Annual Report 2016

PRIME TIME

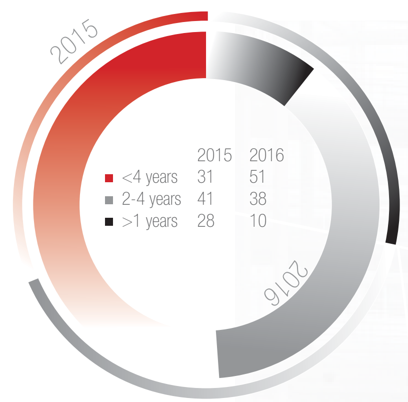
PrimeTime Property Holdings Limited

table of
contents

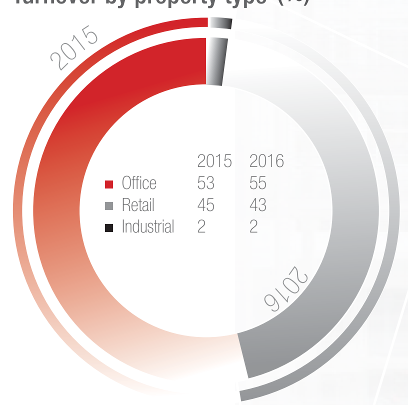

SEBELE CENTRE

Performance Highlights

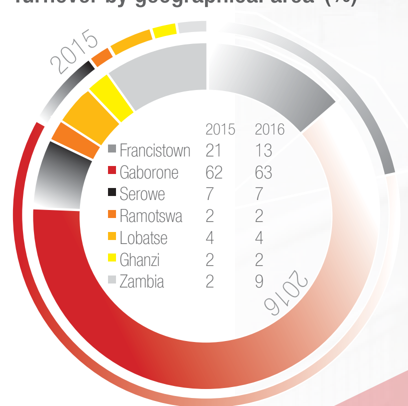
Lease expiry profile (%)



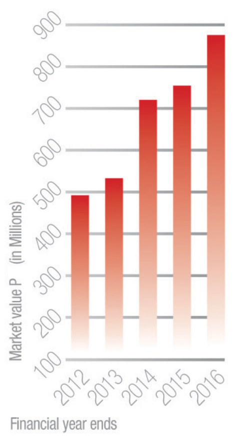
Turnover by property type (%)



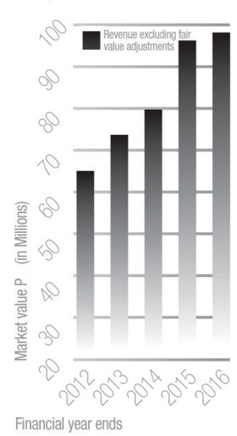
Turnover by geographical area (%)



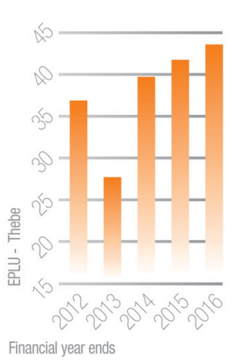
Market Value of Investment Property



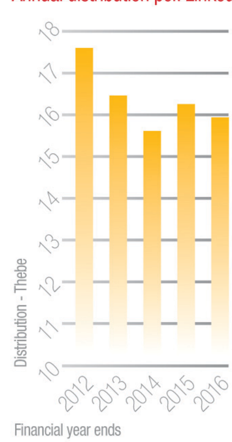
Comparison of Revenue



Earnings per. Linked unit



Annual distribution per. Linked unit



Earnings per linked unit increased year-on-year by

30%

Total assets exceeded

P1 billion

at the year end

Conclusion of the sale of 2 Francistown properties

Barclays Plaza & Blue Jacket Square

on 5th December 2015

Acquisition of

PwC Office Park Lusaka

for US$8.8million with rental income accruing from 1 March 2016

Vacancy rate minimal at

0.2%

over the entire portfolio

First tranche of the P500m bond program issued and listed for

P105m

in June 2016


SEBELE CENTRE
Pick n Pay
01
04
G4S
LIQUORAMA
CHOPPIES
07
BARCLAYS
09

Property Portfolio

01 SEBELE CENTRE
Plot 62417, Block 10, Gaborone
Tenants: Pick n Pay and Woolworths PEP, Steers, Debonairs, Mma Bolao, Mugg & Bean

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

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

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

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

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

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

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

09 PRIME PLAZA BUILDINGS
Plot 74358, New CBD, Gaborone
Tenants: Barclays, CEDA,GIZ, Cresta Hotels, Arup, Stock Brokers Botswana


10
Lewis
SPAR
13
14
Cavmont Bank
17

Property Portfolio

10 DHL BROADHURST
Plot 20610 Broadhurst, Gaborone
Tenant: DHL

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

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

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

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

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

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

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

NOT PICTURED
- G4S Lusaka & Kitwe, Zambia

Directors Profiles

P SANDY KELLY (MANAGING DIRECTOR)

Pr.Eng.BSc (Civ Eng) MBA MBIDP

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

R 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 the last 11 years. He has over 18 years experience in property management.

I 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 and a member of various Boards in Botswana. Law Organisation, an alumni of Churchill College, Cambridge University, and a member of various Boards in Botswana.

M PETRONELLA MATUMO (CHAIRMAN)

HND (Shanon, Rep.of Ireland),I.H.C.I

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

E CROSS KGOSIDIILE

FCMA FCPA BaC (Accounting), MsB Admin

Cross is a fellow of the Chartered Institute of Management Accountants and chairs the Audit Committee for PrimeTime. He was formerly the Chief Executive Officer of the Motor Vehicle Accident Fund, a position he held for over 10 years since 2005. Now a private business consultant he also sits on various Boards in Botswana.

Property & Asset **Management team**

Turnie Morolong BA, MBA, Dip PM
Turnie has been with Time since 2005 and was appointed Director of the Property Management Division in December 2007. Turnie also sits on the PrimeTime Board. He has vast experience in property management attained over a 18 year period in various capacities. He is responsible for the day to day management of the entire PrimeTime property portfolio.

Jo Jones BA (Hons) ACA (UK) FCPA (Bots)
Jo has been Time's Finance Director since 2007. Having qualified as a Chartered Accountant in the UK, she moved to Botswana 20 years ago with Pricewaterhouse-Coopers. With a background in audit she has been working in industry for the last 16 years. Additionally as PrimeTime's Company Secretary she oversees all the statutory and compliance matters as well as the finances for the PrimeTime Group.

Merapelo Mopaki
Merapelo has been the Property and Maintenance Manager for Time since 2013. He holds a certificate in Real Estate and now has over 10 years' experience in the Botswana property industry, having worked in both in the North and South of the country. Merapelo is key in the management, servicing and utility provision to PrimeTime's properties, maintenance and improvement projects and in providing vital tenant liaison.

Sandy Kelly Pr. Eng. BSc (Civ Eng) MBA MBIDP
Following an early career in South Africa in construction, property development and property finance, 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 2007. Since then, as managing director of Time Projects and PrimeTime he has led the team that has built the company's investment properties from an initial 13 to 24 today including the drive into Zambia.

Wani Nyasulu
Wani is currently the Group Finance Manager, having joined the company in 2008 as a Property Administrator. With a career spanning over 25 years in the accounting and property fields, she holds a diploma in Accounting and Business Studies and is currently studying for her final ACCA professional examinations. This year, Wani has been an integral part in managing the set up and finances of PrimeTime's new regional subsidiaries.

Joe Simpson BA (Hons)
Joe has been the Asset Manager for Time since 2014. His 16 year career has all been in the real estate field, working for Knight Frank in London since 2001 he rose to head up their International Research Division. His main role for PrimeTime is in assessing, negotiating and facilitating acquisitions and disposals, and in managing the larger lease renewals and maintenance projects. Joe has been at the forefront of the company's investment into Zambia in the last year and travels to Zambia regularly to achieve this.

Managing Director and Chairman's Statement

The year ending 31st August 2016 was an enormous one for the PrimeTime group and we are pleased to present our results for the year. In the period; total assets surpassed P1 billion for the first time, Earnings per Share rose 30%, the group's investment property portfolio grew by circa P80 million, while disposing of two properties and adding one, the share price continued to rise and our occupancy rate stayed close to 100%.

In both Zambia and Botswana there have been challenges to overcome, but also opportunities to seize in a year in which significant steps were taken in growing the business and laying the foundations for our long-term objectives.

The challenges came as a result of the macro issue of falling commodity prices, which have a disproportionate impact in the region due to our reliance on the mining sector as the main catalyst for growth. This has been compounded by localised and property market specific concerns such as an imbalance of supply and demand in some sectors of the market. Furthermore locally we have been hit with an unexpected stance by the Government over issuing foreign retailers with trading licence exemptions. This has impacted negatively on PrimeTime's latest retail development at Pilane which opened just after the year end with approximately one third of the space unoccupied. The Minister of Investment, Trade & Industry has reported that his engagement with the retailers is yielding results and we can only remain hopeful we will see international retail brands open at Pilane in the coming months.

Botswana has been in somewhat of an economic malaise, while in Zambia conditions have been tough following the collapse of the copper price in the second half of 2015 and the impact of managing debt. The situation there being compounded by the uncertainty created by the presidential elections in August. While we are unlikely to see growth rates jump back to long-term averages in the near future, both markets have now stabilised and growth is returning; diamond sales in Botswana have recovered and in Zambia the elections passed peacefully and growth is positive.

The year saw PrimeTime make its first disposals with the sale of Blue Jacket Square and Barclays Plaza in Francistown to the Botswana Public Officers Pension Fund. The decision to sell the Francistown properties for P71 million, a substantial premium on our book value, was driven by our long-term strategy to dispose of assets likely to show diminishing returns and reinvest the proceeds into assets with greater long-term growth potential and which complement our diversification strategy.

The market value of our investment property totalled P837 million, an uplift of 10% on the 2015 year end. Stripping out disposals and acquisitions that took place over the course of the year, on a 'like for like' basis there was an increase of 5% in asset value. This represents real growth, as inflation was recorded at just 2.6% for the period and comes despite difficult conditions in the wider market.

The strength of the group's's performance in what have been trying times for the region's economies and property markets, is testament to the strength of our occupier base and the

Managing Director and **Chairman's** Statement

relationships that have been forged with our tenants. We ended the year with a vacancy rate of close to zero and will maintain strong occupancy levels going forward as our current lease expiry profile is weighted heavily towards longer-term expiries; just 10% will expire in the next 12 months.

Revenue only increased marginally in the year as income from the high-yielding Francistown properties ceased upon their sale in December 2015 and we did not begin to receive income from the PwC Office Park until March 2016. While still dominated by income from our Gaborone assets, our efforts to diversify our income stream are starting to be reflected. The contribution of our assets in Zambia rose from 2% to 9% of turnover year-on-year and will likely double in the coming financial year.

2017 will see further acquisitions in Zambia as the market there has stabilised and we see signs of confidence returning. Our acquisitions will bring exposure to the retail market through the development of the shopping centre at Chirundu, as approved by unitholders post the year end, as well as the prime Kabulonga Mall in Lusaka which is to be delivered tenanted by occupiers with excellent covenants.

Growth in our domestic market will likely prove more challenging. The Pilane Crossing Mall which completed just after the year end will be a tremendous addition to the portfolio in the long-term. The Mochudi and Pilane area has been in need of a high-quality retail facility for many years and PrimeTime has delivered the mall on the basis of the clear tenant and consumer demand that already exists in the catchment area. However, trading conditions have been challenging in the first weeks of operation due to the licencing issue as outlined above. This is negatively affecting trade for our smaller local tenants. If a resolution can be reached we believe Pilane Crossing will begin to thrive in the manner we had envisaged.

Elsewhere in Botswana, PrimeTime has made investments in two sites at Setlhoa, close to our existing Sebele Centre for future development and we are assessing options for them at the moment. Furthermore, our asset management team are constantly searching for opportunities that will add value to the portfolio.

In order to support our growth ambitions, in June 2016 PrimeTime issued and listed two senior unsecured notes from a potential P500 million Domestic Medium Term Note Programme. The first tranche issuance totalled P105 million, against offers received of P196 million, a clear demonstration of the confidence in which institutional fund managers hold PrimeTime as a well performing and well managed fund. Moreover, post year end a further P210 million has been raised.

We are pleased to report earnings per linked unit rose 30% year on year, with a distribution of 15.92 thebe per unit. Contractual lease revenue rose 3% in the period, but will pick up considerably in the coming year as new income streams come online. The share price has performed well, ending the year up 6% at P3.05 as demand for PrimeTime stock remains strong.

Conclusion

A lot has been achieved in the past year. The drive to diversify the portfolio and invest beyond Botswana's borders was highlighted heavily in last year's annual report, and it has been delivered on. We have great ambitions for the group and look forward to reporting to you next year on the progress we have made in achieving them.

We are pleased with what we have accomplished in the last year, but none of it would have been possible without the support of our unitholders, funding institutions and fund managers, management teams and especially our tenants. We extend our thanks to all of the aforementioned and look forward to working with together as we take PrimeTime to the next level.

P Matumo
Chairman

A L Kelly
Managing Director

01 PILANE SHOPPING MALL
02 BARCLAYS PLAZA
03 BLUE JACKET SQUARE

Barclays Plaza & Blue Jacket Square were sold to the BPOPF for a consideration of P71 million.

Corporate Governance Statement

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.

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 comprised of two 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.

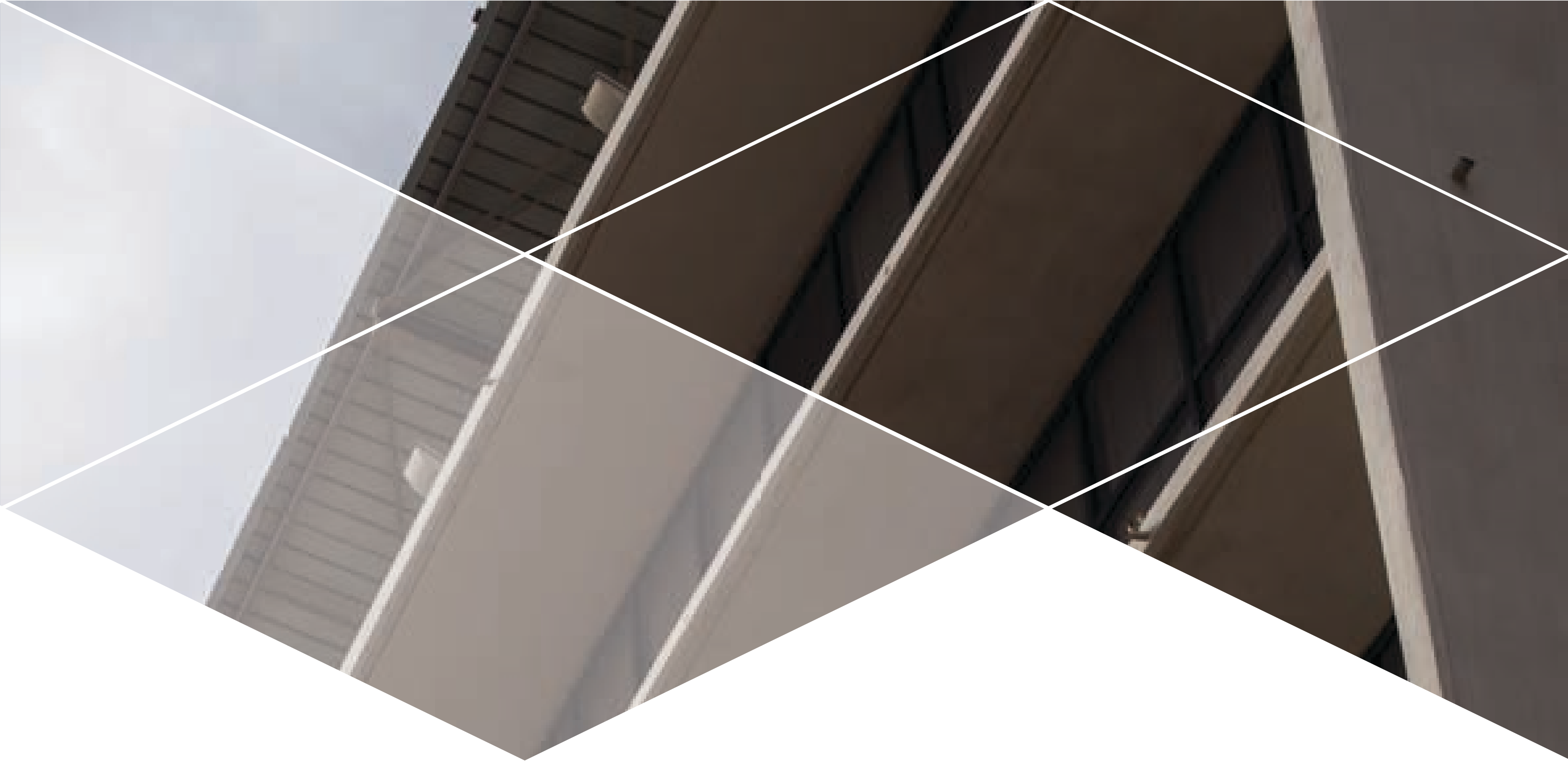
BOARD MEETINGS AND ATTENDANCE

Name	Board	Special Board	Annual General Meeting	Extraordinary General Meeting
P Matumo (chairman)	4	1	1	1
A L Kelly (managing director)	4	1	1	-
C Kgosidiile	4	1	-	-
M T Morolong	4	1	1	1
S Thapelo	3	1	1	-

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 to Time Projects (Botswana) (Pty) Limited ('Time'), 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 company at its quarterly meetings, monitoring the financial results against the business plan and budget.

The board remains sensitive to the related party transactions between the company and Time. 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.



DIRECTORS REMUNERATION FOR THE YEAR ENDED 31 AUGUST 2016

	BWP
P Matumo (chairman)	131 856
A L Kelly (managing director)	95 670
M T Morolong	95 670
C Kgosidiile (payable to Motor Vehicle Accident Fund) *	41 160
C Kgosidiile *	75 604
S Thapelo	84 865

*Including fees paid for attendance at Audit Committee meetings

Directors' fees are approved by the board and PrimeTime's unitholders. 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 provides the board with a written report and verbal commentary on all meetings held and the board has access to 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 the board together with the external auditors, representatives of the management company and executive directors by invitation. It is involved in the planning of the statutory annual audit at which a detailed risk assessment of the company is performed. The committee reviews the 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 company with legal and regulatory requirements; and
- the independence and performance of the company's external auditors.

Corporate Governance Statement

Considering the size and structure of the company, a dedicated internal audit function is not required at this stage. The internal controls documented by the management company 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 (chairman)	2 (2)
M Bellini	2 (2)

DIRECTORS' DEALINGS

The company operates a policy of prohibiting dealings by directors 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

The company secretary acts as the secretary of the board and attends all meetings. 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

31st August 2016

Major Linked Unitholders	Linked Units	%
LINWOOD SERVICES LIMITED	46 755 269	25.99%
FNB NOMINEES (PTY)LTD RE:AGRAY BPOPF 10001010	30 410 924	16.91%
TATI COMPANY LIMITED	25 600 000	14.23%
SCBN(PTY) LTD RE: METROPOLITAN LIFE BOTSWANA	13 513 378	7.51%
STANBIC NOMINEES BOTSWANA RE: AG DPF	6 126 872	3.41%
D.P. TRAINING CENTRE (PTY) LTD	6 000 000	3.34%

Linked Unit Band	No. Linked units	%	No of Holders	%
- 1 999	699 541	0.39%	1 209	62.64%
2 000 4 999	770 530	0.43%	265	13.73%
5 000 9 999	842 767	0.47%	122	6.32%
10 000 49 999	4 679 011	2.60%	241	12.49%
50 000 99 999	1 785 193	0.99%	26	1.35%
100 000 499 999	8 667 164	4.82%	40	2.07%
500 000 -50 000 000	162 445 994	90.30%	27	1.40%
	179 890 200	**100.00%**	**1 930**	**100.00%**

PRIMETIME PROPERTY HOLDINGS LIMITED

Consolidated & Separate Financial Statements

31st August 2016

Contents

Financial Statements

Corporate Information

Board of Directors
P. Matumo (Chairman)
A.L. Kelly (Managing Director)
M.T. Morolong
C. Kgosidiile
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,
Gaborone

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

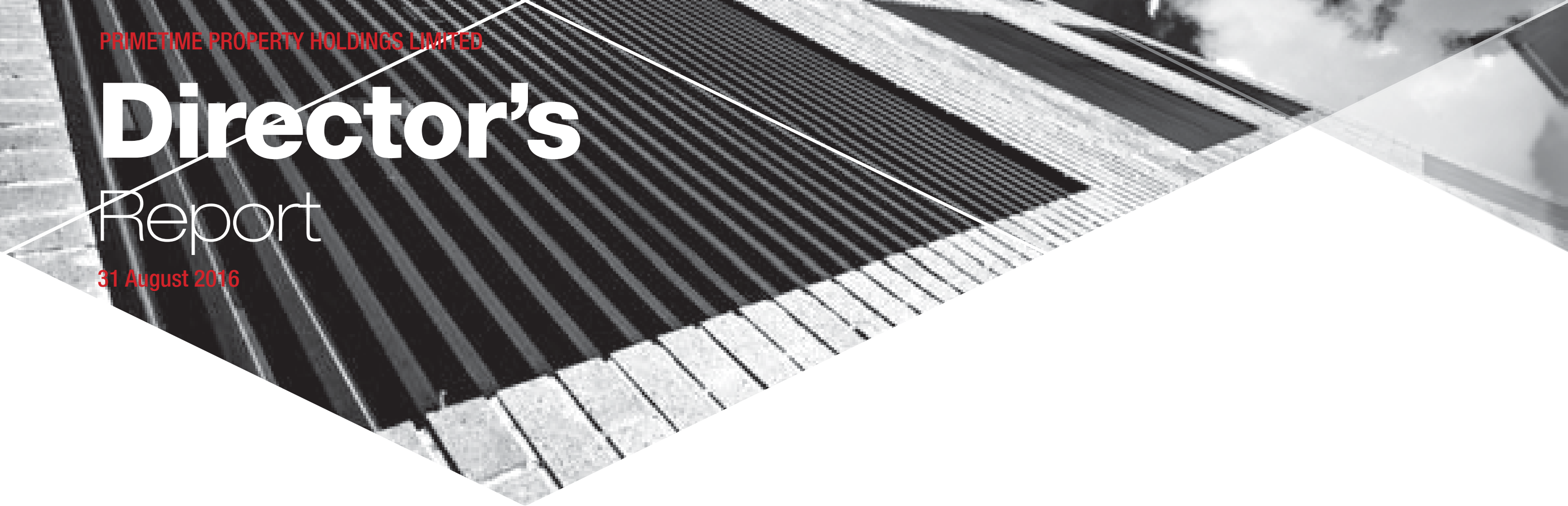
Company Secretary
J C Jones

Registered Office
Plot 50371, Fairgrounds Office Park
P O Box 249
Gaborone

Auditor
Deloitte and 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 and Asset Managers
Time Projects (Botswana) (Pty) Ltd
Acacia, Prime Plaza, Plot 74538 CBD, Gaborone
P.O.Box 1395, Gaborone
Tel: 3956080 Fax: 3900160
E-mail: time@time.co.bw



Director's Report

31 August 2016

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 it subsidiaries (the "Group" or "Consolidated") for the year ended 31 August 2016.

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

The stated capital of the company comprises 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. There have been no changes during the year.

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

The 179 890 200 linked units are listed on the Botswana Stock Exchange.

Financial Statements

The statements of financial position sets out the financial position of the Group at 31 August 2016 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)	2016	2015
Interim paid 18 March 2016 (20 March 2015)	5.10	5.38
Interim paid 26 August 2016 (28 August 2015)	7.41	8.14
Final proposed	3.41	2.70
	15.92	16.22

Administration and Management

The management of the company'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)
C Kgosidiile* (1)
M T Morolong (1)
S Thapelo* (1)
*Non-executive (1) Motswana (2) South African

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
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 & approval of the financial statements

31 August 2016

Directors' statement of responsibility

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 statements at 31 August 2016, 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 page 25.

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 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 annual 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 financial statements set out on pages 26 to 49, which have been prepared on the going concern basis, were approved by the Board of Directors on 17 November 2016 and were signed on its behalf by:

Director
P Matumo

Director
A L Kelly

Independent auditor's report

to the members of primetime property holdings limited

31 August 2016

Report on the Financial Statements

We have audited the consolidated and separate financial statements of PrimeTime Property Holdings Limited, which comprises the consolidated and separate statements of financial position as at 31 August 2016, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 26 to 49.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the consolidated and separate financial position of PrimeTime Property Holdings Limited as at 31 August 2016, and of its consolidated and separate financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Deloitte & Touche

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

Gaborone
17 November 2016

Statement of comprehensive income

for the year ended 31 August 2016

	Notes	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Revenue					
Contractual lease revenue		80 165 565	83 965 843	86 755 351	84 155 843
Rentals straight line adjustment		4 146 917	7 692 700	4 431 381	7 692 700
Rental income		84 312 482	91 658 543	91 186 732	91 848 543
Other operating revenue	1	12 090 987	12 794 055	12 090 987	12 794 055
Operating expenses	2	(31 686 895)	(32 065 158)	(32 989 215)	(32 692 600)
Profit on disposal of investment property		8 639 317	-	8 639 317	-
Exchange differences on translating foreign balances		(1 537 590)	-	(1 537 590)	-
Ground lease straight line adjustment		(40 423)	(40 059)	(40 423)	(40 059)
Profit from operations before fair value adjustment		71 777 878	72 347 381	77 349 808	71 909 939
Fair value adjustment	3	29 824 690	25 180 039	39 010 191	25 180 039
Profit from operations		101 602 568	97 527 420	116 359 999	97 089 978
Interest income	4	3 640 272	24 191	420 415	24 191
Interest expense	4	(20 740 354)	(21 357 908)	(22 124 117)	(21 357 908)
Profit before taxation		84 502 486	76 193 703	94 656 297	75 756 261
Taxation	6.1	(12 535 303)	(14 792 316)	(13 138 634)	(14 792 316)
Profit for the year		71 967 183	61 401 387	81 517 663	60 963 945
Other comprehensive loss					
Items that may be subsequently classified to profit or loss					
Exchange differences on translating foreign operations		(1 822 631)	(5 050 598)	(1 881 793)	(5 050 598)
Other comprehensive loss		(1 822 631)	(5 050 598)	(1 881 793)	(5 050 598)
Total comprehensive income for the year		70 144 552	56 350 789	79 635 870	55 913 347
Earnings per linked unit (thebe)	7	43.51	37.70	48.82	37.46
Distribution per linked unit (thebe)	5	15.92	16.22	15.92	16.22

Statement of financial position

at 31 August 2016

	Notes	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
ASSETS					
Non-current assets					
Investment properties	8	695 010 161	665 586 239	799 722 419	665 586 239
Work in progress	10	109 369 635	17 305 390	115 020 193	22 955 948
Investment in subsidiary	11	6 061 020	6 060 000	-	-
Rentals straight-line adjustment		36 146 324	31 651 826	36 417 362	31 651 826
Amount due from related parties	13	45 789 389	-	-	-
		892 376 529	720 603 455	951 159 974	720 194 013
Current assets					
Trade and other receivables	12	5 338 262	3 962 896	5 767 786	3 962 896
Amount due from related parties	13	14 118 357	-	-	-
Rentals straight-line adjustment		1 995 776	2 651 397	2 007 147	2 651 397
Taxation receivable		-	7 450	-	7 450
Cash and cash equivalents		31 253 754	2 412 071	49 009 555	2 412 071
		52 706 149	9 033 814	56 784 488	9 033 814
Assets classified as held for sale	8	-	59 750 000	-	59 750 000
		52 706 149	68 783 814	56 784 488	68 783 814
Total assets		**945 082 678**	**789 387 269**	**1 007 944 462**	**788 977 827**
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	14	4 716 210	4 716 210	4 716 210	4 716 210
Debentures	15	132 610 057	132 610 057	132 610 057	132 610 057
Accumulated profits	16	343 170 695	293 541 558	352 283 733	293 104 116
Foreign currency translation reserve		(5 237 762)	(3 415 131)	(5 296 924)	(3 415 131)
Debenture interest reserve	17	6 134 256	4 857 035	6 134 256	4 857 035
Total equity and reserves		481 393 456	432 309 729	490 447 332	431 872 287
Non-current liabilities					
Deferred taxation	6	40 023 441	34 242 371	40 023 441	34 242 371
Long term borrowings	21	382 454 113	252 351 484	428 675 138	252 351 484
Ground lease straight-line adjustment		850 174	809 751	850 174	809 751
		423 327 728	287 403 606	469 548 753	287 403 606
Current liabilities					
Trade and other payables	18	14 238 304	11 299 798	15 144 786	11 327 798
Related party payables	19	3 865 344	9 468 679	3 900 300	9 468 679
Current portion of long term borrowings	22	19 421 007	26 443 645	26 066 452	26 443 645
Deferred revenue	20	2 585 805	2 425 452	2 585 805	2 425 452
Bank overdraft		78 848	19 880 035	78 848	19 880 035
Tax payable		172 186	156 325	172 186	156 325
		40 361 494	69 673 934	47 948 377	69 701 934
Total equity and liabilities		**945 082 678**	**789 387 269**	**1 007 944 462**	**788 977 827**

statements of Changes in equity

for the year ended 31 August 2016

	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 2014		4 716 210	132 610 057	254 899 159	1 635 467	4 911 002	398 771 895
Total comprehensive income/(loss) for the year		-	-	61 401 387	(5 050 598)	-	56 350 789
Debenture interest	5	-	-	(29 178 190)	-	29 178 190	-
Taxation attributable to debenture interest	6.1	-	-	6 419 202	-	-	6 419 202
Debenture interest paid		-	-	-	-	(29 232 157)	(29 232 157)
Balance at 31 August 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**
Consolidated							
Balance at 31 August 2014		4 716 210	132 610 057	254 899 159	1 635 467	4 911 002	398 771 895
Total comprehensive income/(loss) for the year		-	-	60 963 945	(5 050 598)	-	55 913 347
Debenture interest	5	-	-	(29 178 190)	-	29 178 190	-
Taxation attributable to debenture interest	6.1	-	-	6 419 202	-	-	6 419 202
Debenture interest paid		-	-	-	-	(29 232 157)	(29 232 157)
Balance at 31 August 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**

Statement of Cash flows

for the year ended 31 August 2016

	Notes	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Cash flows from operating activities					
Profit for the year before taxation		84 502 486	76 193 703	94 656 297	75 756 261
Interest income	4	(3 640 272)	(24 191)	(420 415)	(24 191)
Interest expense	4	20 740 354	21 357 908	22 124 117	21 357 908
Fair value adjustments on revaluation of investment properties	3	(33 931 184)	(32 832 680)	(43 401 149)	(32 832 680)
Profit on disposal of investment property		(8 639 317)	-	(8 639 317)	-
Operating income before working capital changes		59 032 067	64 694 740	64 319 533	64 257 298
(Increase) / decrease in trade and other receivables		(1 375 366)	2 196 908	(1 804 890)	2 196 908
Increase in trade and other payables		2 938 506	45 183	3 816 988	73 183
Decrease in related party payables		(5 603 335)	(10 339 252)	(5 568 379)	(10 339 252)
Increase in related party receivables		(14 118 357)	-	-	-
Increase in deferred revenue		160 353	190 353	160 353	190 353
Cash generated from operations		41 033 868	56 787 932	60 923 605	56 378 490
Income taxes paid		(430 448)	(462 287)	(1 033 778)	(462 287)
Net cash from operating activities		40 603 420	56 325 645	59 889 827	55 916 203
Cash flows used in investing activities					
Interest received	4	3 640 272	24 191	420 415	24 191
Acquisition of subsidiary		(1 020)	(6 060 000)	-	-
Increase in non-current amount due to related party		(45 789 389)	-	-	-
Cost (additions) / reductions to investment properties	8	(1 028 329)	1 581 966	(96 621 415)	1 581 966
Additions to work in progress	10	(92 064 245)	(17 305 390)	(92 064 245)	(22 955 948)
Proceeds on disposal of investment properties		71 000 000	-	71 000 000	-
Net cash used in investing activities		(64 242 711)	(21 759 233)	(117 265 245)	(21 349 791)
Cash flows from financing activities					
Net increase in long term borrowings		123 079 991	565 061	175 946 461	565 061
Debenture interest paid		(27 361 299)	(29 232 157)	(27 361 299)	(29 232 157)
Interest paid	4	(20 740 354)	(21 357 908)	(22 124 117)	(21 357 908)
Net cash generated from / (used in) financing activities		74 978 338	(50 025 004)	126 461 045	(50 025 004)
Net increase / (decrease) in cash and cash equivalents for the year		51 339 047	(15 458 592)	69 085 627	(15 458 592)
Cash deficit at beginning of the year		(17 467 964)	(1 633 769)	(17 467 964)	(1 633 769)
Effects of exchange rates		(2 696 177)	(375 603)	(2 686 956)	(375 603)
Cash balances / (deficit) at end of the year		31 174 906	(17 467 964)	48 930 707	(17 467 964)
Comprising:					
Bank balances and cash		31 253 754	2 412 071	49 009 555	2 412 071
Bank overdraft		(78 848)	(19 880 035)	(78 848)	(19 880 035)
Cash balances / (deficit) at end of the year		**31 174 906**	**(17 467 964)**	**48 930 707**	**(17 467 964)**

significant accounting policies

31 August 2016

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 22.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Standards affecting amounts reported in the current period

There were no new standards nor amendments to accounting standards which became effective in the period under review.

New and revised Standards in issue but not yet effective

New/Revised International Financial Reporting Standards

IAS 1	Presentation of Financial Statements (Amendments arising under the Disclosure Initiative)
IAS 16	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
IAS 19	Employee Benefits (Amendments resulting from 2012-2014 Annual Improvements Cycle)
IAS 27	Equity Method in Separate Financial Statements
IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IAS 34	Interim Financial Reporting (Amendments resulting from 2012-2014 Annual Improvements Cycle)
IAS 38 (amended)	Intangible Assets (Amendments resulting from clarification of acceptable methods of depreciation and amortisation (Amendments to IAS 16 and IAS 38))
IAS 16 and IAS 41	Agriculture: Bearer Plants
IFRS 1	First-time Adoption of International Financial Reporting Standards (Amendments resulting from 2012-2014 Annual Improvements Cycle)
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Amendments resulting from 2012-2014 Annual Improvements Cycle)
IFRS 7 (amended)	Financial Instruments: Disclosures (Amendments resulting from September 2014 Annual Improvements to IFRSs)
IFRS 9 (amended)	Financial Instruments (Reissue of a complete standard with all the chapters incorporated)**
IFRS 10 (amended)	Consolidated Financial Statements
IFRS 11	Accounting for Acquisition of Interests in Joint Operations
IFRS 12	Disclosure of Interests in Other Entities (Amendments related to the application of the investment entities exceptions)
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers**

The Director's have not yet evaluated the effect of all the new standards, amendments and interpretations in issue but not effective.

all dates are effective from Annual periods beginning on or after 1 January 2016 apart from
**Annual periods beginning on or after 1 January 2018

significant accounting policies (continued)

31 August 2016

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).

significant accounting policies (continued)

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.

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.

significant accounting policies (continued)

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.

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 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.

		Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
1 OTHER OPERATING REVENUE					
Other operating revenue comprises:					
Utilities, service levies and other costs recovered from tenants		12 090 987	12 794 055	12 090 987	12 794 055
2 OPERATING EXPENSES					
Included in operating expenses are the following costs:					
Amounts paid to related parties					
Asset management fees		7 657 701	5 331 246	8 706 058	5 331 246
Property management fees		3 729 432	3 939 564	3 795 034	3 939 564
Letting fees		652 461	407 478	652 461	407 478
		12 039 594	9 678 288	13 153 553	9 678 288
Less: Asset management fees capitalised		(2 365 817)	(315 718)	(3 304 630)	(315 718)
		9 673 777	9 362 570	9 848 923	9 362 570
Auditors' remuneration	Audit fees - current year	484 900	381 810	486 900	406 810
	Audit fees - prior year	-	1 600	-	1 600
	Other services - taxation	59 656	-	59 656	-
	Other services - consultancy	798 010	-	798 010	-
Directors' emoluments -	For services as directors	524 825	421 433	524 825	421 433
Directors' emoluments -	For additional services	75 600	-	75 600	-
Professional fees		645 285	337 319	1 040 314	337 319
Rentals and ground leases		1 408 307	1 366 082	1 408 307	1 531 262
Rates		642 970	704 326	659 973	704 326
Trustees' fees		31 433	22 183	31 433	22 183
Utilities, service levies and other property costs		13 803 823	14 482 013	13 803 823	14 482 013
3 FAIR VALUE ADJUSTMENT					
Change in fair value of investment properties for the year (Note 8)		33 931 184	32 832 680	43 401 149	32 832 680
Rentals straight-line adjustment for the year (Note 8)		(4 146 917)	(7 692 700)	(4 431 381)	(7 692 700)
Ground lease straight-line adjustment (Note 8)		40 423	40 059	40 423	40 059
		29 824 690	25 180 039	39 010 191	25 180 039
4 INTEREST					
Interest income					
	- Bank deposits	420 415	24 191	420 415	24 191
	- Inter-company	3 219 857	-	-	-
		3 640 272	24 191	420 415	24 191
Interest expense					
	- Bank borrowings	24 660 774	21 753 215	25 015 668	21 753 215
	- Other	1 267	59	1 030 136	59
		24 662 041	21 753 274	26 045 804	21 753 274
Less: capitalised to work in progress (Note 10)		(3 921 687)	(395 366)	(3 921 687)	(395 366)
		20 740 354	21 357 908	22 124 117	21 357 908

		Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
5	**DEBENTURE INTEREST**				
	Interim paid 18 March 2016 - 5.10 thebe (2015:18 March 2015 - 5.38 thebe)	9 174 400	9 678 093	9 174 400	9 678 093
	Interim paid 26 August 2016 - 7.41 thebe 2015: 28 August 2015 - 8.14 thebe)	13 329 864	14 643 062	13 329 864	14 643 062
	Final proposed - 3.41 thebe (2015: 2.70 thebe)	6 134 256	4 857 035	6 134 256	4 857 035
		28 638 520	29 178 190	28 638 520	29 178 190
	Weighted average number of linked units in issue for the year	179 890 200	179 890 200	179 890 200	179 890 200
	Distribution per linked unit (thebe)	15.92	16.22	15.92	16.22
6	**TAXATION**				
6.1	**Company Taxation**				
	Withholding taxation - foreign interest	225 770	181 419	225 770	181 419
	Withholding taxation - foreign rental income	160 773	206 579	764 103	206 579
	Normal taxation	67 216	-	67 216	-
	Deferred taxation	5 781 070	7 985 116	5 781 070	7 985 116
	Charge for the year	6 234 829	8 373 114	6 838 159	8 373 114
	Income tax expense comprises:				
	Charge to statement of comprehensive income	12 535 303	14 792 316	13 138 633	14 546 945
	Attributable to debenture interest credited to statement of changes in equity	(6 300 474)	(6 419 202)	(6 300 474)	(6 173 831)
		6 234 829	8 373 114	6 838 159	8 373 114

6.2 Estimated Tax Losses

The company has estimated tax losses amounting to Pnil (2015: P4 433 944) available to offset against future taxable income. Deferred taxation of Pnil (2015: P975 468) 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 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
6.3	**Deferred Taxation**				
	Gains on fair value of investment property	27 806 669	24 932 229	27 806 669	24 932 229
	Capital allowances	12 216 772	10 285 610	12 216 772	10 285 610
	Estimated tax losses	-	(975 468)	-	(975 468)
	Deferred tax liability at end of the year	40 023 441	34 242 371	40 023 441	34 242 371
	Deferred taxation arises as follows:				
	Gains on fair value of investment property:				
	Balance at beginning of the year	24 932 229	20 055 476	24 932 229	20 055 476
	Movement during the year	2 874 440	4 876 753	2 874 440	4 876 753
	Balance at end of the year	27 806 669	24 932 229	27 806 669	24 932 229

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
6 TAXATION (Cont)				
6.3 Deferred Taxation (Cont)				
Capital allowances on investment property:				
Balance at beginning of the year	10 285 610	7 560 769	10 285 610	7 560 769
Movement during the year	1 931 162	2 769 126	1 931 162	2 769 126
Prior year over provision	-	(44 285)	-	(44 285)
Balance at end of the year	12 216 772	10 285 610	12 216 772	10 285 610
Estimated tax losses:				
Balance at beginning of the year	(975 468)	(1 358 991)	(975 468)	(1 358 991)
Arising during the year	-	-	-	-
Utilised during the year	975 468	339 238	975 468	339 238
Prior year over estimation	-	44 285	-	44 285
Balance at end of the year	-	(975 468)	-	(975 468)
Total deferred tax	40 023 441	34 242 371	40 023 441	34 242 371
6.4 Reconciliation of Taxation Charge				
Profit before taxation	84 502 486	76 193 703	94 656 297	75 756 261
Taxation at the current tax rate of 22%	18 590 547	16 762 615	20 824 385	16 762 615
Debenture interest	(6 019 486)	(6 431 075)	(6 019 486)	(6 431 075)
Fair value adjustments	(5 899 973)	(2 390 722)	(7 983 366)	(2 390 722)
Profit on disposal of investment property	(1 900 650)	-	(1 900 650)	-
Effect of different tax rate in Zambia	(231 983)	-	(382 429)	-
Foreign exchange losses	338 270	-	338 270	-
Recoupment of capital allowances on disposal	971 282	-	97 282	-
Expenses not deductible	280	13	280	13
Prior year over provision of deferred tax expense	-	44 285	-	44 285
Withholding taxation - foreign income	386 543	387 998	989 873	387 998
Charge for the year	6 234 829	8 373 114	6 838 159	8 373 114
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:				
Profit for the year	71 967 183	61 401 387	81 517 663	60 963 945
Taxation attributable to debenture interest (Note 6.1)	6 300 474	6 419 202	6 300 474	6 419 202
Earnings for the year attributable to linked unit holders	78 267657	67 820 589	87 818 137	67 383 147
Weighted average number of linked units in issue for the year	179 890 200	179 890 200	179 890 200	179 890 200
Earnings per linked unit (thebe)	43.51	37.70	48.82	37.46
8 INVESTMENT PROPERTIES				
At fair value				
Freehold properties	184 463 606	172 910 455	184 463 606	172 910 455
Leasehold properties	510 546 555	492 675 784	615 258 813	492 675 784
Total investment properties	695 010 161	665 586 239	799 722 419	665 586 239

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
8 INVESTMENT PROPERTIES (cont)				
Reconciliation of fair value				
Balance at beginning of the year	665 586 239	705 686 817	665 586 239	705 686 817
Property additions at cost	1 900 529	6 382 902	97 493 615	6 382 902
Property disposals at cost	(96 198)	-	(96 198)	-
Adjustment of final cost estimates	(872 200)	(7 964 868)	(872 200)	(7 964 868)
Transfers from work in progress	-	-	-	-
Fair value adjustment for the year	33 931 184	32 832 680	43 401 149	32 832 680
Foreign exchange translation reserve	(1 332 899)	(3 948 651)	(1 399 228)	(3 948 651)
Transfers to assets held for sale	-	(59 750 000)	-	(59 750 000)
Rentals straight-line adjustment for the year	(4 146 917)	(7 692 700)	(4 431 381)	(7 692 700)
Ground lease straight-line adjustment for the year	40 423	40 059	40 423	40 059
Balance at end of the year	695 010 161	665 586 239	799 722 419	665 586 239

The fair values of the company's investment properties in Botswana at 31 August 2016 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 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 2016 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 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.

Investment properties held for sale

In the prior year, the Company was in the process of negotiating the sale of two properties in Francistown valued at P59 750 000. As a result these investment properties were disclosed as "Assets held for sale". The sale was completed during the current financial year.

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	
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	*2
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	*2
Plot 4649, Lobatse	20 year Ground lease from 1 November 2004	*2
Plot 20584, Gaborone	50 year State grant from 27 November 1998	*2
Plot 62417, Gaborone	50 year State grant from 26 September 2005	*2
Plot 74538, Gaborone	50 year state grant from 26 September 2005	*2
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

*1 This property is encumbered as per note 19
*2 These properties are encumbered as per note 20

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P

9 FAIR VALUE MEASUREMENT

Assets measured at fair value

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

Recurring fair value measurements at the end of the reporting period

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Investment properties	695 010 161	665 586 239	799 722 419	665 586 239

Reconciliation of fair value measurements categorised within Level 3 of fair value hierarchy

Investment properties

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Opening balance	665 586 239	705 686 817	665 586 239	705 686 817
Included in profit or loss	29 824 690	25 180 039	39 010 191	25 180 039
Foreign exchange translation reserve	(1 332 899)	(3 948 651)	(1 399 228)	(3 948 651)
Additions and transfers	1 900 529	6 382 902	97 493 615	6 382 902
Disposals	(96 198)	-	(96 198)	-
Transfers to assets held for sale	-	(59 750 000)	-	(59 750 000)
Cost accrual reductions	(872 200)	(7 964 868)	(872 200)	(7 964 868)
Closing balance	695 010 161	665 586 239	799 722 419	665 586 239

Gains and losses arising from fair valuation of investment properties are shown as a separate line in the statement of comprehensive income as follows:

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Total gains for the period	29 824 690	25 180 039	39 010 191	25 180 039

Valuation techniques and inputs	Fair value at 31 August 2016 Company P	Fair value at 31 August 2016 Group P	Valuation	Unobservable input	Range
Investment properties	695 010 161	799 722 419	Discounted net rentals	Capitalisation rate	8-15%

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 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Balance at beginning of the year	17 305 390	-	22 955 948	-
Additions	88 142 558	16 910 024	88 142 558	22 560 582
Finance costs capitalised	3 921 687	395 366	3 921 687	395 366
Balance at end of the year	109 369 635	17 305 390	115 020 193	22 955 948

These costs in both the company and group are in relation to:
a) the development of a retail shopping centre on Tribal Lot 439 Pilane.
The building was commissioned on 22 September 2016.
b) the purchase of Plot 75782 Setlhoa, not yet developed.
c) the purchase of Plot 75749 Setlhoa, not yet developed.
The finance costs capitalised relate to interest incurred on the various long term borrowings as disclosed in note 20.

11 INVESTMENT IN SUBSIDIARIES

	Proportion of ownership interest %	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Amatrix Developments (Proprietary) Limited	100	6 060 000	6 060 000	-	-
PrimeTime Property Holdings (Mauritius) Limited	100	1 020	-	-	-
		6 061 020	6 060 000	-	-

Amatrix Developments (Proprietary) Limited, a property investment company incorporated in Botswana, was acquired on 27 February 2015. It owns the title to Tribal Lot 439 Pilane as disclosed in Note 10.
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.

12 TRADE AND OTHER RECEIVABLES

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Trade receivables	1 821 514	2 490 030	2 052 868	2 490 030
Allowance for doubtful debts	(545 030)	(577 818)	(545 030)	(577 818)
Net trade receivables	1 276 484	1 912 212	1 507 838	1 912 212
Other receivables	4 061 778	2 050 684	4 259 948	2 050 684
	5 338 262	3 962 896	5 767 786	3 962 896

The directors consider the carrying amount of trade and other receivables to approximate their fair value. The average credit period is 30 days (2015: 30 days). No interest is charged on overdue receivables. The company has provided for past due and impaired receivables based on estimated irrecoverable amounts determined by reference to default experience.

Ageing of past due but not impaired

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
60 to 90 days	1 249 570	163 956	1 249 570	163 956
Over 90 days	264 384	471 241	264 384	471 241
	1 513 954	635 197	1 513 954	635 197

Movement in the allowance for doubtful debts

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Balance at beginning of year	577 818	316 173	577 818	316 173
Amounts written off during the year	(122 804)	-	(122 804)	-
Impairment losses reversed	(208 263)	(83 314)	(208 263)	(83 314)
Impairment losses recognised during the year	298 279	344 959	298 279	344 959
Balance at end of year	545 030	577 818	545 030	577 818

13 RELATED PARTY RECEIVABLES

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
RELATED PARTY RECEIVABLES	59 907 746	-	-	-
PrimeTime Property Holdings (Mauritius) Limited	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	(45 789 389)	-	-	-
Amounts due within one year	14 118 357	-	-	-

14 STATED CAPITAL

	Company & Consolidated 2016	Company & Consolidated 2015	Company & Consolidated 2016	Company & Consolidated 2015
	P	P	P	P
	Number of units	Number of units		
Fully paid linked units				
Balance at the beginning and end of the year	179 890 200	179 890 200	4 716 210	4 716 210

Each Linked Unit in the company comprises one linked unit and one variable rate unsecured debenture as per Note 14, 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 shareholder 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 2016	Company & Consolidated 2015	Company & Consolidated 2016	Company & Consolidated 2015
	P	P	P	P
	Number of debentures	Number of debentures		
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

Each Linked Unit in the Company comprises one ordinary share as per Note 13, 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 2016	Company 2015	Consolidated 2016	Consolidated 2015
	P	P	P	P
Balance at the beginning of the year	293 541 558	254 899 159	293 541 558	254 899 159
Retained from normal operations during the year	18 572 393	10 686 472	18 215 466	10 249 030
Arising from fair value adjustments on revaluation of investment properties	31 056 744	27 955 927	40 526 709	27 955 927
Balance at the end of the year	343 170 695	293 541 558	352 283 733	293 104 116

The accumulated profits from normal operations amounts to P47 492 541 (2015: P28 920 148) in the Company and P46 698 172 (2015: P28 482 706) in the Group.

17 DEBENTURE INTEREST RESERVE

Debenture interest reserve balance at the end of the year	6 134 256	4 857 035	6 134 256	4 857 035

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 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
18 TRADE AND OTHER PAYABLES				
Trade payables	9 834 186	7 430 181	9 834 186	7 458 181
Refundable deposits held for tenants	1 868 379	2 257 686	2 103 266	2 257 686
Other payables	2 535 739	1 611 931	3 207 334	1 611 931
	14 238 304	11 299 798	15 144 786	11 327 798

The average credit period on purchases is 30 days (2015: 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 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
19 RELATED PARTY PAYABLES				
Time Projects (Botswana) (Proprietary) Limited	3 722 554	9 322 397	3 722 554	9 322 397
Time Projects Property (Zambia) Limited	-	-	34 956	-
Directors' fees	142 790	146 282	142 790	146 282
	3 865 344	9 468 679	3 900 300	9 468 679
20 DEFERRED REVENUE				
Rentals received in respect of future periods invoiced in advance	2 585 805	2 425 452	2 585 805	2 425 452

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 P22 000 000 (2015: P22 000 000). The facility is payable on demand, and attracts interest at the rate of 7% per annum (2015: 8%).

The unused facility is P21 921 152 (2015: P2 119 965).

The Company has guarantees of P693 254 (2015: 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 (2015: USD 1 000 000) and a spot foreign currency dealing facility of USD1 000 000 (2015: USD1 000 000). At 31 August 2016 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 (2015: P31 300 000), a cession of insurance and a cession of rentals.

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
22 LONG TERM BORROWINGS				
The African Banking Corporation of Botswana Limited	18 187 025	21 105 862	18 187 025	21 105 862
Bank Gaborone Limited	9 000 000	9 050 874	9 000 000	9 050 874
Barclays Bank of Botswana Limited	67 469 688	74 969 688	67 469 688	74 969 688
BIFM Capital Investment Fund Two (Pty) Limited Floating Rate Promissory Notes	11 130 147	13 749 006	11 130 147	13 749 006
BIFM Capital Investment Fund Two (Pty) Limited Fixed Rate Promissory Notes	39 295 963	48 028 400	39 295 963	48 028 400
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	35 498 339	15 992 297	35 498 339
First National Bank Botswana Limited acting through its RMB Botswana Division	70 800 000	11 392 960	70 800 000	11 392 960
PT021 Listed unsecured senior notes	56 000 000	-	56 000 000	-
PT024 Listed unsecured senior notes	49 000 000	-	49 000 000	-
Barclays Bank Zambia PLC	-	-	52 866 470	-
	401 875 120	278 795 129	454 741 590	278 795 129

22 LONG TERM BORROWINGS (Cont)

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Less: Portion repayable within one year disclosed as a current liability	19 421 007	26 443 645	26 066 452	26 443 645
The African Banking Corporation of Botswana Limited	3 181 270	2 921 205	3 181 270	2 921 205
Bank Gaborone Limited	528 289	50 874	528 289	50 874
Barclays Bank of Botswana Limited	1 250 000	6 000 947	1 250 000	6 000 947
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	6 119 325	3 110 154	6 119 325
Barclays Bank Zambia PLC	-	-	6 645 445	-
Total long term portion of borrowings	382 454 113	252 351 484	428 675 138	252 351 484

Terms and conditions of long term borrowings

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.	Bears interest at a variable rate of the current prime rate of 7% (2015: 7.5%).	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 1.24% (2015: 2.16%).	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.
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.	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 (2015: 7.5%).	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.	Bears interest at a variable rate of the current prime rate of 7% (2015: 7.5%).	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.

22 LONG TERM BORROWINGS (Cont)

Terms and conditions of long term borrowings (Cont)

Facility	Period and repayment	Interest rate	Security
BIFM Capital Investment Fund One (Pty) Limited Fixed Rate Term Loan of P65 000 000	The loan was 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.	Bears interest at a variable rate of 100 basis points below current prime rate of 7% (2015: 7.5%).	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%. (2015: 7.5%).	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.
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 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 (2015: 2.1%).	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	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%.	None
PT024 Listed unsecured senior notes issued on 10 June 2016 P49 000 000	The notes mature on 10 June 2024 with a bullet payment.	Bear interest at a fixed rate of 8.5%.	None
Additionally in the Group:			
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 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.

23 FINANCIAL RISK MANAGEMENT

	Company & Consolidated 2016 P	Company & Consolidated 2015 P	Company & Consolidated 2016 P	Company & Consolidated 2015 P
Categories of Financial Instruments				
Financial assets				
Receivables (including related party balances and cash and cash equivalents)	94 816 665	6 368 530	54 770 904	6 368 530
Financial liabilities				
Payables (including related party balances)	415 068 725	318 309 646	468 831 229	308 868 967

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 2015.

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 2016 the company had P4 016 and the group had P53 491 711 monetary liabilities denominated in foreign currencies, which would expose it to fluctuations in foreign currency exchange rates (2015 company and group : P6 345). At 31 August 2016 the company had P60 242 625 and the group had P18 443 957 monetary assets denominated in foreign currencies (2015 company and group: P1 033 822).

If exchange rates had been 5% higher/lower and all other variables were held constant, the company's profits would have increased/decreased by P279 540 and the group's profit would have increased/decreased by P918 819 (2015 company and group: P316 899).

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 P589 693 and group's profit and comprehensive income would have decreased/increased by P916 320 (2015 company and group: P803 762).

23 FINANCIAL RISK MANAGEMENT (Cont)

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.

Company	Less than one year P	One to five years P	More than 5 years P
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
2015			
Non-interest bearing	19 634 480	-	-
Variable interest rate instruments	37 591 244	93 459 150	54 596 372
Fixed interest rate	8 732 436	34 929 744	69 366 220
	65 958 160	128 388 894	123 962 592
Consolidated			
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
2015			
Non-interest bearing	19 634 480	-	-
Variable interest rate instruments	37 591 244	93 459 150	54 596 372
Fixed interest rate	8 732 436	34 929 744	69 366 220
	65 958 160	128 388 894	123 962 592

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 29.92% of the issued linked units of the Company at 31 August 2016 and 31 August 2015.

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	Purchases of services P	Debenture interest paid (gross) P	Interest received (gross) P	Purchases of Investment Property & work in progress P	Consulting fees P	Directors fees P	Amounts owed (by)/ to related parties P
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
Mmoloki Tumie Morolong and family	-	913	-	-	-	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
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
Mmoloki Tumie Morolong and family	-	913	-	-	-	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
S Thapelo	-	-	-	-	-	84 865	16 193

24 RELATED PARTY TRANSACTIONS	Purchases of services P	Debenture interest paid (gross) P	Interest received (gross) P	Purchases of Investment Property & work in progress P	Consulting fees P	Directors fees P	Amounts owed (by)/ to related parties P
2015							
Company and Consolidated							
Time Projects (Botswana) (Proprietary) Limited (note 13)	9 678 288	-	-	3 926 335	-	-	9 322 397
Linwood Services Limited	-	7 597 731	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)							
2015							
Key management personnel / directors:							
Alexander Lees Kelly and family	-	53 993	-	-	-	71 514	25 712
Mmoloki Turnie Morolong and family	-	975	-	-	-	71 514	25 712
C Kgosidiile (Payable to Motor Vehicle Accident Fund)	-	-	-	-	-	91 604	36 002
Petronella Matumo	-	107 531	-	-	-	105 977	33 143
R P Newman	-	-	-	-	-	9 800	-
S Thapelo	-	-	-	-	-	71 024	25 712

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 P80 165 565 (2015: P83 965 843), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P5 548 339 (2015: P5 809 520).

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 P86 755 351 (2015: P83 965 843), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P5 734 476 (2015: P5 809 520).

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

	Company		Consolidated	
	2016 P	2015 P	2016 P	2015 P
Not longer than 1 year	74 276 425	77 704 908	83 352 986	77 704 908
Longer than 1 year and not longer than 5 years	204 811 135	207 907 888	229 424 602	207 907 888
Longer than 5 years	213 632 615	232 364 130	213 632 615	232 364 130
	492 720 175	517 976 926	526 410 203	517 976 926

25 OPERATING LEASE ARRANGEMENTS (Cont)

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

	Company 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Minimum lease payments	505 376	614 840	505 376	614 840
Contingent rentals	902 931	751 242	902 931	751 242
	1 408 307	1 366 082	1 408 307	1 366 082
At the reporting date the estimated minimum lease commitments by the company to lessors amounts to:				
Not longer than 1 year	481 242	505 376	481 242	505 376
Longer than 1 year and not longer than 5 years	2 134 018	2 047 057	2 134 018	2 047 057
Longer than 5 years	2 926 230	3 494 432	2 926 230	3 494 432
	5 541 490	6 046 865	5 541 490	6 046 865

26 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 2016 P	Company 2015 P	Consolidated 2016 P	Consolidated 2015 P
Contractual lease revenue				
Local operations	78 568 929	81 895 673	78 568 929	82 085 673
Foreign operations	1 596 636	2 070 170	8 186 422	2 070 170
	80 165 565	83 965 843	86 755 351	84 155 843
Non-current assets				
Investment properties				
Local operations	677 770 958	650 834 905	677 770 958	650 834 905
Foreign operations	17 239 203	14 751 334	121 951 461	14 751 334
	695 010 161	665 586 239	799 722 419	665 586 239
Total liabilities				
Local operations	457 389 173	356 890 113	463 573 339	356 918 113
Foreign operations	145 883	187 427	53 923 791	187 427
	457 535 056	357 077 540	517 497 130	357 105 540

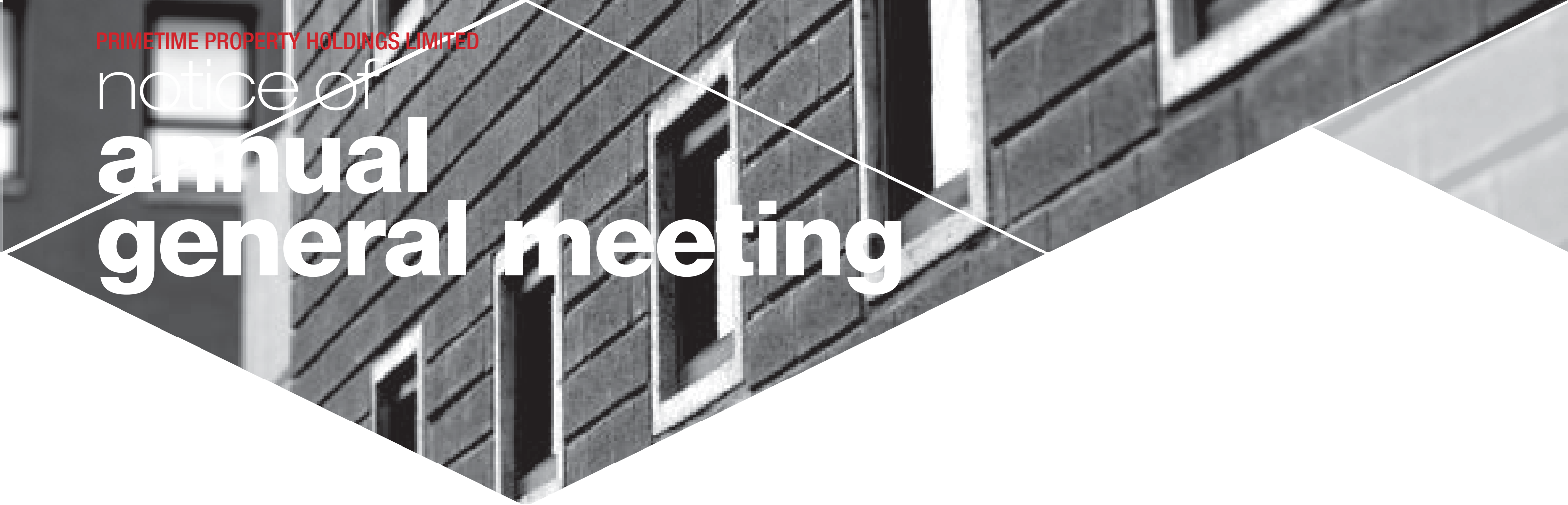
27 EVENTS AFTER THE REPORTING PERIOD

At an extraordinary general meeting held on 31 October 2016 the unitholders approved the purchase and subsequent development of a plot in Chirundu, Zambia at a cost of approximately US$8.3 million (P89.2 million).

On 22 September 2016, the company officially opened the 'Pilane Crossing Mall'. The mall was constructed using funds mainly realised from the disposal of the 'Barclays Plaza' and 'Blue Jacket Square' properties in Francistown in the current year.

28 CAPITAL COMMITMENTS

As disclosed under note 10, a retail shopping centre is under construction at Tribal Lot 439 Pilane. The total estimated cost to complete this development as at 31 August 2016 is P10 705 758 (2015: P73 500 000).



notice of annual general meeting

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 22 February 2017, 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 2016.

3. **Ordinary Resolution 2:**
   To approve the interim interest payment of 5.10 thebe per. linked unit declared on 16 February 2016 and paid on 18 March 2016, as authorised and recommended by the directors.

4. **Ordinary Resolution 3**
   To approve the interim interest payment of 7.41 thebe per. linked unit declared on 26 July 2016 and paid on 26 August 2016, as authorised and recommended by the Directors.

5. **Ordinary Resolution 4**
   To approve the final interest payment of 3.41 thebe per. linked unit declared on 16 November 2016 and due to be paid in March 2017, as authorised and recommended by the Directors.

6. **Ordinary Resolution 5**
   To re-elect the following director of the company:
   Petronella Matumo who retires by rotation in terms of clause 20.9.1 of the Constitution and, being eligible, offers herself for re-election.

7. **Ordinary Resolution 6**
   To re-elect the following director of the company:
   Mmoloki Morolong 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 approve the remuneration of the Directors for the year ended 31 August 2016. For the chairman an annual retainer fee of P47 992 and a sitting allowance of P10 804 per meeting. For the other directors an annual retainer fee of P32 386 and a sitting allowance of P10 804 per meeting.

9. **Ordinary Resolution 8**
   To appoint Deloitte & Touche as auditors for the ensuing year.

10. **Ordinary Resolution 9**
    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.

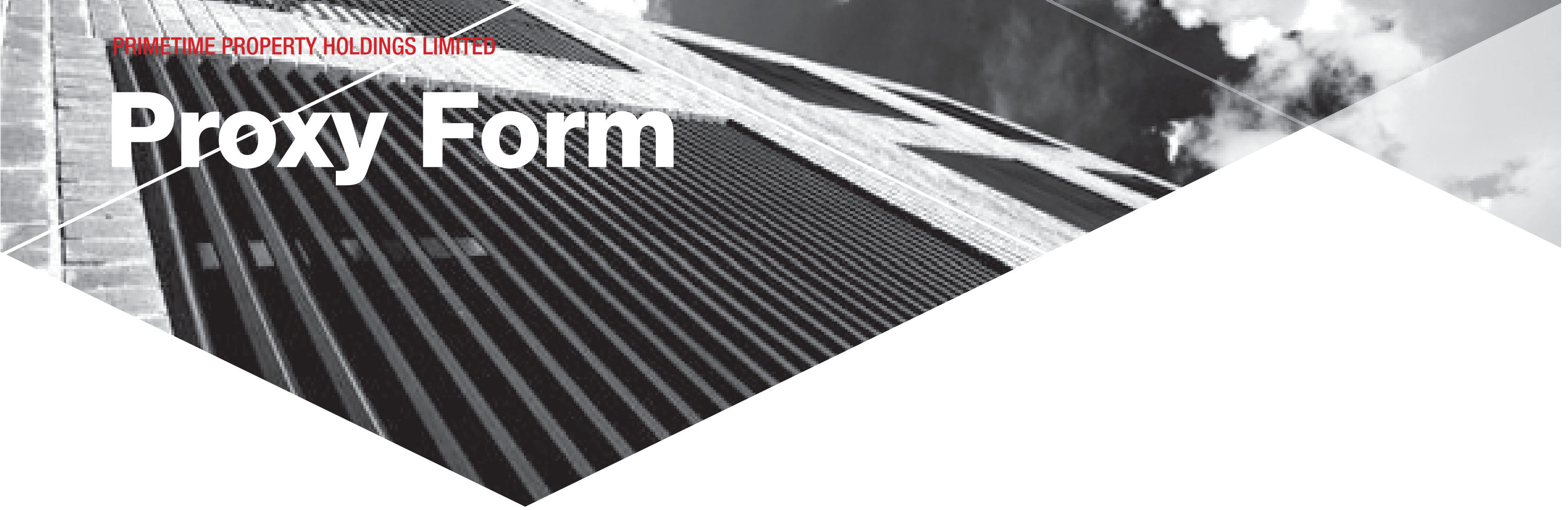
Each unitholder entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies (none of whom need be a unitholder of the company) to attend, speak and subject to the Constitution of the company vote in his/her/its stead.

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 17 February 2017.

By Order of the Board

Petronella Matumo
Chairman of the Board of Directors
15 December 2016
Gaborone



PRIMETIME PROPERTY HOLDINGS LIMITED

Proxy Form

PLEASE READ THE NOTES OVERLEAF 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 22 February 2017.

I/We

.____

(Name/s in block letters)

Of ____

\(Address)

Appoint (see note 2):

1. ____________________________________ or failing him/her,

2. ____________________________________ or 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			

Signed at____________________on ________________2017

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 below.

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 17 February 2017.

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.