shall have one vote on a show of hands and on a poll, every member present in person, by authorised representative or by proxy shall have one vote for every share held.

15 DEBENTURES

	Company & Consolidated		Company & Consolidated	
	2017 Number of debentures	2016 Number of debentures	2017 P	2016 P
Variable rate unsecured debentures				
Balance at the beginning and end of the year	179 890 200	179 890 200	132 610 057	132 610 057
Issued 20 June 2017 (Rights issue)	64 760 484	-	190 719 625	-
Balance at the end of the year	244 650 684	179 890 200	323 329 682	132 610 057

Each Linked Unit in the Company comprises one ordinary share as per Note 14, and one variable rate unsecured debenture, which are indivisibly linked. It is not possible to trade with the shares or the variable rate unsecured debentures separately from one another.

All of the variable rate unsecured debentures are of the same class and rank pari passu in every respect.

The debentures are governed in terms of a Trust Deed entered into between the company and John Hinchliffe, as the Trustee for the debenture holders and these are regarded as equity.

16 ACCUMULATED PROFITS

	Company		Consolidated	
	2017 P	2016 P	2017 P	2016 P
Balance at the beginning of the year	343 170 695	293 541 558	352 283 733	293 541 558
Retained from normal operations during the year	3 827 130	18 572 393	3 392 781	18 215 466
Arising from fair value adjustments on revaluation of investment properties	(2 362 104)	31 056 744	830 606	40 526 709
Balance at the end of the year	344 635 721	343 170 695	356 507 120	352 283 733

The accumulated profits from normal operations amounts to P51 319 671 (2016: P47 492 541) in the Company and P50 090 953 (2016: P46 698 172) in the Group.

17 DEBENTURE INTEREST RESERVE

Debenture interest reserve balance at the end of the year	8 367 053	6 134 256	8 367 053	6 134 256

The final debenture interest proposed, as per Note 5, is held in the debenture interest reserve pending payment. The debenture interest will be ratified at the forthcoming Annual General Meeting.

	Company		Consolidated	
	2017	2016	2017	2016
	P	P	P	P
18 TRADE AND OTHER PAYABLES				
Trade payables	14 455 106	9 834 186	20 777 622	9 834 186
Refundable deposits held for tenants	2 370 694	1 868 379	3 868 514	2 103 266
Other payables	4 003 166	2 535 739	8 098 633	3 207 334
	20 828 966	14 238 304	32 744 769	15 144 786

The average credit period on purchases is 30 days (2016: 30 days). No interest is charged on trade payables. The directors consider the carrying amount of trade and other payables to approximate their fair value.

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
19 AMOUNTS DUE TO RELATED PARTIES				
Time Projects (Botswana) (Proprietary) Limited	2 662 306	3 722 554	2 662 306	3 722 554
Time Projects Property (Zambia) Limited	-	-	709 153	34 956
Directors' fees	282 263	142 790	282 263	142 790
	2 944 569	3 865 344	3 653 722	3 900 300
20 DEFERRED REVENUE				
Rentals received in respect of future periods invoiced in advance	2 858 993	2 585 805	2 879 236	2 585 805

21 BANKING FACILITIES AND GUARANTEES

At the reporting date, the company has a general short term banking overdraft facility with Stanbic Bank Botswana Limited of P32 000 000 (2016: P22 000 000). The facility is payable on demand, and attracts interest at the rate of prime currently 7% per annum (2016: 7%).

At 31 August 2017 the unused facility was P29 359 692 (2016: P21 921 152).

The Company has guarantees of P693 254 (2016: P693 254) issued by Stanbic Bank Botswana Limited to third parties. These guarantees carry a commission charge of 0.55% per quarter of a year.

Stanbic Bank Botswana Limited has also provided to the company a facility for forward exchange contracts up to USD 1 000 000 (2016: USD 1 000 000) and a spot foreign currency dealing facility of USD1 000 000 (2016: USD1 000 000). At 31 August 2017 there were no open forward exchange contracts or spot foreign currency dealings.

These facilities are secured by First Continuing Covering Mortgage Bond for P31 300 000 over Plot 29 Gaborone (2016: P31 300 000), a cession of insurance and a cession of rentals.

22 LONG TERM BORROWINGS

	Company 2017	Company 2016	Consolidated 2017	Consolidated 2016
Secured	P	P	P	P
The African Banking Corporation of Botswana Limited	-	18 187 025	-	18 187 025
Bank Gaborone Limited	-	9 000 000	-	9 000 000
Barclays Bank of Botswana Limited	66 219 688	67 469 688	66 219 688	67 469 688
BIFM Capital Investment Fund Two (Pty) Limited Floating Rate Promissory Notes	8 511 289	11 130 147	8 511 289	11 130 147
BIFM Capital Investment Fund Two (Pty) Limited Fixed Rate Promissory Notes	30 563 525	39 295 963	30 563 525	39 295 963
BIFM Capital Investment Fund One (Pty) Limited Fixed Rate Term Loan	65 000 000	65 000 000	65 000 000	65 000 000
First National Bank Botswana Limited	-	15 992 297	-	15 992 297
First National Bank Botswana Limited acting through its RMB Botswana Division	70 800 000	70 800 000	70 800 000	70 800 000
PT021 Listed unsecured senior notes	96 000 000	56 000 000	96 000 000	56 000 000
PT024 Listed unsecured senior notes	59 000 000	49 000 000	59 000 000	49 000 000
PT026 Listed unsecured senior notes	70 000 000	-	70 000 000	-
PTCP01 Unlisted unsecured commercial paper	6 520 000	-	6 520 000	-
PTCP03 Unlisted unsecured commercial paper	30 000 000	-	30 000 000	-
Barclays Bank Zambia PLC	-	-	44 162 655	52 866 470
	502 614 502	401 875 120	546 777 157	454 741 590
Less: Portion repayable within one year disclosed as a current liability	118 671 294	19 421 007	124 837 160	26 066 452
The African Banking Corporation of Botswana Limited	-	3 181 270	-	3 181 270
Bank Gaborone Limited	-	528 289	-	528 289
Barclays Bank of Botswana Limited	-	1 250 000	-	1 250 000
BIFM Capital Investment Fund Two (Pty) Limited Floating Rate Promissory Notes	2 618 858	2 618 858	2 618 858	2 618 858
BIFM Capital Investment Fund Two (Pty) Limited Fixed Rate Promissory Notes	8 732 436	8 732 436	8 732 436	8 732 436
First National Bank of Botswana Limited	-	3 110 154	-	3 110 154
First National Bank Botswana Limited acting through its RMB Botswana Division	70 800 000	-	70 800 000	-
PTCP01 Unlisted unsecured commercial paper	6 520 000	-	6 520 000	-
PTCP03 Unlisted unsecured commercial paper	30 000 000	-	30 000 000	-
Barclays Bank Zambia PLC	-	-	6 165 866	6 645 445
Total long term portion of borrowings	383 943 208	382 454 113	421 939 997	428 675 138

Facility	Period and repayment	Interest rate	Security
The African Banking Corporation of Botswana Limited facility of P20 250 000	Period of 10 years, repayable in 120 equal monthly instalments. This loan was prepaid in full on 11 July 2017.	Bears interest at a variable rate of the current prime rate of 7% (2016: 7%).	Secured by a first ranking mortgage bond over Plot 20584, Western Bypass, Gaborone for P22 500 000, a cession of insurance covering Plot 20584 Western Bypass, Gaborone, and a cession of rentals over Plot 20584 Western Bypass, Gaborone.
BIFM Capital Investment Fund Two (Pty) Limited Floating Rate Promissory Notes of P15 000 000 plus accrued interest to 31 October 2011	The notes were fully drawn-down between 31 January 2011 and 31 August 2011. Interest accrues on the notes during the 'Interest Holiday Period', which period expired on 31 October 2011. Thereafter, interest only is payable quarterly in arrears commencing on 31 January 2012. The capital portion of the notes is redeemable in 24 equal tranches on quarterly redemption dates commencing on 31 January 2015.	Bears interest at a floating rate of 222 basis points above the 91-day Bank of Botswana Certificate rate prevailing, and as published by the Bank of Botswana, 3 months prior to a given interest payment date, currently 1.46% (2016: 1.24%).	Secured by first continuing covering mortgage bonds, a cession of insurance and a cession of rentals over the following properties: Plot 50423 Gaborone, Plot 67979 Gaborone and Plots 16177, 16179, 16180, 16181, 16182, 16183 and 16185 Francistown.

22 LONG TERM BORROWINGS *continued*

Facility	Period and repayment	Interest rate	Security
BIFM Capital Investment Fund Two (Pty) Limited Fixed Rate Promissory Notes of P50 000 000 plus accrued interest to 31 October 2011	The notes were fully drawn-down between 31 January 2011 and 31 August 2011. Interest accrues on the notes during the 'Interest Holiday Period', which period expired on 31 October 2011. Thereafter, interest only is payable half yearly in arrears commencing on 30 April 2012. The capital portion of the notes is redeemable in 12 equal tranches on half yearly redemption dates commencing on 30 April 2015.	Bears interest at a fixed rate of 10.3%.	Secured by first continuing covering mortgage bonds, a cession of insurance and a cession of rentals over the following properties: Plot 50423 Gaborone, Plot 67979 Gaborone and Plots 16177, 16179, 16180, 16181, 16182, 16183 and 16185 Francistown.
First National Bank of Botswana Limited of P50 000 000	This loan was drawn in 2 tranches. P20 000 000 was drawn in October 2010 and P30 000 000 was drawn in December 2010. The term of the loan is 10 years per draw-down, with a capital moratorium for the first 24 months interest only to be serviced. Thereafter, the capital is repayable in 96 equal monthly instalments. On 14 December 2015, on the sale of Plot 6142, Francistown P15 800 000 of this facility was repaid with the balance due over the remainder of the original period in equal monthly instalments. This loan was repaid in full on 12 June 2017.	From 14 December 2015 the bank varied the terms of this loan to bear interest at a variable rate 110 basis points above the current prime rate of 7%. Prior to that it bore interest at a variable rate of 200 basis points below current prime rate (2016: 7%).	Secured by first covering mortgage bonds and a cession of rentals over Lease Area 110 MP on Plot 2461, Serowe.
The African Banking Corporation of Botswana Limited facility of P10 000 000	The term of the loan is 10 years with an initial 6 month interest-only period which ended in November 2012. Thereafter, the capital is repayable in 114 equal monthly instalments. This loan was repaid in full on 11 July 2017.	Bears interest at a variable rate of the current prime rate of 7% (2016: 7%).	Secured by a first ranking mortgage bond over Plot 165, Main Mall, Gaborone for P13 000 000, a cession of insurance covering Plot 165 Main Mall, Gaborone and a cession of rentals over Plot 165 Main Mall, Gaborone.
BIFM Capital Investment Fund One (Pty) Limited Fixed Rate Term Loan of P65 000 000	The loan is fully drawn-down. Interest only is payable half yearly in arrears commencing on 31 May 2013. The capital portion of the notes is redeemable in 6 tranches on half yearly redemption dates commencing on 31 May 2025.	Bears interest at a fixed rate of 9.65%.	Secured by first continuing covering mortgage bonds, a cession of insurance and a cession of rentals over the following properties: Plot 4649 Lobatse, Plot 20610 Gaborone, Plot 29 Ghanzi and Plot 22 Gaborone.
Bank Gaborone Limited facility of P9 000 000	The term of the loan is 15 years with an initial 3 year interest-only period which will end in August 2016. Thereafter, the capital is repayable in 144 equal monthly instalments. This loan was repaid in full on 5 July 2017.	Bears interest at a variable rate of 100 basis points below current prime rate of 7% (2016: 7%).	Secured by a continuing sectional title covering mortgage bond and a cession of insurance over commercial section 4 of Lot 74538, CBD, Gaborone (known as first floor Acacia Building, Prime Plaza).
Barclays Bank of Botswana Limited facility of P75 000 000	This loan was varied with effect from September 2016 to an interest only facility with a bullet payment of the capital after a five year period. Prior to that, the term of the loan was 12 years with an initial 2 year interest-only period which ended in August 2015. Thereafter, the capital was repayable in 120 equal monthly instalments.	Bears interest at a variable rate of 2.75% below current prime rate of 7%. (2016: 7%).	Secured by first covering mortgage bonds, a cession of insurance and a cession of rentals over Prime Plaza 2, Prime Plaza 3 and Prime Plaza 4 situated on Lot 74538, CBD, Gaborone.

22 LONG TERM BORROWINGS *continued*

Facility	Period and repayment	Interest rate	Security
First National Bank Botswana Limited acting through its RMB Botswana Division facility of P70 800 000	Period of 3 years from first drawdown date being 24th March 2015. The loan is interest only and is repayable by a bullet payment on 23rd March 2018. The loan was fully drawn during the prior year.	From 14 March 2016 the bank varied the terms of this loan so 50% of the outstanding bears interest at a variable rate of 367 basis points above the 91-day Bank of Botswana Certificate rate prevailing, and as published by the Bank of Botswana currently 1.09%. The other 50% of the loan bears interest at a fixed rate of 8.63%. Prior to that it bore interest at a variable rate of 367 basis points above the 91-day Bank of Botswana Certificate rate prevailing, and as published by the Bank of Botswana (2016: 1.09%).	Secured by a first covering mortgage bond and a cession of insurance and a of rentals over Plot 62417 Gaborone.
PT021 Listed unsecured senior notes issued on 10 June 2016 P56 000 000 with an additional P40 000 000 issued on 10 December 2016.	The notes mature on 10 June 2021 with a bullet payment.	Bear interest at a variable rate of 100 basis points above the current prime rate of 7% (2016:7%)	None
PT024 Listed unsecured senior notes issued on 10 June 2016 P49 000 000 with an additional P10 000 000 issued on 10 December 2016.	The notes mature on 10 June 2024 with a bullet payment.	Bear interest at a fixed rate of 8.5%.	None
PT026 Listed unsecured senior notes issued on 29 November 2016 P70 000 000	The notes mature on 29 November 2026 with a bullet payment.	Bear interest at a fixed rate of 9%.	None
PTCP01 Commercial paper issued on 25 November 2016 P60 000 000	The paper matures on 25th November 2017 with a bullet payment but P53 480 000 was prepaid on 25 August 2017 by mutual agreement.	Bears interest at a variable rate of 50 basis points below prime.	None
PTCP03 Commercial paper issued on 29 November 2016 P30 000 000	The paper matures on 29 November 2017 with a bullet payment.	Bears interest at a fixed rate of 7%.	None

Additionally in the group

Facility	Period and repayment	Interest rate	Security
Barclays Bank Zambia PLC facility for USD5 000 000	Period of 7 years, repayable in 84 equal monthly instalments.	Bears interest at a variable rate of 425 basis points above the 3 month USD LIBOR rate of 1.31056% (2016: 0.334%).	An on demand payment guarantee for an amount of USD5 000 000 issued by Barclays Bank of Botswana Limited (on behalf of PrimeTime Property Holdings Limited) to be retained for the full duration of the facilities. A cession of insurance and a cession of rentals over Subdivision D part of Stand No. 2374 Thabo Mbeki Road, Mass Media, Lusaka, Zambia.

	Company		Consolidated	
	2017	**2016**	**2017**	**2016**
	P	**P**	**P**	**P**
23 FINANCIAL RISK MANAGEMENT				
Categories of Financial Instruments				
Financial assets				
Receivables (including related party balances and cash and cash equivalents)	383 149 431	94 816 665	61 753 240	54 770 904
Financial liabilities				
Payables (including related party balances)	528 017 467	415 068 725	584 249 327	468 831 229

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements represent their fair values.

Capital Risk Management

The group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2016.

The capital structure of the group consists of cash and cash equivalents, interest bearing borrowings and equity, comprising stated capital, variable rate unsecured debentures and accumulated profits as disclosed in the statement of financial position.

Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the Significant Accounting Policies in the financial statements.

Financial Risk Management Objectives

The directors monitor and manage the financial risks relating to the operations of the group through analysis of exposures by degree and magnitude of each risk. These risks include market risk (including currency risk and interest rate risk) and credit risk.

Market Risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as described below.

Foreign Currency Risk

In the normal course of business, the group enters into transactions denominated in foreign currencies. At 31 August 2017 the company had P50 634 and the group had P55 591 859 monetary liabilities denominated in foreign currencies, which would expose it to fluctuations in foreign currency exchange rates (2016: company P4 016 and group P53 491 711). At 31 August 2017 the company had P373 223 023 and the group had P48 859 355 monetary assets denominated in foreign currencies (2016: company P60 242 625 and group P18 443 957).

If exchange rates had been 5% higher/lower and all other variables were held constant, the company's profits would have increased/decreased by P965 712 and the group's profit would have increased/decreased by P1 149 854 (2016: company P279 540 and group P918 819).

Interest Rate Risk

Fluctuations in interest rates impact on the value of short-term cash investment and financing activities, giving rise to interest rate risk. The cash is managed to ensure surplus funds are invested in a manner to achieve maximum returns while minimising risks.

If interest rates had been 0.5% higher/lower and all other variables were held constant, the company's profit and comprehensive income would have decreased/increased by P101 458 and group's profit and comprehensive income would have decreased/increased by P1 486 427 (2016: company P589 693 and group P916 320).

Credit Risk

At the reporting date there were no significant concentrations of credit risk for receivables. The carrying amount reflected above represents the group's maximum exposure to credit risk for receivables.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the directors. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The table below details the remaining contractual maturity for financial liabilities with agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company may be required to pay.

Notes to the financial Statements *continued*

31 August 2017

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23 FINANCIAL RISK MANAGEMENT *continued*

	Less than one year	One to five years	More than 5 years
Company	**P**	**P**	**P**
2017			
Non-interest bearing	20 224 750	-	-
Variable interest rate instruments	47 179 166	168 112 119	-
Fixed interest rate	74 132 436	21 831 089	194 000 000
	141 536 352	189 943 208	194 000 000
2016			
Non-interest bearing	17 151 825	-	-
Variable interest rate instruments	9 517 419	128 977 013	74 763 574
Fixed interest rate	8 732 436	65 963 527	114 000 000
	35 401 680	194 940 540	188 763 574
Consolidated			
2017			
Non-interest bearing	31 633 878	-	-
Variable interest rate instruments	53 345 032	196 499 325	9 609 583
Fixed interest rate	74 132 436	21 831 089	194 000 000
	159 111 346	218 330 414	203 609 583
2016			
Non-interest bearing	17 929 226	-	-
Variable interest rate instruments	16 162 864	158 818 977	91 142 635
Fixed interest rate	8 732 436	65 963 527	114 000 000
	42 824 526	224 782 504	205 142 635

24 RELATED PARTY TRANSACTIONS

Trading transactions

The company has entered into a Property Management Agreement and an Asset Management Agreement with Time Projects (Botswana) (Proprietary) Limited. The shareholders of Time Projects (Botswana) (Proprietary) Limited owned 22% of the issued linked units of the Company at 31 August 2017 (2016: 29.92%).

Time Projects (Botswana) (Proprietary) Limited has a 100% owned Zambian registered subsidiary company called Time Projects Property (Zambia) Limited.

During the year, the company entered into the following trading transactions with related parties and had the following balances owed to related parties:

24 RELATED PARTY TRANSACTIONS *continued*

	Purchases of services P	Debenture interest paid (gross) P	Interest received (gross) P	Dividend recieved (gross) P	Purchases of Investment Property & work in progress P	Consulting fees P	Directors fees P	Amounts owed (by)/ to related parties P
2017								
Company								
PrimeTime Property Holdings (Mauritius) Limited (Note 13)	-	-	17 152 056	-	-	-	-	(341 645 097)
PrimeTime Property Holdings (Zambia) Limited (Note 13)	-	-	46 428	-	-	-	-	-
Amatrix Developments (Proprietary) Limited	-	-	-	400 640	-	-	-	-
Time Projects (Botswana) (Proprietary) Limited (Note 19)	12 071 917	-	-	-	11 518 416	-	-	2 662 306
Linwood Services Limited (A L Kelly has a beneficial interest in Linwood Services Limited)	-	7 438 763	-	-	-	-	-	-
Key management personnel/directors:								
J Jones and family	-	2 100	-	-	-	-	42 536	42 536
A Kelly and family	-	52 863	-	-	-	-	90 190	51 038
C Kgosidiile	-	-	-	-	-	264 600	123 684	62 383
P Matumo	-	105 281	-	-	-	-	94 699	24 230
M Morolong and family	-	955	-	-	-	-	112 880	51 038
S Thapelo	-	-	-	-	-	-	101 535	51 038
Consolidated								
Time Projects (Botswana) (Proprietary) Limited (Note 19)	12 071 917	-	-	-	11 518 416	-	-	2 662 306
Time Projects Property (Zambia) Limited (Note 19)	3 371 131	-	-	-	21 563 371	-	-	709 153
Linwood Services Limited (A L Kelly has a beneficial interest in Linwood Services Limited)	-	7 438 763	-	-	-	-	-	-
Key management personnel/directors:								
J Jones and family	-	2 100	-	-	-	-	42 536	42 536
A Kelly and family	-	52 863	-	-	-	-	90 190	51 038
C Kgosidiile	-	-	-	-	-	264 600	123 684	62 383
P Matumo	-	105 281	-	-	-	-	94 699	24 230
M Morolong and family	-	955	-	-	-	-	112 880	51 038
S Thapelo	-	-	-	-	-	-	101 535	51 038

24 RELATED PARTY TRANSACTIONS *continued*

	Purchases of services	Debenture interest paid (gross)	Interest received (gross)	Purchases of Investment Property & work in progress	Consulting fees	Directors fees	Amounts owed (by)/ to related parties
2016							
Company							
PrimeTime Property Holdings (Mauritius) Limited (note 13)	-	-	2 457 470	-	-	-	(48 246 859)
PrimeTime Property Holdings (Zambia) Limited (Note 13)	-	-	762 387	-	-	-	(11 647 659)
Amatrix Developments (Pty) Ltd (Note 13)	-	-	8 000	-	-	-	(13 228)
Time Projects (Botswana) (Proprietary) Limited (note 19)	12 039 594	-	-	62 299 744	-	-	3 722 554
Linwood Services Limited	-	7 111 476	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)							
Key management personnel / directors:							
A. Kelly and family	-	50 537	-	-	-	95 670	26 998
C. Kgosidiile (Payable to Motor Vehicle Accident Fund)	-	-	-	-	-	41 160	-
C. Kgosidiile	-	-	-	-	75 600	75 604	37 801
P. Matumo	-	100 649	-	-	-	131 856	34 801
M. Morolong and family	-	913	-	-	-	95 670	26 998
S. Thapelo	-	-	-	-	-	84 865	16 193
Consolidated							
Time Projects (Botswana) (Proprietary) Limited (note 19)	12 039 594	-	-	62 299 744	-	-	3 722 554
Time Projects Property (Zambia) Limited (note 19)	1 113 958	-	-	-	-	-	34 956
Linwood Services Limited	-	7 111 476	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)							
Key management personnel / directors:							
A. Kelly and family	-	50 537	-	-	-	95 670	26 998
C Kgosidiile (Payable to Motor Vehicle Accident Fund)	-	-	-	-	-	41 160	-
C Kgosidiile	-	-	-	-	75 600	75 604	37 801
P. Matumo	-	100 649	-	-	-	131 856	34 801
M.Morolong and family	-	913	-	-	-	95 670	26 998
S Thapelo	-	-	-	-	-	84 865	16 193

The purchase of services from Time Projects (Botswana) (Proprietary) Limited and Time Projects Property (Zambia) Limited includes asset management fees, property management fees and letting fees.

The amounts owed to related parties are unsecured, payable through the normal course of business and will be settled in cash. No guarantees have been given or received. No expense has been recognised during the year for bad or doubtful debts in respect of any amounts owed between related parties.

25 OPERATING LEASE ARRANGEMENTS

The Company and Group as a lessor

Operating leases receivable by the company as a lessor relate to the investment properties owned by the company with lease terms of between 1 and 29 years. The lessees do not have an option to purchase the properties at the expiry of the lease period.

Company

The property rental income earned by the company from its investment properties, all of which are leased out under operating leases, before the rentals straight-line adjustment amounts to P89 524 092 (2016: P80 165 565), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P6 364 305 (2016: P5 548 339).

Group

The property rental income earned by the group from its investment properties, all of which are leased out under operating leases, before the rentals straight-line adjustment amounts to P110 452 276 (2016: P86 755 351), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P7 782 432 (2016: P5 734 476).

At the reporting date the company had contracted with tenants for the following future minimum lease payments:

25 OPERATING LEASE ARRANGEMENTS *continued*

	Company		Consolidated	
	2017 P	2016 P	2017 P	2016 P
Not longer than 1 year	88 508 663	74 276 425	115 468 716	83 352 986
Longer than 1 year and not longer than 5 years	245 338 428	204 811 135	323 558 027	229 424 602
Longer than 5 years	239 381 038	213 632 615	252 940 963	213 632 615
	573 228 129	492 720 175	691 967 706	526 410 203

The company and Group as a lessee

Operating leases payable by the company as a lessee relate to the rental of land over certain leasehold properties as per note 8, on which the company has erected buildings, with lease terms of between 15 and 35 years.

The rental expense incurred by the company and Group in respect of the above operating ground leases amounts to:

	Company 2017 P	Company 2016 P	Consolidated 2017 P	Consolidated 2016 P
Minimum lease payments	481 242	505 376	481 242	505 376
Contingent rentals	1 330 266	902 931	2 179 744	902 931
	1 811 508	1 408 307	2 660 986	1 408 307
At the reporting date the estimated minimum lease commitments by the company to lessors amounts to:				
Not longer than 1 year	500 540	481 242	500 540	481 242
Longer than 1 year and not longer than 5 years	2 227 935	2 134 018	2 227 935	2 134 018
Longer than 5 years	2 331 772	2 926 230	2 331 772	2 926 230
	5 060 247	5 541 490	5 060 247	5 541 490

26 BUSINESS COMBINATIONS

On 21 January 2017, the Group, through its subsidiary company PrimeTime Property Holdings (Mauritius) Limited, acquired 100% of the issued shares of Luongo, a company registered in Mauritius. Luongo owns 100% of issued shares in Tilson Limited, a company registered in Zambia. The Group acquired Luongo in furtherance of its expansion strategy into the region.

On 3 February 2017, the Group, through its subsidiary company PrimeTime Property Holdings (Mauritius) Limited, acquired 100% of the issued shares of Lufupa, a company registered in Mauritius. Lufupa owns 100% of the issued shares in Ataraxia Limited, a company which is registered in Zambia. The Group acquired Lufupa in furtherance of its expansion strategy into the region.

26 BUSINESS COMBINATIONS *continued*

Assets acquired and liabilities recognised at date of acquisition

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

	Lufupa	Luongo	Total
	P	P	P
Non-current assets			
Investment property	-	181 812 915	181 812 915
Work in progress	54 861 840	-	54 861 840
Current assets			
Trade and other receivables	9 092	14 077 162	14 086 254
Cash and cash equivalents	59 347	2 355 389	2 414 736
Current liabilities			
Trade and other payables	(1 969 597)	(11 830 428)	(13 800 025)
Total identifiable net assets at fair value	52 960 682	186 415 038	239 375 720
Gain on bargain purchase on acquisition	(5 506 961)	-	(5 506 961)
Purchase consideration transferred	47 453 721	186 415 038	233 868 759

Net cash outflow on acquisition of subsidiaries

Consideration paid in cash	233 868 759
less: cash and cash equivalents balances acquired	(2 414 736)
	231 454 023

Impact of acquisition on the results of the Group

From the date of acquisition, Lufupa contributed no revenue to the Group performance and a loss of P128 789 as the property in Ataraxia Limited is still under construction, whereas Luongo contributed revenue amounting to P13 017 566 and a profit of P15 795 143. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been P121 457 073 and profit before tax from continuing operations for the Group would have been P37 621 163.

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 arose as a result of the measurement of the property under development on acquisition to 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 not expected to be collected are PNil for both Luongo and Lufupa.

27 SEGMENT INFORMATION

The company's primary business activities are concentrated in the segment of property rentals and are predominantly concentrated within the geographical region of Botswana and the Group is expanding into Zambia. The geographical segmental information is outlined below.

	Company		Consolidated	
	2017 P	2016 P	2017 P	2016 P
Contractual lease revenue				
Local operations	86 986 621	78 568 929	86 986 621	78 568 929
Foreign operations	2 537 471	1 596 636	23 465 655	8 186 422
	89 524 092	80 165 565	110 452 276	86 755 351
Non-current assets				
Investment properties				
Local operations	766 883 219	677 770 958	766 883 219	677 770 958
Foreign operations	18 279 867	17 239 203	302 794 686	121 951 461
	785 163 086	695 010 161	1 069 677 905	799 722 419
Work in progress				
Local operations	22 398 109	109 369 635	22 398 109	109 369 635
Foreign operations	-	-	100 117 708	5 650 558
	22 398 109	109 369 635	122 515 817	115 020 193
Total liabilities				
Local operations	566 811 884	463 543 339	566 999 692	463 573 339
Foreign operations	184 489	145 883	57 092 471	53 923 791
	566 996 373	463 689 222	624 092 163	517 497 130

28 EVENTS AFTER THE REPORTING PERIOD

On 1 September 2017 the company sold its investment in Amatrix Developments (Proprietary) Limited for P nil consideration - see Note 11.

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

29 CAPITAL COMMITMENTS

Company as disclosed under Note 10:

The retail shopping centre at Tribal Lot 439 Pilane was completed during the year. An extension for a fast food outlet was in progress at year end and the total estimated cost to complete as at 31 August 2017 is P2 186 740. At 31 August 2016 the total estimated cost to complete this development was P10 705 758.

A retail park is under construction at Plot 75749 Setlhoa, Gaborone. The total estimated cost to complete this development as at 31 August 2017 is P19 577 905.

An extension at Sebele Centre for an additional shop was in progress at year end and the total estimated cost to complete as at 31 August 2017 is P2 135 894.

Additionally in the Group as disclosed under Note 10:

A retail shopping centre is under construction at Stand No. 1001, Chirundu. The total estimated cost to complete this development as at 31 August 2017 is P45 344 320.

A retail shopping centre is under construction at subdivision No. 8 of subdivision E of farm No. 609 corner of Munali Road and 12th Street, Lusaka. The total estimated cost to complete this development as at 31 August 2017 is P57 085 260.

PRIMETIME PROPERTY HOLDINGS LIMITED

Notice of annual general meeting

10

Notice is hereby given that the annual general meeting of unitholders of the company will be held at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, Gaborone, Botswana at 14h30 on Wednesday 28 February 2018, for the purpose of transacting the following business and considering and if deemed fit, passing, with or without modification, the following resolutions:

Agenda

Ordinary Business

1. To read the notice convening the meeting.

2. **Ordinary Resolution 1:**
   To receive, consider, and adopt the audited financial statements for the year ended 31 August 2017.

3. **Ordinary Resolution 2:**
   To approve the interim interest payment of 5.00 thebe per. linked unit declared on 28 February 2017 and paid on 24 March 2017, as authorised and recommended by the directors.

4. **Ordinary Resolution 3**
   To approve the interim interest payment of 7.50 thebe per. linked unit declared on 24 May 2017 and paid on 28 July 2017, as authorised and recommended by the Directors.

5. **Ordinary Resolution 4**
   To approve the final interest payment of 3.42 thebe per. linked unit declared on 22 November 2017 and due to be paid in March 2018, as authorised and recommended by the Directors.

6. **Ordinary Resolution 5**
   To confirm the appointment of the following director of the company:
   Joanna Jones who was appointed by the Board of Directors in terms of clause 20.4 of the Constitution with effect from 1 June 2017.

7. **Ordinary Resolution 6**
   To re-elect the following director of the company:
   Cross Kgosidiile who retires by rotation in terms of clause 20.9.1 of the Constitution and, being eligible, offers himself for re-election.

8. **Ordinary Resolution 7**
   To re-elect the following director of the company:
   Alexander Kelly who retires by rotation in terms of clause 20.9.1 of the Constitution and, being eligible, offers himself for re-election.

9. **Ordinary Resolution 8**
   To approve the remuneration of the Directors for the year ended 31 August 2017. For the chairman an annual retainer fee of P50 392 and a sitting allowance of P11 345 per meeting. For the other directors an annual retainer fee of P34 005 and a sitting allowance of P11 345 per meeting.

10. **Ordinary Resolution 9**
    To appoint Deloitte & Touche as auditors for the ensuing year.

11. **Ordinary Resolution 10**
    To fix the remuneration of the auditors for the ensuing year.

Voting and proxies

All unitholders entitled to vote will be entitled to attend and vote at the annual general meeting.

A unitholder who is present in person, or by authorised representative or by proxy shall have one vote on a show of hands and have one vote for every ordinary share held on a poll.

Each unitholder entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies (none of whom need be a unitholder of the company) to attend, speak and subject to the Constitution of the company vote in his/her/its stead.

The form of proxy for the annual general meeting, which sets out the relevant instructions for its completion, is annexed hereto.

In order to be effective, a duly completed form of proxy must be received by the Company Secretary, at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, P. O. Box 1395, Gaborone, Botswana, not later than 15h00 on Friday 23 February 2018.

By Order of the Board

Petronella Matumo
Chairman of the Board of Directors

19th December 2017
Gaborone

PRIMETIME PROPERTY HOLDINGS LIMITED

Proxy form

10

PLEASE READ THE SUBSEQUENT NOTES BEFORE COMPLETING THIS FORM.

For use at the annual general meeting of unitholders of the Company to be held at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, Gaborone, Botswana at 14h30 on Wednesday 28 February 2018.

I/We ____
.
(Name/s in block letters)
Of ____
(Address)
Appoint (see note 2):
1. ______________________________________ failing him/her,

2. ______________________________________ failing him/her,

3. the chairman of the meeting,

as my/our proxy to act for me/us at the general meeting which will be held to consider the ordinary business, and to vote for or against the resolutions and/or abstain from voting in respect of the Linked Units registered in my/our name in accordance with the following instructions (see note 2):

Number of Linked units:

	For	Against	Abstain
1. Ordinary Resolution 1			
2. Ordinary Resolution 2			
3. Ordinary Resolution 3			
4. Ordinary Resolution 4			
5. Ordinary Resolution 5			
6. Ordinary Resolution 6			
7. Ordinary Resolution 7			
8. Ordinary Resolution 8			
9. Ordinary Resolution 9			
10. Ordinary Resolution 10			

Signed at ____________________ on ____________________ 2018

Signature ____
Assisted by (where applicable)

Each unitholder is entitled to appoint one or more proxies (who need not be member/s of the company) to attend, speak and vote in place of that unitholder at the general meeting.
Please read the notes following

Notes

1. A unitholder must insert the names of two alternative proxies of the unitholder's choice in the space provided, with or without deleting "chairman of the annual general meeting". The person whose name appears first on the form of proxy, and whose name has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.

2. A unitholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the unitholder in the appropriate space provided. Failure to comply herewith will be deemed to authorise the proxy to vote at the general meeting as he/she deems fit in respect of the unitholder's votes exercisable thereat, but where the proxy is the chairman, failure to comply will be deemed to authorise the proxy to vote in favour of the resolution. A unitholder or his/her proxy is obliged to use all the votes exercisable by the unitholder or by his/her proxy.

3. Forms of proxy must be lodged at or posted to the Company Secretary, at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, P.O.Box 1395, Gaborone, Botswana, not later than 15h00 on Friday 23 February 2018.

4. The completion and lodging of this form will not preclude the relevant unitholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such unitholder wish to do so.

5. The chairman of the general meeting may reject or accept any form of proxy not completed and/or received other than in accordance with these notes provided that he is satisfied as to the manner in which the unitholder concerned wishes to vote.

6. An instrument of proxy shall be valid for the general meeting as well as for any adjournment thereof, unless the contrary is stated thereon.

7. A vote given in accordance with the terms of a proxy shall be valid, notwithstanding the previous death or insanity of the unitholder, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the linked units in respect of which the proxy is given, provided that no intimation in writing of such death, insanity or revocation shall have been received by the company not less than one hour before the commencement of the general meeting or adjourned general meeting at which the proxy is to be used.

8. The authority of a person signing the form of proxy under a power of attorney or on behalf of a company must be attached to the form of proxy, unless the authority or full power of attorney has already been registered by the company or the Transfer Secretaries.

9. Where linked units are held jointly, all joint unitholders must sign.

10. A minor must be assisted by his/her guardian, unless relevant documents establishing his/her legal capacity are produced or have been registered by the company.

MediaShack

PrimeTime Property Holdings Limited

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Plot 74538 CBD, Gaborone

P.O. Box 1395, Gaborone

Tel: (+267) 3956080

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