PrimeTime Property Holdings Limited

(Registration number BW00000877365)

Consolidated and Separate Financial Statements
for the year ended 31 August 2024

General Information

Country of incorporation and domicile	Botswana	
Nature of business and principal activities	The Group and Company are engaged in property investment.	
Directors	Paul Masie	Chair
	Alexander Lees Kelly	
	Joanna Claire Jones	
	Nigel Pattison Dixon-Warren	
	Massimo Marinelli	
	Mmoloki Turnie Morolong	
	Ingutu Zaloumis	Appointed 1 March 2024
Business address and registered office	Plot 79961 Office 1 Setlhoa Corner Gaborone Botswana	
Postal address	PO Box 1395 Gaborone Botswana	
Auditor	Ernst & Young 2nd Floor, Plot 22 Khama Crescent PO Box 41015 Gaborone Botswana	
Secretary	Unopa Tutu Njadingwe	
Transfer secretaries	Central Securities Depository Company of Botswana Proprietary Limited Plot 70667 Fairscape Precinct, 4th Floor Fairgrounds Gaborone Botswana	
Debenture trust trustee	J Hinchliffe Unit G, Plot 129 Kgale Mews PO Box 2378 Gaborone Botswana	
Presentation and functional currency	Botswana Pula (P)	
Financial year	1 September 2023 to 31 August 2024	

Contents

Directors' Report

The directors have pleasure in submitting to the linked unitholders their report and the audited financial statements of PrimeTime Property Holdings Limited ("Company") and its subsidiaries (the "Group" or "Consolidated") for the year ended 31 August 2024.

1. Country of incorporation and domicile

PrimeTime Property Holdings Limited is incorporated and domiciled in Botswana with the date of incorporation being 29 August 2007.

2. Nature of business

The Group is focused on investing in and managing commercial real estate across Botswana, Zambia and South Africa and derives its revenue primarily from the rental of investment properties. The company is domiciled in Botswana and listed on the Botswana Stock Exchange (BSE). The Company's registration number is BW00000877365.

The annual financial statements of the Group include the results of PrimeTime Property Holdings Limited and its wholly owned subsidiaries. These include:

1. **PrimeTime Property Holdings Limited (Zambia branch)**: Representing branch operations in Zambia.
2. **PrimeTime Property Zambia Limited (Zambia subsidiary)**: A wholly owned subsidiary of PrimeTime Property Holdings (Mauritius) Limited incorporated in Zambia.
3. **PrimeTime Property Holdings (Mauritius) Limited**: This subsidiary comprises its operations in Mauritius and South Africa through its South African branch. The Company wholly owns PrimeTime Property Zambia Limited (Zambia subsidiary).

Collectively, these entities and their results are consolidated and referred to as "the Group" in the financial statements.

There have been no changes to the nature of the Group's business from the previous year.

3. Board of directors

The directors in office at the date of this report are:

Directors	Designation	Nationality	Notes
Paul Masie	Independent non-executive director	Motswana	
Alexander Lees Kelly	Executive director	South African	
Nigel Pattison Dixon-Warren	Independent non-executive director	Motswana	
Massimo Marinelli	Independent non-executive director	Italian	
Mmoloki Turnie Morolong	Executive director	Motswana	
Ingutu Zaloumis	Independent non-executive director	Zambian	Appointed 1 March 2024
Joanna Claire Jones	Non-executive director	British	Effective 1 March 2024, Joanna Claire Jones transitioned from the role of finance director to non-executive director.

Directors' holdings in linked units

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

	2024		2023	
Director	**Held directly**	**Held indirectly**	**Held directly**	**Held indirectly**
J Jones and family	40,019	-	40,019	-
A L Kelly and family	462,132	42,956,380	462,132	42,956,380
M T Morolong and family	97,630	-	114,188	-
P Masie and family	17,138	-	17,138	-

Directors' Report

4. Financial statements

The consolidated and separate financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board. The accounting policies have been applied consistently compared to the previous year.

The statements of financial position set out the financial position of the Company and Group as at 31 August 2024 and the statements of profit or loss and other comprehensive income, statements of cash flows and statements of changes in equity reflect the operating results for the year ended on that date.

5. Stated capital and debentures

At 31 August 2024 the stated capital of the Company comprised 264,321,622 ordinary shares (31 August 2023: 252,559,203 ordinary shares), with a nominal value of P15,351,725 (31 August 2023: P14 795 794), which are linked to 264,321,622 (31 August 2023: 252,559,203) variable rate unsecured debentures with a nominal value of P355,690,573 (31 August 2023: P336,135,390).

Each linked unit comprises an ordinary share and one variable rate unsecured debenture, which are indivisible. The 264,321,718 linked units are listed on the BSE.

Refer to notes 22 and 25 of the consolidated and separate financial statements for details of the movement in stated capital and debentures.

6. Administration and management

The management of the Company's properties is provided by its related entity, Time A & PM Proprietary Limited with no change from the previous year.

7. Linked units distribution policy

Distributions to linked unitholders are primarily issued as debenture interest. The following distributions were made/propose d during the year:

Debenture interest (thebe) per linked unit	2024	2023
Interim paid 31 March 2024 (31 March 2023)	3.07	4.27
Interim paid 29 August 2024 (19 August 2023)	4.21	6.00
Total interim declared and paid for the year	7.28	10.27
Proposed as at year-end:		
Final proposed	-	1.30
	7.28	**11.57**

8. Going concern

The consolidated and separate financial statements have been prepared based on accounting policies consistent with a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. See note 36 for details.

Directors' Report

9. Events after the reporting period

9.1 The Group secured a P181 million medium-term note and a P40 million revolving facility before year-end with funds released after 31 August 2024. These facilities consolidate existing debt, extend maturities, enhance liquidity and support cash flow management. These are disclosed as subsequent events with no impact on 2024 liabilities or asset valuations. See note 37 for details.

9.2 On 21 August 2024, PrimeTime received a firm intention from RDC Properties Limited to acquire all remaining linked units via a unit-for-unit exchange (0.6875 RDC units per PrimeTime unit), subject to regulatory approvals and a 44% minimum acceptance. On 7 October 2024, the offer circular was suspended pending regulatory review. As a non-adjusting subsequent event, the proposed acquisition may impact future governance and strategic direction but does not affect the financial position as of 31 August 2024. See note 37 for details.

9.3 Subsequent to the reporting date, the Company converted intercompany debt of USD35,845,069 (P469,910,937) owed by its subsidiary, PrimeTime Property Holdings (Mauritius) Limited, into equity. This strengthened the subsidiary’s equity base and eliminated intercompany debt. The transaction is a non-adjusting subsequent event under International Accounting Standards (IAS) 10. See note 37 for details.

Directors' Responsibilities and Approval of the Consolidated and Separate Financial Statements

The Board of directors (“the Board”) is responsible for the preparation and fair presentation of the consolidated and separate financial statements ("financial statements") of PrimeTime Property Holdings Limited ("the Company”) and its subsidiaries ("the Group"). This comprises the consolidated and separate statements of financial position as at 31 August 2024, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and material accounting policies and other explanatory information. This is in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act of Botswana (CAP 42:01).

The Board is required by the Companies Act of Botswana (CAP 42:01), to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and other information contained in this report.

The Board's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The Board's responsibility also includes making adequate accounting judgments and maintaining an effective system of risk management and the preparation of the supplementary schedules included in these consolidated and separate financial statements.

The financial statements are prepared in accordance with IFRS® Accounting Standards and the Companies Act of Botswana (CAP 42:01) and are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Board acknowledges it is ultimately responsible for the system of internal financial controls established by the Group and places considerable importance on maintaining a strong control environment. To enable the Board to meet these responsibilities, it sets standards for internal control aimed at reducing the risk of error or loss cost-effectively. The standards include the proper delegation of responsibilities in 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 Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risks cannot be fully eliminated, the Group endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Board has assessed the ability of the Group to continue as a going concern and has no reason to believe the businesses will not be a going concern in the year ahead.

The independent auditor is responsible for independently auditing and reporting on the Group's consolidated and separate financial statements. The consolidated and separate financial statements have been audited by the Group's independent auditor and the independent auditor's report is presented from pages 7 to 12.

Approval of the consolidated and separate financial statements

The consolidated and separate financial statements set out from pages 13 to 85, which have been prepared on the going concern basis, were approved by the board of directors on 28 January 2025 and were signed on their behalf by:

Paul Masie	**Nigel Dixon-Warren**
Director	**Director**

Building a better working world

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Independent Auditor's Report
To the Shareholders of PrimeTime Property Holdings Limited
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the Consolidated and Separate Financial Statements of PrimeTime Property Holdings Limited ('the Company') and its subsidiaries ('the Group') set out on pages 12 to 85, which comprise of the Consolidated and Separate Statements of Financial Position as at 31 August 2024, and the Consolidated and Separate Statements of Profit or Loss and Other 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 the notes to the Consolidated and Separate Financial Statements, including material accounting information.

In our opinion, the Consolidated and Separate Financial Statements give a true and fair view of the consolidated and separate financial position of the Group and Company as at 31 August 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act (CAP 42:01).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the Consolidated and Separate Financial Statements in Botswana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated and Separate Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated and Separate Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated and Separate Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated and Separate Financial Statements.

The Key Audit Matters applies equally to the audit of the Consolidated and Separate Financial Statements.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Investment Properties The Group's investment property portfolios comprise of office, retail and industrial use properties located in Botswana, South Africa and Zambia. The Group's investment property portfolios are valued at BWP 1.788 billion (2023: BWP1.716 billion) and the Company's investment portfolio is valued at BWP1.193 billion (2023: P1.098 billion) as at 31 August 2024. The fair values of these investment property portfolios are determined by management using the direct capitalisation or discounted cash flow methods, depending on the nature and location of the respective investment properties. The direct capitalisation method involves the application of a capitalisation rate to the net operating income of each investment property. The discounted cash flow method estimates the value of an income -producing investment property based on the future cash flows which include considerations for vacancies, rental income changes and cost changes. The future cashflows are discounted using a capitalisation rate. The fair values derived from the direct capitalisation and discounted cash flow methods are then compared to transaction prices realised from the sale of similar properties in the same geographical area. The Group and Company use external independent valuation specialists to value their investment properties annually. The valuation process followed by the external independent valuation specialists includes the physical inspection of each property on a five-year rotational basis. Estimating the capitalisation rate applied to the net operating income or net cash flows to determine the fair value of the investment properties is subjective in nature and involves significant assumptions distinctive to each geographical region including a risk-free rate adjusted for interest rates, inflation rates and	Our procedures included, amongst others: ► We obtained an understanding of the valuation process and methodology used to determine the fair values of the investment properties through discussions with the independent valuation specialists and management. ► We evaluated the external valuation specialists' competence, capabilities and objectivity with reference to their qualifications and industry experience. ► With the support of our internal valuation specialists, we: - Assessed the valuation methods used by the external independent valuation specialists and considered if these methods are in line with International Valuation Standards ("IVS") and valuation practise. Our assessment included assessing if the methodology adheres to the fundamental concepts and principles of valuation outlined in the IVS, including fairness, transparency and consistency. We further evaluated if the methodology considers relevant market evidence in order to adhere to IVS market requirements for gathering, analysing, and applying market data in the valuation process. - Evaluated the transaction prices realised from the sale of similar properties, used to support the fair values of investment properties, by comparing the external source of these transaction prices to publicly available information. - Independently recomputed a capitalisation rate for each property by assessing the economic market conditions in Zambia, South Africa and Botswana including vacancy rates, rental growth rates, risk-free rates, interest rates and inflation rates. We also considered the risks specific to each geographic region, to obtain an understanding of how these risks can impact property values. We compared our calculated capitalisation rates to the rates used by the external independent valuation specialists for reasonableness. - Evaluated the mathematical accuracy of the valuation method by recalculating the net operating income or net cash flows and applying the capitalisation rate to the

a risk factor determined based on the anticipated future growth prospects, vacancy rates, tenant quality, nature and location of each property. The estimation of these inputs is further complicated by uncertain economic and market conditions in each geographical region reflected in volatility observed in inflation and interest rates. We have identified the valuation of the Group and Company's investment property portfolios to be a key audit matter due to the valuation method being inherently judgmental because of the subjective inputs applied in determining the capitalisation rate for each property across different regions and the significance of the investment property portfolios to the Group and Company's total assets. The disclosures associated with the valuation of the Group and Company's investment properties, including the fair value adjustments, are set out in the Consolidated and Separate Financial Statements in the following notes: • Note 1.3 - Critical judgements and sources of estimation uncertainty: Fair value of investment property • Note 1.4 - Material Accounting Policies: Investment property • Note 6 – Fair value adjustment • Note 13 – Investment property • Note 13 – Details of valuation • Note 15 – Fair value information	net operating income or net cash flows for each property to determine the fair value per property. ► We assessed the appropriateness of the disclosures included in the Consolidated and Separate Financial Statements relating to investment properties and fair value adjustments against the requirements of IAS 40 – *Investment property* and IFRS 13 – *Fair value measurement*.

Other Information

The directors are responsible for the other information. The other information comprises the other information included in the 85-page document titled "PrimeTime Property Holdings Limited (Registration number BW00000877365) Consolidated and Separate Financial Statements for the year ended 31 August 2024" which includes the General Information, Directors' Report and the Directors' Responsibilities and Approval of the Consolidated and Separate Financial Statements, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the Consolidated and Separate Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated and Separate Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Consolidated and Separate Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated and Separate Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the Consolidated and Separate Financial Statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act (CAP 42:01) and for such internal control as the directors determine is necessary to enable the preparation of Consolidated and Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Separate Financial Statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting processes.

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure, and content of the Consolidated and Separate Financial Statements, including the disclosures, and whether the Consolidated and Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Consolidated and Separate Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst + Young

Ernst & Young
Firm of Certified Auditors
Practising member: Francois J Roos (CAP 0013 2025)
Gaborone

28 January 2025

Statements of Profit or Loss and Other Comprehensive Income

		Group		Company	
Figures in Pula	Note(s)	2024	2023	2024	2023
Revenue	3	226,995,957	212,797,222	153,237,016	144,846,314
Exchange differences on translation of foreign balances	4	(447,105)	3,757,335	(7,216,986)	24,296,568
Expected credit losses on amounts due from related party	18	-	-	(37,111,622)	(22,229,615)
Expected credit losses on trade receivables	19	(2,615,509)	(686,136)	(723,376)	(204,175)
Operating expenses	5	(97,368,745)	(81,756,527)	(68,716,601)	(56,272,968)
Profit from operations before fair value adjustment		**126,564,598**	**134,111,894**	**39,468,431**	**90,436,124**
Fair value adjustment	6	11,226,663	44,303,419	32,425,234	41,984,641
Profit from operations		**137,791,261**	**178,415,313**	**71,893,665**	**132,420,765**
Investment income	7	916,469	1,499,008	39,126,579	37,373,988
Finance costs	8	(76,366,986)	(75,506,912)	(60,176,383)	(59,705,827)
Profit before taxation		**62,340,744**	**104,407,409**	**50,843,861**	**110,088,926**
Taxation	10	(18,001,306)	(21,144,525)	(13,240,626)	(16,808,388)
Profit for the year		**44,339,438**	**83,262,884**	**37,603,235**	**93,280,538**
Other comprehensive income:					
Items that will be reclassified to profit or loss:					
Exchange differences on translating foreign operations	23	(7,616,216)	(8,145,298)	(6,259,373)	(3,583,978)
Exchange differences on translation of related party loans	23	(3,237,479)	23,290,001	-	-
Exchange differences on translation of related party loans reclassified to profit or loss	23	-	(4,749,459)	-	-
Deferred tax relating to the exchange differences on translation of related party loan	23	(2,106,781)	(3,970,474)	-	-
Total items that will be reclassified to profit or loss		**(12,960,476)**	**6,424,770**	**(6,259,373)**	**(3,583,978)**
Other comprehensive (loss)/income for the year net of taxation		**(12,960,476)**	**6,424,770**	**(6,259,373)**	**(3,583,978)**
Total comprehensive income for the year		**31,378,962**	**89,687,654**	**31,343,862**	**89,696,560**

Attributable to:			
Owners of the holding company		31,378,962	89,687,654
Earnings per linked unit			
Basic (thebe)	11	18.72	35.91
Diluted (thebe)	11	18.72	35.91

Statements of Financial Position as at 31 August 2024

		Group		Company	
Figures in Pula	Note(s)	2024	2023	2024	2023
Assets					
Non-current assets					
Furniture and equipment	12	788,916	-	-	-
Investment property	13	1,787,691,427	1,715,894,944	1,193,126,139	1,097,871,427
Rentals straight-line adjustment	14	44,028,460	46,107,534	39,904,700	42,810,584
Work in progress	16	41,651,966	98,682,346	41,651,966	98,682,346
Investments in subsidiaries	17	-	-	1,020	1,020
Amounts due from related parties	18&37	-	-	469,910,937	475,489,167
		1,874,160,769	**1,860,684,824**	**1,744,594,762**	**1,714,854,544**
Current assets					
Rentals straight-line adjustment	14	7,743,141	9,843,521	6,500,161	7,880,802
Trade and other receivables	19	14,049,592	14,234,650	8,077,539	9,477,240
Tax receivable		62,583	2,156	12,361	998
Cash and cash equivalents	21	14,667,046	23,003,203	4,555,162	3,770,360
		36,522,362	**47,083,530**	**19,145,223**	**21,129,400**
Total assets		**1,910,683,131**	**1,907,768,354**	**1,763,739,985**	**1,735,983,944**
Equity and liabilities					
Equity					
Stated capital	22	15,351,725	14,795,794	15,351,725	14,795,794
Retained earnings	23	475,779,684	446,445,060	545,654,694	523,056,273
Foreign currency translation reserves (FCTR)	23	53,157,968	66,118,444	(16,543,173)	(10,283,800)
Debenture interest reserve	24	-	3,283,270	-	3,283,270
Debentures	25	355,690,573	336,135,390	355,690,573	336,135,390
		899,979,950	**866,777,958**	**900,153,819**	**866,986,927**
Liabilities					
Non-current liabilities					
Borrowings	26	544,684,947	780,873,358	465,617,274	633,652,568
Lease liabilities	27	3,003,554	2,899,671	459,944	481,926
Deferred tax	10&20	67,528,764	58,865,473	67,528,764	58,865,473
		615,217,265	**842,638,502**	**533,605,982**	**692,999,967**
Current liabilities					
Borrowings	26	360,753,698	150,860,033	303,656,884	138,060,537
Lease liabilities	27	21,385	237,641	20,651	237,200
Deferred revenue	28	3,238,640	2,841,852	2,377,018	2,370,730
Trade and other payables	29	21,052,603	21,546,019	14,996,165	13,397,082
Tax payable		28,920	2,922	-	-
Bank overdraft	21&30	6,240,177	19,629,605	6,240,177	19,629,605
Amounts due to related parties	31	4,150,493	3,233,822	2,689,289	2,301,896
		395,485,916	**198,351,894**	**329,980,184**	**175,997,050**
Total liabilities		**1,010,703,181**	**1,040,990,396**	**863,586,166**	**868,997,017**
Total equity and liabilities		**1,910,683,131**	**1,907,768,354**	**1,763,739,985**	**1,735,983,944**

Statements of Changes in Equity

Figures in Pula	Stated capital	FCTR on translation of foreign operations	FCTR on translation of related party loan	Debentures	Debenture interest reserve	Retained earnings	Total equity
Group							
Balance as at 1 September 2022	**14,465,197**	**(18,658,615)**	**78,352,289**	**328,433,283**	**9,902,183**	**385,807,950**	**798,302,287**
Profit for the year	-	-	-	-	-	83,262,884	83,262,884
Other comprehensive income	-	(8,145,298)	14,570,068	-	-	-	6,424,770
Linked units issued during the year	330,597	-	-	7,702,107	-	-	8,032,704
2022 final debenture interest paid	-	-	-	-	(9,902,183)	-	(9,902,183)
2023 interim debenture interest paid	-	-	-	-	-	(25,724,133)	(25,724,133)
2023 final proposed debenture interest	-	-	-	-	3,283,270	(3,283,270)	-
Taxation attributable to debenture interest	-	-	-	-	-	6,381,629	6,381,629
Balance as at 31 August 2023	**14,795,794**	**(26,803,913)**	**92,922,357**	**336,135,390**	**3,283,270**	**446,445,060**	**866,777,958**
Profit for the year	-	-	-	-	-	44,339,438	44,339,438
Other comprehensive income	-	(7,616,216)	(5,344,260)	-	-	-	(12,960,476)
Linked units issued during the year	555,931	-	-	19,555,183	-	-	20,111,114
2023 final debenture interest paid	-	-	-	-	(3,283,270)	-	(3,283,270)
2024 interim debenture interest paid	-	-	-	-	-	(19,236,941)	(19,236,941)
Taxation attributable to debenture interest	-	-	-	-	-	4,232,127	4,232,127
Balance as at 31 August 2024	**15,351,725**	**(34,420,129)**	**87,578,097**	**355,690,573**	**-**	**475,779,684**	**899,979,950**
Note(s)	22	23	23	25	9&24	23	

Statements of Changes in Equity

Figures in Pula	Stated capital	FCTR on translation of foreign operations	FCTR on translation of related party loan	Debentures	Debenture interest reserve	Retained earnings	Total equity
Company							
Balance as at 1 September 2022	**14,465,197**	**(6,699,822)**	**-**	**328,433,283**	**9,902,183**	**452,401,509**	**798,502,350**
Profit for the year	-	-	-	-	-	93,280,538	93,280,538
Other comprehensive income	-	(3,583,978)	-	-	-	-	(3,583,978)
Linked units issued during the year	330,597	-	-	7,702,107	-	-	8,032,704
2022 final debenture interest paid	-	-	-	-	(9,902,183)	-	(9,902,183)
2023 interim debenture interest paid	-	-	-	-	-	(25,724,133)	(25,724,133)
2023 final proposed debenture interest	-	-	-	-	3,283,270	(3,283,270)	-
Taxation attributable to debenture interest	-	-	-	-	-	6,381,629	6,381,629
Balance as at 31 August 2023	**14,795,794**	**(10,283,800)**	**-**	**336,135,390**	**3,283,270**	**523,056,273**	**866,986,927**
Profit for the year	-	-	-	-	-	37,603,235	37,603,235
Other comprehensive income	-	(6,259,373)	-	-	-	-	(6,259,373)
Linked units issued during the year	555,931	-	-	19,555,183	-	-	20,111,114
2023 final debenture interest paid	-	-	-	-	(3,283,270)	-	(3,283,270)
2024 interim debenture interest paid	-	-	-	-	-	(19,236,941)	(19,236,941)
Taxation attributable to debenture interest	-	-	-	-	-	4,232,127	4,232,127
Balance as at 31 August 2024	**15,351,725**	**(16,543,173)**	**-**	**355,690,573**	**-**	**545,654,694**	**900,153,819**
Note(s)	22	23	23	25	9&24	23	

Statements of Cash Flows

		Group		Company	
Figures in Pula	Note(s)	2024	2023	2024	2023
Cash flows from operating activities					
Profit before taxation		62,340,744	104,407,409	50,843,861	110,088,926
Adjustments for non-cash items:					
Unrealised foreign exchange (gains)/losses on translation of related party loan balances		-	(4,749,459)	7,409,135	(24,063,479)
Fair value adjustments on revaluation of investment properties		(11,226,663)	(37,204,859)	(32,425,234)	(38,668,086)
Straight line adjustments		4,099,800	-	4,286,525	-
Right-of-use asset remeasured		-	149,313	-	260,333
Expected credit losses on related party loan		-	-	37,111,622	22,229,615
Expected credit loss on trade receivables		2,615,509	-	723,376	-
Depreciation of furniture and equipment		13,205	-	-	-
Adjust for items which are presented separately:					
Investment income		(916,469)	(1,499,008)	(39,126,579)	(37,373,988)
Finance costs		76,366,986	75,506,912	60,176,383	59,705,827
Changes in working capital:					
(Increase)/decrease in trade and other receivables		(2,430,451)	1,751,389	676,325	(540,059)
(Decrease)/increase in trade and other payables		(493,416)	(73,953)	1,599,083	(435,352)
Increase/(decrease) in amounts due to related parties		916,671	(1,021,219)	387,393	175,321
Increase in deferred revenue		396,788	234,800	6,288	150,544
Cash generated from operations		**131,682,704**	**137,501,325**	**91,668,178**	**91,529,602**
Income taxes (paid)/received		(7,247,098)	(2,818,017)	(356,571)	4,920,207
Net cash from operating activities		**124,435,606**	**134,683,308**	**91,311,607**	**96,449,809**
Cash flows to investing activities					
Interest received	7	916,469	1,499,008	184,052	8,376,240
Purchases of investment property	13	(12,606,965)	(6,774,178)	(10,832,612)	(989,286)
Purchases of furniture and equipment	12	(786,601)	-	-	-
Additions to work in progress	16	(2,335,908)	(35,243,052)	(2,335,908)	(35,243,052)
Net cash to investing activities		**(14,813,005)**	**(40,518,222)**	**(12,984,468)**	**(27,856,098)**
Cash flows to financing activities					
Long term borrowings raised	26	129,000,000	35,786,321	129,000,000	35,786,321
Long term borrowings repaid	26	(153,385,364)	(37,283,670)	(128,967,652)	(28,554,285)
Repayment of principal portion of leases		(71,920)	(222,663)	(236,988)	(218,554)
Proceeds from issued stated capital raised		555,931	-	555,931	-
Proceed from issues of debentures		19,555,183			
Loan issuance costs		(150,000)	-	(150,000)	-
Debenture interest paid		(22,520,211)	(27,593,612)	(22,520,211)	(27,593,612)
Interest paid on lease liabilities		(222,864)	(220,338)	(47,093)	(49,483)
Interest paid on bank borrowings and bonds		(77,075,406)	(76,753,283)	(61,086,010)	(60,798,795)
Interest paid on other		(1,076)	-	-	-
Net cash to financing activities		**(104,315,727)**	**(106,287,245)**	**(63,896,840)**	**(81,428,408)**

Statements of Cash Flows

		Group		Company	
Figures in Pula	Note(s)	2024	2023	2024	2023
Total cash movement for the year		**5,306,874**	**(12,122,159)**	**14,430,299**	**(12,834,697)**
Cash and cash equivalents at the beginning of the year		3,373,598	18,490,975	(15,859,245)	(4,102,784)
Effects of foreign exchange		(253,603)	(2,995,218)	(256,069)	1,078,236
Cash and cash equivalents at the end of the year		**8,426,869**	**3,373,598**	**(1,685,015)**	**(15,859,245)**
Cash and cash equivalents comprise:					
Bank balances and cash		14,667,046	23,003,203	4,555,162	3,770,360
Bank overdraft		(6,240,177)	(19,629,605)	(6,240,177)	(19,629,605)
Cash and cash equivalents at the end of the year		**8,426,869**	**3,373,598**	**(1,685,015)**	**(15,859,245)**

Material Accounting Policies

Corporate 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 on page 1.

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 - Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these consolidated and separate financial statements.

1.1 Basis of preparation and statement of compliance

The consolidated and separate financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS® Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of Botswana (CAP 42:01).

The financial statements have been prepared on the historical cost basis except for investment property which is stated at fair value. The accounting policies have been consistently applied by the Group and Company and are consistent with those used in the previous year. The financial statements are presented in and rounded off to the nearest Pula, which is the Group and Company's functional currency.

1.2 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the latter when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances which indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time decisions need to be made, including voting patterns at previous directors' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Material Accounting Policies

1.2 Consolidation (continued)

Initial recognition in the consolidated financial statements

Subsidiaries acquired are accounted for by applying the acquisition method of accounting to business combinations. The excess/(shortage) of the sum of the consideration transferred, the value of non controlling interest, the fair value of any existing interest and the fair value of identifiable net assets, is recognised as goodwill or a gain on bargain purchase. Transaction costs are included in operating expenses within profit or loss when incurred.

Profit or loss and each component of other comprehensive income are attributed to the members of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the members of the Group and to the non-controlling interests even if this results in the latter having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests

Non-controlling interests are measured, at initial recognition, as the non-controlling proportion of the fair values of the assets and liabilities recognised at acquisition. After initial recognition, non-controlling interests are measured as the aggregate of the value at initial recognition and their subsequent proportionate share of profits and losses.

Disposal of subsidiary

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between:

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
(ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

1.3 Critical judgments and sources of estimation uncertainty

The preparation of consolidated and separate financial statements to conform with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revi sion and future years if the revision affects current and future years.

Material Accounting Policies

1.3 Critical judgments and sources of estimation uncertainty (continued)

Critical judgments in applying accounting policies

The critical judgments and estimates by management in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are outlined as follows:

Fair value of investment property

The fair value of investment property is determined by an independent valuer. Significant judgment is required to determine the fair value of investment property as follows:

Use of the most appropriate method:

Management considers outputs from a range of methods, including income capitalisation and market values to determine the fair value of the investment properties.

Management values its investment properties by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The Net Income Approach has been adopted in calculating the market value of the investment property. The key assumptions underlying this method include net cash flows and the capitalization rate used. As these inputs are unobservable, the valuation is classified as Level 3 in the fair value hierarchy.

Net cash flows are based on rental income and relevant expenditures, taking into account existing tenancies, operating expenses and specific circumstances related to these factors. There are inter-relationships between these unobservable inputs. To avoid double-counting or omitting the effects of risk factors, capitalisation rates reflect assumptions consistent with those inherent in the cash flows. Please refer to note 13 for sensitivity analysis performed on the key inputs.

Expected credit loss on trade and other receivables

The Group uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables and other receivables and the provision rates are based on days past due. The provision matrix is initially based on the Group's historical observed default rates.

The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the real estate sector, the historical default rates are adjusted.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in note 14.

The Group's assessment of ECLs is inherently subjective due to the forward-looking nature of the assessments. The Group has provided bespoke support on a case-by-case basis to tenants which include rent discounts, rent-free periods and other arrangements reflecting the position of each customer. The Group's assessments of the position of each customer, including their assessment of expected insolvency filings or company voluntary arrangements, are based on assumptions and as a result, the value of the provisions for impairment of the Group's trade receivables are subject to a degree of uncertainty and are based on assumptions which may not prove to be accurate.

Taxation

The Group is subject to income tax under the Income Tax Act of Botswana. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain in the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Material Accounting Policies

1.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is recognised as an asset when and only when it is probable that the future economic benefits associated with the investment property will flow to the enterprise and that its cost can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include those incurred initially and those incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair value are included in profit or loss in the year in which they arise.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss during the financial period in which they are incurred. The final determined figures for investment property are disclosed in note 13.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its value at the date of reclassification becomes its cost for accounting purposes.

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property are recognised in profit or loss in the period of disposal.

Material Accounting Policies

1.5 Investments in subsidiaries

The Company accounts for its investments in subsidiaries using the cost method. Under this, the investments are initially recorded at cost and subsequently adjusted only for dividends received, impairment losses and derecognition of the subsidiary.

Cost

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; and
- any costs directly attributable to the purchase of the subsidiary.

Dividends received

The Group recognises its share of the dividends received from its subsidiaries as income in the year received.

Impairment

Impairment losses are determined by comparing the investment's carrying amount to its recoverable amount.

The recoverable amount is the higher of:

- Fair value less costs to sell off the investment, estimated with reference to the subsidiary's net assets.
- Present value of estimated future cash flows from the investment.

If the recoverable amount is lower than the carrying amount, an impairment loss is recognised on the income statement and the investment balance is reduced accordingly.

Derecognition

The Group derecognises an investment in a subsidiary when:

- The subsidiary is sold: The company recognises a gain or loss on the sale based on the difference between the selling price and the carrying amount of the investment.

- Control over the subsidiary is lost: The investment is reclassified to "investments in associates" or "financial assets," depending on the remaining level of influence.

- The subsidiary is closed: The investment is derecognised and any gain or loss is recognised in profit or loss.

Material Accounting Policies

1.6 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transac tion costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

Financial Assets

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held in a business model whose objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's principal financial assets are trade and other receivables and cash and cash equivalents. The specific accounting policies for the classification, recognition and measurement for the types of financial assets held by the Group are presented below:

Trade and other receivables

Trade and other receivables, excluding when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Gains or losses arising on the derecognition of trade and other receivables are included in profit or loss.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks, cash on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured at amortised cost.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments.

Cash and cash equivalents in the statement of financial position comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured at amortised cost.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments.

Material Accounting Policies

1.6 Financial instruments (continued)

Impairment of financial assets

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of current and forecast conditions.

All other loss allowances are measured at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk (risk of default) since initial recognition. If the credit risk has not increased significantly since initial recognition, then the loss allowance for that instrument is measured at 12-month ECL. The amount of ECLs is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective instruments. This means that at each reporting date, the ECL for a specific instrument will either be based on lifetime ECL or 12-month ECL depending on the credit risk at reporting date compared to the credit risk at initial recognition.

Irrespective of the outcome of the above assessment, the credit risk on an instrument is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due unless the Group has reasonable and supportable information that demonstrates otherwise.

By contrast, if an instrument is assessed to have a low credit risk at the reporting date, it is assumed that the credit risk of the receivable has not increased significantly since initial recognition.

The measurement of ECLs incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial diff iculty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, after taking legal advice where appropriate. Any recoveries made are recognised in the statement of profit or loss.

The measurement of ECLs is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on histo rical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets this is represented by the assets' gross carrying amount at the reporting date together with any additional amounts expected to be drawn down in future by default date determined based on historical trends, the company's understanding of the specific future financing needs of the debtors and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows due to the company in accordance with the contract and all the cash flows the company expects to receive, discounted at the original effective interest rate. The company recognises an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

In measuring the ECL, the company considers quantitative and qualitative information that's reasonable and supportable, including historical experience and forward-looking information that's available without undue cost or effort. Impairment assessment of trade and other receivables, and intercompany loans receivable, is described in note 19 and note 31, respectively.

Material Accounting Policies

1.6 Financial instruments (continued)

Significant increase in credit risk

In assessing whether the credit risk on the trade and receivables, and intercompany loans receivable has increased significantly since initial recognition, the Group compares the risk of a default occurring on the balance as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers quantitative and qualitative information that's reasonable and supportable, including historical experience and forward-looking information that's available without undue cost or effort. By contrast, if an intercompany loan receivable is assessed to have a low credit risk at the reporting date, it is assumed that the credit risk on the receivable has not increa sed significantly since initial recognition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when 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 Group 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 Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of the financial asset through use of a loss allowance account. The impairment losses and gains on financial instruments are presented on the statement of profit or loss as a movement in allowance for ECL on trade and other receivables (notes 5 and 19) and intercompany loans receivable (notes 5 and 31).

Financial liabilities

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and leases.

Financial liabilities are initially measured at fair value and where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and changes in an instrument's fair value that are reported in profit or loss are included in finance costs or finance income.

Dividends received on equity investments are recognised in profit or loss when the Group's right to receive the dividends is established, unless they clearly represent a recovery of part of the cost of the investment.

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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Material Accounting Policies

1.6 Financial instruments (continued)

Derecognition of financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group 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 Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

1.7 Work in progress

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

1.8 Taxation

Income taxation

Income tax expense represents the sum of the current taxation and deferred taxation. Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income and charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Deferred taxation

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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 liabi lity is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Material Accounting Policies

1.9 Leases

The Group assesses whether a contract is, or contains, a lease at the inception of the contract.

Group as lessee

All leases for which the Group is a lessee are accounted for by recognising a right-of-use asset and a lease liability except for leases of low-value assets and leases with a duration of 12 months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, discounted using the Group's incremental borrowing rate on commencement of the lease. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes that the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- Any penalties payable for terminating the lease, if the term of the lease has been estimated based on a termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

After the initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, if it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the paymen ts to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a ra te or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

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.

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

When a contract includes lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

Material Accounting Policies

1.10 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may have decreased. If such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Stated capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity comprises stated capital and retained earnings.

Ordinary shares are classified as equity. Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been declared by the directors before the reporting date.

1.12 Revenue from contracts with customers

Revenue recognition:

Revenue from the letting of investment property comprises gross rental income and recoveries of fixed operating costs, net of value added tax. Rental income is accounted for in terms of IFRS 16 Leases and recognised in profit or loss on a straight-line basis over the term of the lease. Recoveries of costs from lessees are accounted for as non-lease components in terms of IFRS 15 Revenue from Contracts with Customers. Recoveries are levied monthly in arrears as a result of the Group recovering the costs of providing the tenant with services as determined by the lease agreement.

Management considers the terms of the lease agreement and its customary business practices to determine the transaction price. The Group satisfies the performance obligation for the services over time and recognises revenue over time. The Group therefore recognises revenue from the services as they are provided. Revenue is recognised based on the actual services consumed during the reporting period as a proportion of the total services provided. Non-contractual revenue is accounted for in terms of IFRS 15. The Group satisfies the performance obligations at a point in time and recognises revenue when it satisfies the performance obligation.

1.13 Finance income

Finance income is recognised in the statement of profit or loss using the effective interest rate method and takes into account the expected timing and amount of cash flows. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or liability. Dividend income is recognised in the statement of profit or loss when the right to receive payment is established.

Material Accounting Policies

1.14 Borrowing costs

Finance costs directly attributable to the acquisition, construction or production of an asset that necessarily takes substantial time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs an entity incurs in connection with the borrowing of funds.

1.15 Translation of foreign currencies

Foreign currency transactions

The Group's consolidated financial statements are presented in Botswana Pula, which is also the parent company's functional currency. The Group determines the functional currency for each entity 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's 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 except for 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) and accumulated in a foreign exchange translation reserve.

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 da tes 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 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.

At the Company level, foreign exchange gains and losses arising from the related party loan to PrimeTime Property Holdings (Mauritius) Limited are recognised directly in profit or loss, as they are treated as part of the company's foreign currency transactions.

However, at the Group level, the related party loan between PrimeTime Property Holdings Limited and PrimeTime Property Holdings (Mauritius) Limited is considered part of the net investment in PrimeTime Property Holdings (Mauritius) Limited. As such, the foreign exchange gains and losses arising from the translation of this loan are recognised in OCI within the FCTR on consolidation. These translation adjustments are reclassified to profit or loss upon realisation of the loan or upon a reduction in the net investment in PrimeTime Property Holdings (Mauritius) Limited.

Other foreign exchange gains and losses, not related to the related party loan or translation of foreign operations, are recognised directly in profit or loss at the Company and Group levels. Refer to note 32 for disclosure of monetary foreign-denominated balances as at the reporting date.

Material Accounting Policies

1.16 Related party transactions

Related parties are defined as those parties that:

a) directly, or indirectly through one or more intermediaries:

- control or are controlled by or under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- have an interest in the entity that gives them significant influence over the entity; or

b) are members of the key management personnel of the entity or its parents including close members of the family.

All dealings with related parties are transacted at prices approved by the Board.

Notes to the Consolidated And Separate Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after
• International tax reform - Pillar two model rules - amendments to IAS 12	01 January 2023
• Initial application of IFRS 17 and IFRS 9 - Comparative information	01 January 2023
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023
• -IFRS 17 Insurance Contracts	01 January 2023

The above amendments did not have an impact on these financial statements.

2.2 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations which have been published and are mandatory for the Group’s accounting periods beginning on or after 1 September 2024 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parent's profit or loss only to the extent of the unrelated investor's interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parent's profit or loss.

The effective date of the amendment will be determined by the IAS board.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate financial statements.

Lack of exchangeability - amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity can obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The amendment is effective for the years beginning on or after 1 January 2025 and the Group expects to adopt the amendment for the first time in the 2026 financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

Supplier finance arrangements - amendments to IAS 7 and IFRS 7

The amendment applies to circumstances where supplier finance arrangements exist. These are arrangements whereby finance providers pay the suppliers of the entity, thus providing the entity with extended payment terms or the suppliers with early payment terms. The entity then pays the finance providers based on their specific terms and conditions. The amendment requires the disclosure of information about supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows as well as on the entity's exposure to liquidity risk.

Notes to the Consolidated And Separate Financial Statements

2. New standards and interpretations (continued)

The amendment is effective for the years beginning on or after 1 January 2024 and the Group expects to adopt the amendment for the first time in the 2025 financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

Non-current liabilities with covenants - amendments to IAS 1

The amendment applies to the classification of liabilities with loan covenants as current or non-current. If an entity has the right to defer settlement of a liability for at least 12 months after the reporting period, but subject to conditions, then the timing of the required conditions impacts whether the entity has a right to defer settlement. If the conditions must be complied with at or before the reporting date, then they affect whether the rights to defer settlement exists at the reporting date. However, if the entity is only required to comply with the conditions after the reporting period, then the conditions do not affect whether the right to defer settlement exists at the reporting date. If an entity classifies a liability as non-current when the conditions are only required to be met after the reporting period, then additional disclosures are required to enable the users of financial statements to understand the risk that the liabilities could become repayable within 12 months after the reporting period.

The amendment is effective for the years beginning on or after 1 January 2024 and the Group expects to adopt the amendment for the first time in the 2025 financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction shall determine "lease payments" or "revised lease payments" in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The amendment is effective for the years beginning on or after 1 January 2024 and the Group expects to adopt the amendment for the first time in the 2025 financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

IFRS 18 - Presentation and disclosures in financial statements

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.

The amendment is effective for the years beginning on or after 1 January 2027 and the Group expects to adopt the amendment for the first time in the 2027 annual financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

IFRS 19 - Subsidiaries without public accountability: Disclosures

IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

The amendment is effective for the years beginning on or after 1 January 2027 and the Group expects to adopt the amendment for the first time in the 2027 annual financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

IFRS S1 and S2 - General requirements for disclosure of sustainability (related financial information)

IFRS S1 and S2 set out overall requirements for an entity to disclose information about its sustainability-related risks and opportunities that are useful to the primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.

The amendment is effective for the years beginning on or after 1 January 2024 and the company expects to adopt the amendment for the first time in the 2025 annual financial statements. The amendment is unlikely to have a material impact on the consolidated and separate financial statements.

2. New standards and interpretations (continued)

Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current. If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The amendment is effective for years beginning on or after 01 January 2024 and the company expects to adopt the amendment for the first time in the 2025 annual financial statements. The amendment is unlikely to have a material impact on the company's annual financial statements.

3. Revenue

Rental income and revenue from contracts with customers are, as follows:

Rental income (excluding straight-line adjustments)	33	189,114,135	181,758,800	130,592,772	122,597,503
Straight-line adjustments		(4,099,800)	(7,098,560)	(4,286,525)	(3,316,555)
Rental income		**185,014,335**	**174,660,240**	**126,306,247**	**119,280,948**
Recovery of property expenses		41,981,622	38,136,982	26,930,769	25,565,366
Total rental income and revenue from contracts with customers		**226,995,957**	**212,797,222**	**153,237,016**	**144,846,314**

Note 33 contains further disaggregation of the Group's contractual rental income from tenants based on geography.

4. Exchange differences on translation of foreign balances

Exchange differences on translation of foreign balances consists of:

Foreign exchange (losses)/gain arising from the related party loan and the allowance for credit losses on the related party loan	-	-	(7,409,135)	24,063,479
Other	(447,105)	3,757,335	192,149	233,089
	(447,105)	**3,757,335**	**(7,216,986)**	**24,296,568**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

5. Operating expenses

Included in operating expenses are the following costs:

Amounts paid to related parties				
Portfolio management fees	13,899,168	8,974,562	11,855,904	7,732,582
Solar rental	1,180,717	851,435	1,180,717	851,435
Property management fees	9,234,832	8,794,368	6,427,844	5,958,532
Letting fees	1,886,063	1,161,588	1,308,808	683,815
	26,200,780	19,781,953	20,773,273	15,226,364
Portfolio management fees capitalised	(140,015)	(587,944)	(140,015)	(587,944)
Development fees capitalised	(3,800)	-	(3,800)	-
Letting fees capitalized	(342,609)	-	(342,609)	-
	25,714,356	**19,194,009**	**20,286,849**	**14,638,420**
Directors' emoluments				
Directors' fees	1,588,333	1,287,055	1,588,333	1,287,055
Prior year deferred directors' emoluments expensed*	225,200	-	225,200	-
	1,813,533	**1,287,055**	**1,813,533**	**1,287,055**
Less: Directors' emoluments deferred	-	(225,200)	-	(225,200)
	1,813,533	**1,061,855**	**1,813,533**	**1,061,855**
Other operating expenses				
Auditor’s remuneration - current year	1,100,628	907,459	609,421	538,193
- prior year	10,000	289,858	10,000	289,858
Consulting fees	2,141,465	351,424	2,141,465	244,678
Depreciation of furniture and equipment	13,205	-	-	-
Insurance	1,949,224	1,988,041	902,748	931,623
Legal fees	831,868	570,259	764,511	542,955
Professional fees	1,312,669	760,968	1,221,108	582,767
Rates	2,977,474	2,858,103	744,835	654,515
Repairs and maintenance	8,797,889	8,479,553	5,170,698	5,308,137
Trustees' fees	131,302	53,800	61,418	53,800
Utilities, service levies and other property costs	43,769,755	38,744,845	30,170,026	27,095,738
Variable lease payments not included in the measurement of lease	4,146,002	3,996,121	2,715,277	2,533,217

* Prior year deferred directors' emoluments were expensed in the current year due to the withdrawal of the transaction that led to the deferral.

In the prior year, insurance and maintenance were included in total property costs. In the current year, they have been separately disclosed following a materiality assessment, with no impact on the financial position or performance.

6. Fair value adjustment

Change in fair value of investment properties for the year	7,126,863	37,354,172	28,138,709	38,928,419
Remeasurement of right-of-use asset	-	(149,313)	-	(260,333)
	7,126,863	37,204,859	28,138,709	38,668,086
Rentals straight-line adjustment for the year	4,099,800	7,098,560	4,286,525	3,316,555
	11,226,663	**44,303,419**	**32,425,234**	**41,984,641**

Notes to the Consolidated And Separate Financial Statements

		Group		Company	
Figures in Pula		2024	2023	2024	2023

7. Investment income

Interest income - effective interest method					
Bank deposits		814,814	1,227,267	184,052	51,064
Money held in trust		101,655	268,682	-	-
Related party		-	-	38,942,527	37,322,924
Other		-	3,059	-	-
Total interest income		**916,469**	**1,499,008**	**39,126,579**	**37,373,988**

8. Finance costs

Interest expense - effective interest method					
Interest on lease liabilities		222,864	220,338	47,093	49,483
Bank borrowings and bonds	26	76,480,633	76,344,448	60,466,877	60,718,247
Other interest		1,076	4,029	-	-
Total finance costs		**76,704,573**	**76,568,815**	**60,513,970**	**60,767,730**
Less: Capitalised to investment property		(337,587)	(1,061,903)	(337,587)	(1,061,903)
Total finance costs expensed		**76,366,986**	**75,506,912**	**60,176,383**	**59,705,827**

9. Debenture interest

Interim paid 27 March 2024 - 3.07 thebe (2023: 31 March - 4.27) per linked unit	8,108,997	10,570,581	8,108,997	10,570,581
Interim paid 29 August 2024 - 4.21 thebe (2023: 31 August - 6.00 thebe) per linked unit	11,127,944	15,153,552	11,127,944	15,153,552
Total declared and paid for the year	19,236,941	25,724,133	19,236,941	25,724,133
Proposed debenture interest (in debenture reserve):				
Final proposed - none (2023: 1.30 thebe), per linked unit)	-	3,283,270	-	3,283,270
Total paid and proposed interest for the year	**19,236,941**	**29,007,403**	**19,236,941**	**29,007,403**
Weighted average number of linked units in issue for the year	259,420,670	249,666,120	259,420,670	249,666,120
Distribution per linked unit (thebe)	7.42	11.57	7.42	11.57

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023
10. Taxation				
Major components of taxation				
Taxation charged to profit or loss				
Withholding tax				
- foreign interest	109,569	6,315	-	-
- foreign rental income	6,332,866	6,324,641	345,208	336,281
- dividend income	-	1,042,642	-	-
	6,442,435	**7,373,598**	**345,208**	**336,281**
Normal taxation				
- current year	763,993	1,303,482	-	-
- prior year	6,241	(34,188)	-	-
	770,234	**1,269,294**	**-**	**-**
Total current taxation	7,212,669	8,642,892	345,208	336,281
Deferred taxation				
- current year	10,835,688	12,529,851	12,942,469	16,500,325
- prior year under provision	(47,051)	(28,218)	(47,051)	(28,218)
	10,788,637	**12,501,633**	**12,895,418**	**16,472,107**
Total taxation charged to profit or loss	**18,001,306**	**21,144,525**	**13,240,626**	**16,808,388**
Taxation charged to other comprehensive income				
Deferred taxation				
- current year	2,106,781	3,970,474	-	-
Tax impact on equity				
Taxation attributable to debenture interest	(4,232,127)	(6,381,629)	(4,232,127)	(6,381,629)
Total taxation				
Taxation charged to profit or loss	18,001,306	21,144,525	13,240,626	16,472,107
Taxation charged to other comprehensive income	2,106,781	3,970,474	-	-
Tax impact on equity	(4,232,127)	(6,381,629)	(4,232,127)	(6,381,629)
	15,875,960	**18,733,370**	**9,008,499**	**10,090,478**
Movement in deferred taxation				
Opening balance	58,865,473	48,774,995	58,865,473	48,774,995
Charged to profit or loss	10,788,637	12,501,633	12,895,418	16,135,826
Charged to other comprehensive income	2,106,781	3,970,474	-	-
Tax impact on equity	(4,232,127)	(6,381,629)	(4,232,127)	(6,381,629)
	67,528,764	**58,865,473**	**67,528,764**	**58,529,192**
Total net movement in deferred taxation for the year	**8,663,291**	**10,090,478**	**8,663,291**	**9,754,197**
Deferred taxation arises from the following temporary differences:				
Capital allowances and other deferred taxes	54,211,608	47,655,099	54,211,608	47,655,099
Unrealised foreign exchange movements	13,317,156	11,210,374	13,317,156	11,210,374
Deferred tax liability at end of the year	**67,528,764**	**58,865,473**	**67,528,764**	**58,865,473**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

10. Taxation (continued)

Deferred taxation movement according to temporary differences:

Capital allowances on investment property and other deferred taxes:				
Balance at beginning of the year	47,655,099	41,535,095	47,655,099	41,535,095
Movement during the year	6,556,510	6,120,004	6,556,510	6,120,004
Balance at end of the year	**54,211,609**	**47,655,099**	**54,211,609**	**47,655,099**
Unrealised foreign exchange gains:				
Balance at beginning of the year	11,210,374	7,239,900	11,210,374	7,239,900
Movement during the year	2,106,781	3,970,474	2,106,781	3,970,474
Balance at end of the year	**13,317,155**	**11,210,374**	**13,317,155**	**11,210,374**
Total deferred tax	**67,528,764**	**58,865,473**	**67,528,764**	**58,865,473**
Total net movement from capital allowances on investment property and other temporary differences	6,556,510	6,120,004	6,556,510	6,120,004
Total movement from unrealised foreign exchange gains	2,106,781	3,970,474	2,106,781	3,970,474
	8,663,291	**10,090,478**	**8,663,291**	**10,090,478**

Reconciliation of taxation charge

Reconciliation between accounting profit and tax expense.

Accounting profit before tax	62,340,744	104,407,409	50,843,861	110,088,926
Tax at the Botswana statutory tax rate of 22%	13,714,964	22,969,630	11,185,649	24,219,564
Tax effect of adjustments on taxable income				
Fair value adjustments	(4,433,030)	(7,031,284)	(4,433,030)	(7,031,284)
Expenses not deductible	584,911	123,966	592,041	123,976
Effects of income from foreign jurisdictions taxed at different rates	12,384,282	7,771,911	(1,755,561)	(1,381,182)
Prior year (under)/over provision	(47,051)	(28,206)	(47,051)	(28,218)
Effects of impairment of related party loan	-	-	8,164,557	4,890,515
Previously unrecognised tax losses utilised during the year	(4,202,770)	(2,661,492)	(465,979)	(3,984,983)
Charge for the year	**18,001,306**	**21,144,525**	**13,240,626**	**16,808,388**

The reconciliation of the taxation charge was adjusted to start with the statutory tax rate in Botswana of 22%. Previously, the reconciliation was started with the combined statutory tax rates applied to each component's profit before taxation. This resulted in the incorrect classification of the tax effects on taxable income in the prior year. The comparative tax effects on taxable income was therefore adjusted in the current year to reflect the accurate tax effects on taxable income, using the statutory tax rate in Botswana of 22% and ensuring comparability between the current and prior year tax effects. The underlying tax computations and prior year taxation charge for the year didn't change.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

10. Taxation (continued)

Income taxes (received)/paid

Opening tax payable/(receivable)	766	(5,824,109)	(998)	5,257,486
Charge for the year	7,212,669	8,642,892	345,208	336,281
Closing tax receivable	33,663	(766)	12,361	998
	7,247,098	**2,818,017**	**356,571**	**5,594,765**

Tax losses
In the company:

PrimeTime Property Holdings Limited has tax losses for which no deferred tax asset has been recognised as the company is unlikely to generate sufficient taxable profits to utilise the losses before they expire. The losses for which no deferred tax asset has been recognised in the company amount to P19,510,069 (2023: P35,330,297). The tax losses expire as follows:

Amount of loss	Year of origination	Year of expiry
16,565,518	**2022**	**2027**
2,944,551	**2021**	**2026**
19,510,069		

Additionally in the group:

PrimeTime Property Holdings (Mauritius) Limited has tax losses for which no deferred tax asset has been recognised as the company is unlikely to generate sufficient taxable profits to utilise the losses before they expire. The losses for which no deferred tax asset has been recognised in PrimeTime Property Holdings (Mauritius) Limited amount to P226,809,419 (2023: P86,438,001). The tax losses expire as follows:

Amount of loss	Year of origination	Year off expiry
28,585,430	**2024**	**2029**
49,116,297	**2023**	**2028**
149,107,692	**2020**	**2025**
226,809,419		

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

11. 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:

	2024	2023		
Profit for the year	44,339,438	83,262,884		
Taxation attributable to debenture interest	4,232,127	6,381,629		
Earnings for the year attributable to linked unit holders	**48,571,565**	**89,644,513**		
Weighted average number of linked units in issue for the year - basic and diluted	259,420,670	249,666,120		
Earnings per linked unit (thebe) - basic and diluted	18.72	35.91		

12. Furniture and equipment

Group	2024			2023		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	564,744	(9,622)	555,122	-	-	-
Office equipment	110,264	(3,068)	107,196	-	-	-
Security equipment	127,385	(787)	126,598	-	-	-
Total	**802,393**	**(13,477)**	**788,916**	**-**	**-**	**-**

Reconciliation of furniture and equipment - Group - 2024

	Opening balance	**Additions**	**Foreign exchange gain**	**Depreciation**	**Closing balance**
Furniture and fixtures	-	553,629	10,933	(9,440)	555,122
Office equipment	-	108,094	2,101	(2,999)	107,196
Security equipment	-	124,878	2,486	(766)	126,598
	-	**786,601**	**15,520**	**(13,205)**	**788,916**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

13. Investment property

Investment property consists of:				
Freehold properties	293,604,136	289,508,698	206,253,900	204,203,195
Leasehold properties	1,494,087,291	1,426,386,246	986,872,239	893,668,232
	1,787,691,427	**1,715,894,944**	**1,193,126,139**	**1,097,871,427**
Reconciliation of investment property at fair value				
Balance at beginning of the year	1,715,894,944	1,646,579,905	1,097,871,427	1,059,560,962
Property additions at cost	12,606,965	6,774,178	10,832,612	989,286
Transfers from work in progress	59,703,875	-	59,703,875	-
Fair value adjustment for the year	11,226,663	44,303,419	32,425,234	41,984,641
Foreign exchange translation	(11,741,020)	18,088,129	(7,707,009)	(4,923,795)
Remeasurement of right-of-use asset	-	149,313	-	260,333
	1,787,691,427	**1,715,894,944**	**1,193,126,139**	**1,097,871,427**
Components of investment property				
Valuation of investment property	1,839,463,028	1,771,845,999	1,239,531,000	1,148,562,813
Rentals straight-line adjustment long term portion	(44,028,460)	(46,107,534)	(39,904,700)	(42,810,584)
Rentals straight-line adjustment short term portion	(7,743,141)	(9,843,521)	(6,500,161)	(7,880,802)
	1,787,691,427	**1,715,894,944**	**1,193,126,139**	**1,097,871,427**

Right-of-use assets

Investment properties include properties on land held as right-of-use assets and properties are owned by the Group. At 31 August 2024 these leases contained a non-cancellable remaining lease term of 21 to 77 years in the company (2023: 22 to 78 years) and 21 to 89 years in the Group (2023: 22 to 90 years).

Group - In Pula	**Owned property**	**Right-of-use assets**	**Total**
Balance as at 1 September 2022	1,590,795,594	55,784,311	1,646,579,905
Acquisitions and transfers from work in progress	6,774,178	149,313	6,923,491
Net change in fair value	59,757,437	2,634,111	62,391,548
Balance as at 31 August 2023	1,657,327,209	58,567,735	1,715,894,944
Acquisitions and transfers from work in progress	72,310,840	-	72,310,840
Net change in fair value	(85,746)	(428,611)	(514,357)
Balance as at 31 August 2024	**1,729,552,303**	**58,139,124**	**1,787,691,427**

Company - In Pula	**Owned property**	**Right-of-use assets**	**Total**
Balance as at 1 September 2022	1,038,433,337	21,127,625	1,059,560,962
Acquisitions and transfers from work in progress	989,286	260,333	1,249,619
Net change in fair value	37,138,398	(77,552)	37,060,846
Balance as at 31 August 2023	1,076,561,021	21,310,406	1,097,871,427
Acquisitions and transfers from work in progress	70,536,490	-	70,536,490
Net change in fair value	25,199,306	(481,084)	24,718,222
Balance as at 31 August 2024	**1,172,296,817**	**20,829,322**	**1,193,126,139**

Notes to the Consolidated And Separate Financial Statements

13. Investment property (continued)

Details of property

Freehold properties comprise:
- Plot 203, Gaborone*
- Plot 22, Gaborone*
- Plot 29, Gaborone**
- Plot 16177 - 16185, Francistown*

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
• Plot 165, Gaborone	15 - year ground lease from 1 May 2005, with an option to renew for another five-year period which was taken
• Plot 67979, Gaborone*	50 - year state grant from 13 July 2000
• Lease Area 110 MP on Plot 2461, Serowe	25 - year ground lease from 1 December 2006, extended from 1 December 2030 for a period of 21 years
• Plot 4649, Lobatse*	20 - year ground lease from 1 November 2004
• Plot 20584, Gaborone*	50 - year state grant from 27 November 1998
• Plot 62417, Gaborone*	50 - year State grant from 26 September 2005
• Plot 74538, Gaborone*	50 - year state grant from 26 September 2005
• Tribal Lot 439, Pilane*	Notarial deed of cession and delegation from Amatrix Developments (Proprietary) Limited of a 50 - year lease from 18 December 2008 registered at the Deeds Office on 14 October 2016
• Plot 75749, Gaborone*	50 - year state grant from 26 September 2002
• Plot 75782, Gaborone*	50 - year state grant from 26 September 2002
• Lot 14076, Lobatse*	Notarial deed of cession and delegation from Weavers Ascent (Proprietary) Limited of a 30 - year lease from 21 October 2021 registered at the Deeds Office on 3 February 2021 with an option to renew for another 30 years
• 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:

Freehold properties comprise:
- Portion 7 of Erf 597 Spartan Extension 12, Ekurhuleni*
- Erf 1618 Bryanston, City of Johannesburg*

Leasehold properties comprise:

• Subdivision D part of Stand No. 2374, Lusaka*	Ceded lease agreement from the Agricultural and Commercial Society of Zambia for 50 years from 2004
• Subdivision 6 of Farm No. 377a, Lusaka*	Renewable lease agreement with the Zambian Diocesan Trustees for 35 years from 8 April 2015. Finance costs are capitalised by reference to the Group's weighted average cost of borrowings during the year. In the current year, the Group's weighted average cost of borrowings was 8.11% (2023: 8.14%)
• Stand No. 1001, Chirundu	99 - year state lease held under a Certificate of Title from 1 May 2014
• Subdivision 8 of Subdivision E of farm No. 609 Lusaka*	100 - year state lease held under a Certificate of Title from 1 July 1975

* These properties are encumbered as per note 26.
** This property is encumbered as per note 30.

Notes to the Consolidated And Separate Financial Statements

13. Investment property (continued)

Details of valuation

The fair values of the Company's investment properties in Botswana on 31 August 2024 have been arrived at on the basis of valuations carried out at on that date by independent valuers, Riberry Proprietary Limited who are members of the Real Estate Institute of Botswana and are registered in terms of the Real Estate Professionals Act 2003. The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and categories of the investment properties valued. The valuations conform to International Valuation Standards and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the Group's investment properties in Zambia on 31 August 2024 have been arrived at based on valuations conducted on that date by Knight Frank (Zambia) Limited, independent valuers. Knight Frank (Zambia) Limited are members of the Surveyors Institute of Zambia (SIZ) and the Zambia Institute of Estate Agents (ZIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The fair values of the Group's investment properties in South Africa on 31 August 2024 have been arrived at on the basis of valuations carried out on that date by independent valuers, Knight Frank Gauteng (Pty) Limited who are members of the South African Council for the Property Valuers Profession and are registered in terms of the Property Valuers Profession Act 2020. The principal valuer also has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The directors assessed the external valuations performed at year-end as reasonable. Capital commitments relating to investment properties are disclosed in note 35. Revenue earned from the investment properties is disclosed as rental income on the face of the statement of profit or loss and other comprehensive income and the related expenses are disclosed in note 5.

13. Investment property (continued)

Assets measured at fair value - investment properties

The following are the valuation techniques and inputs:

Valuation techniques and inputs

Company as at 31 August 2024

	Direct capitalisation Fair value	Discounted cash flow: Fair value Pula	Fair value	Unobservable input: Capitalisation	Unobservable input: Actual rentals per m2	Unobservable input: Market rentals per m2
Botswana	1,164,385,140	-	1,164,385,140	7% to 25%	P60 to P183	P60 to P183
Zambia	28,740,999	-	28,740,999	11% to 12,5%	P59 to P89	P84 to 99
	1,193,126,139	-	1,193,126,139	-	-	-

Company as at 31 August 2023

	Direct capitalisation Fair value	Discounted cash flow: Fair value Pula	Fair value	Unobservable input: Capitalisation	Unobservable input: Actual rentals per m2	Unobservable input: Market rentals per m2
Botswana	1,069,468,616	-	1,069,468,616	7% to 25%	P59 to P187	P60 to P153
Zambia	28,402,811	-	28,402,811	11% to 13%	P55 to P130	P101 to P135
	1,097,871,427	-	1,097,871,427	-	-	-

Consolidated as at 31 August 2024

	Direct capitalisation Fair value	Discounted cash flow: Fair value Pula	Fair value	Unobservable input: Capitalisation	Unobservable input: Actual rentals per m2	Unobservable input: Market rentals per m2
Botswana	1,164,385,140	-	1,164,385,140	7% to 25%	P60 to P183	P60 to P162
Zambia branch	28,740,999	-	28,740,999	11% to 12.5%	P59 to P89	P84 to P99
Zambia subsidiary	-	507,215,052	507,215,052	8% to 10%	P141 to P250	P134 to P248
South Africa	-	87,350,236	87,350,236	9% to 9,5%	P39 to P94	P40 to P98
	1,193,126,139	594,565,288	1,787,691,427	-	-	-

Consolidated as at 31 August 2023

	Direct capitalisation Fair value	Discounted cash flow: Fair value Pula	Fair value	Unobservable input: Capitalisation	Unobservable input: Actual rentals per m2	Unobservable input: Market rentals per m2
Botswana	1,069,468,616	-	1,069,468,616	7% to 25%	P59 to P187	P60 to P153
Zambia branch	28,402,811	-	28,402,811	11% to 13%	P56 to P82	P101 to P135
Zambia subsidiary	-	532,718,014	532,718,014	8% to 10%	P145 to P258	P166 to P262
South Africa	-	85,305,503	85,305,503	9% to 9.5%	P42 to P121	P38 to P102
	1,097,871,427	618,023,517	1,715,894,944	-	-	-

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

13. Investment property (continued)

Information about sensitivity to changes in unobservable inputs

The fair value of investment properties is a function of the unobservable inputs in the valuation process. Significant changes in the unobservable inputs would result in significant changes in the fair value measurement of the investment properties. Property occupancy rates have a direct impact on the income for the Group and Company, and capitalisation rates and discount rates, net income and vacancy rates have a direct impact on the property values for the Group and Company.

We estimated the impact of a change in the following significant unobservable inputs would result in a change in the independent valuer's valuation as follows:

A decrease of 0.5% in the capitalisation and discount rate				
Botswana	63,725,789	58,955,789	63,725,789	58,955,789
Zambia	28,411,998	29,751,374	1,512,684	1,494,885
South Africa	4,685,150	4,547,889	-	-
	96,822,937	**93,255,052**	**65,238,473**	**60,450,674**
An increase of 0.5% in the capitalisation and discount rate				
Botswana	(57,656,667)	(53,340,952)	(57,656,667)	(53,340,952)
Zambia	(25,706,094)	(26,917,910)	(1,368,619)	(1,352,515)
South Africa	(4,238,945)	(4,114,757)	-	-
	(87,601,706)	**(84,373,619)**	**(59,025,286)**	**(54,693,467)**
A decrease of 5% in the estimated rental value				
Botswana	(60,539,500)	(56,008,000)	(60,539,500)	(56,008,000)
Zambia	(26,991,398)	(28,263,805)	(1,437,050)	(1,420,140)
South Africa	(4,450,893)	(4,320,494)	-	-
	(91,981,791)	**(88,592,299)**	**(61,976,550)**	**(57,428,140)**
An increase of 5% in the estimated rental value				
Botswana	60,539,500	56,008,000	60,539,500	56,008,000
Zambia	26,991,398	28,263,805	1,437,050	1,420,140
South Africa	4,450,893	4,320,494	-	-
	91,981,791	**88,592,299**	**61,976,550**	**57,428,140**

14. Rentals straight-line adjustment

Opening balance	55,951,055	63,016,803	50,691,386	54,007,941
Movement during the year	(4,099,800)	(7,098,560)	(4,286,525)	(3,316,555)
Foreign exchange translation	(79,654)	32,812	-	-
Closing balance	**51,771,601**	**55,951,055**	**46,404,861**	**50,691,386**
Current and non-current				
Rentals straight-line adjustment - current	7,743,141	9,843,521	6,500,161	7,880,802
Rentals straight-line adjustment - non current	44,028,460	46,107,534	39,904,700	42,810,584
	51,771,601	**55,951,055**	**46,404,861**	**50,691,386**

The Group and Company lease terms and conditions are detailed in note 34.

Notes to the Consolidated And Separate Financial Statements

		Group		Company	
Figures in Pula		2024	2023	2024	2023

15. Fair value information

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

Recurring fair value measurements at the end of the reporting period

Investment property	1,787,691,427	1,715,894,944	1,193,126,139	1,097,871,427

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

Balance at beginning of the year	1,715,894,944	1,646,579,905	1,097,871,427	1,059,560,962
Fair value adjustment	11,226,663	44,303,419	32,425,234	41,984,641
Property additions at cost	12,606,965	6,774,178	10,832,612	989,286
Transfers from work in progress	59,703,875	-	59,703,875	-
Foreign exchange translation	(11,741,020)	18,088,129	(7,707,009)	(4,923,795)
Remeasurement of right-of-use asset	-	149,313	-	260,333
	1,787,691,427	**1,715,894,944**	**1,193,126,139**	**1,097,871,427**

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

Total gains for the year	11,226,663	44,303,419	32,425,234	41,984,641

Finance costs are capitalised by reference to the group weighted average cost of borrowings during the year. In the current year, the Group's weighted average cost of borrowings was 8.11% (2023: 8.14%).

16. Work in progress

Work in progress		41,651,966	98,682,346	41,651,966	98,682,346
Reconciliation of work in progress					
Balance at beginning of the year		98,682,346	63,439,294	98,682,346	63,439,294
Transfer to investments property	13	(59,703,875)	-	(59,703,875)	-
Additions		2,335,908	34,181,149	2,335,908	34,181,149
Finance costs capitalised	8	337,587	1,061,903	337,587	1,061,903
Balance at end of the year		**41,651,966**	**98,682,346**	**41,651,966**	**98,682,346**

Finance costs are capitalised by reference to the Group's weighted average cost of borrowings during the year. In the current year, the Group's weighted average cost of borrowings was 8.11% (2023: 8.14%).

This work in progress is in relation to:

- Serviced land value for Phase II Plot 75782 Setlhoa, a commercial office park. This includes the costs associated with preparing the land for commercial development, including essential services such as roads and utilities.
- Serviced Land with Basement Development Plot 54359 in the Gaborone CBD This comprises serviced land with structural progress including basement development, prepared for a multi-building commercial project. Three separate building spaces are planned on this plot. The first building was completed in October 2023 and subsequently capitalised in November 2023 on occupation.

Notes to the Consolidated And Separate Financial Statements

17. Investment in subsidiary

Company

Name of company	% holding 2024	% holding 2023	Carrying amount 2024	Carrying amount 2023
PrimeTime Property Holdings (Mauritius) Limited	100.00 %	100.00 %	1,020	1,020

Reconciliation of investments in subsidiary		
Opening and closing balance	1,020	1,020

PrimeTime Property Holdings (Mauritius) Limited ("PrimeTime Mauritius"), is the intermediary holding company and owns investment properties indirectly through its subsidiary. PrimeTime Mauritius was incorporated in Mauritius on 30 October 2015 and holds the 100% shareholding in PrimeTime Property Holdings (Zambia) Limited, a company incorporated in Zambia.

The company has committed to providing financial support to its subsidiary, PrimeTime Property Holdings (Zambia) Limited. This commitment entails the provision of necessary funding to the subsidiary, in accordance with sound business practices, to ensure it can meet its financial obligations. The financial support outlined in this letter will remain in effect as long as PrimeTime Property Holdings (Zambia) Limited's liabilities exceed its assets, and it may be enforced by its creditors, subject to the conditions specified.

Bank guarantees provided to Group companies are also disclosed in note 26. Transactions and balances with this subsidiary are disclosed in note 31.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

18. Amounts due from related party loan

PrimeTime Property Holdings (Mauritius) Limited

Related party loan	-	-	624,152,606	593,550,765
Expected credit losses on related party loan	-	-	(154,241,669)	(118,061,598)
	-	**-**	**469,910,937**	**475,489,167**

Reconciliation of opening and closing balances:				
Opening balance at 1 September	-	-	475,489,167	444,657,554
Interest charged	-	-	38,942,527	37,322,924
Repayments made	-	-	-	(8,325,175)
Movement in expected credit losses on related party loan	-	-	(37,111,622)	(22,229,615)
Foreign exchange gains:				
Foreign exchange (loss)/gains arising on the loan	-	-	(8,340,686)	24,545,623
Foreign exchange gain/(losses) on the allowance for credit losses	-	-	931,551	(482,144)
Closing balance at 31 August	**-**	**-**	**469,910,937**	**475,489,167**

Movement in the allowance for credit losses

			Stage 3	**Stage 3**
Balance at beginning of year	-	-	118,061,598	95,349,839
Impairment losses remeasurement	-	-	37,111,622	22,229,615
Foreign exchange losses	-	-	(931,551)	482,144
Balance at end of the year	**-**	**-**	**154,241,669**	**118,061,598**

The loan to PrimeTime Property Holdings (Mauritius) Limited is denominated in USD, has no fixed repayment terms and accrues interest at the Group's weighted average cost of borrowings of 8.11% (2023: 8.14%).

This loan is classified as Stage 3 under IFRS 9 levels of impairment and an analysis is performed at each reporting date using the fair value model to measure expected credit losses. Interest on this loan was calculated based on the gross carrying value less the expected credit loss. The calculation reflected the information that was available at the reporting date and the carrying amounts of the balances receivable approximate their fair values as at the reporting dates.

Subsequent to the reporting date, value of the outstanding loan and interest attributable to expected credit losses of P154,241,669 were forgiven by the company and the remaining balance of P469,910,937 was converted to equity in the subsidiary through the subscription of shares. These events are classified as non-adjusting, as they occurred after the reporting period and do not affect the financial position as of the reporting date. For further details, please refer to note 37.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

19. Trade and other receivables

19.1 Financial instruments				
Trade receivables	7,191,378	4,269,398	3,095,455	3,028,820
Expected credit losses on trade receivables	(2,698,778)	(780,667)	(1,241,736)	(514,061)
Trade receivables at amortised cost	4,492,600	3,488,731	1,853,719	2,514,759
Deposits	988,383	1,163,366	629,051	614,751
Sundry debtors	1,405,156	1,209,024	1,367,781	1,115,468
Deferred letting fees	4,003,126	4,087,435	2,038,064	1,846,788
Non-financial instruments:				
VAT	324,137	1,435,203	188,821	1,435,203
Prepayments	2,836,190	2,850,891	2,000,103	1,950,271
Total trade and other receivables	**14,049,592**	**14,234,650**	**8,077,539**	**9,477,240**

Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	10,889,265	9,948,556	5,888,615	6,091,766
Non-financial instruments	3,160,327	4,286,094	2,188,924	3,385,474
	14,049,592	**14,234,650**	**8,077,539**	**9,477,240**

Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur a financial loss if customers fail to make payments as they fall due.

The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experienc e of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of the current and forecast direction of conditions at the reporting date. The directors consider the carrying amount of trade and other receivables to approximate their fair value. The average credit period is 30 days (2023: 30 days). No interest is charged on overdue receivables.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses and the provision rates are based on days past due. The calculation reflects the information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, rent and other trade receivables are written-off if the Group has exhausted all means of collection without success and are no longer subject to enforcement activity.

The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Group	2024	2024	2023	2023
Expected credit loss rate:	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**
Less than 30 days past due: 12.73% (2023: 1.03%)	2,816,799	(358,563)	1,101,596	(11,358)
31 - 60 days past due: 22.46% (2023: 2.5%)	1,235,513	(277,538)	689,393	(17,236)
61 - 90 days past due: 42.10% (2023: 5%)	497,296	(209,347)	456,342	(22,814)
91 - 120 days past due: 59.66% (2023: 10%)	238,429	(142,235)	295,110	(29,506)
More than 120 days past due: 73.29% (2023: 40.5%)	2,334,651	(1,711,095)	1,726,957	(699,753)
Total	**7,122,688**	**(2,698,778)**	**4,269,398**	**(780,667)**

Notes to the Consolidated And Separate Financial Statements

19. Trade and other receivables (continued)

Company	2024	2024	2023	2023
Expected credit loss rate:	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**
Less than 30 days past due: 5.49% (2023: 1%)	1,224,942	(67,217)	827,417	(8,362)
31 - 60 days past due: 37.24% (2023: 2.50%)	203,127	(75,652)	384,764	(9,619)
61 - 90 days past due: 59.83% (2023: 5%)	119,415	(71,448)	191,302	(9,565)
91 - 120 days past due: 60.16% (2023: 10%)	122,777	(73,869)	121,824	(12,182)
More than 120 days past due: 66.90% (2023: 31.55%)	1,425,194	(953,550)	1,503,513	(474,333)
Total	**3,095,455**	**(1,241,736)**	**3,028,820**	**(514,061)**

19.2 Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

		Group		**Company**
	2024	**2023**	**2024**	**2023**
Opening balance	(780,667)	(1,137,829)	(514,061)	(480,848)
Amounts written off against ECL provision during the year	-	1,056,972	-	170,962
Impairment losses remeasurement	(2,071,801)	(686,136)	(727,675)	(204,175)
Foreign exchange translation reserve	153,690	(13,674)	-	-
Closing balance	**(2,696,754)**	**(778,644)**	**(1,239,712)**	**(512,038)**
Expected credit losses on trade receivables comprise:				
Amounts recovered during the year	4,299	-	4,299	-
Amounts written off directly to profit or loss during the year	(548,007)	-	-	-
Additional provision for expected credit losses	(2,071,801)	(686,136)	(727,675)	(204,175)
	(2,615,509)	**(686,136)**	**(723,376)**	**(204,175)**

An amount of P548,007 was raised and written off in the current year due to the irrecoverability of property costs arising from a water leakage.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

20. Deferred tax

Deferred tax liability	10	(67,528,764)	(58,865,473)	(67,528,764)	(58,865,473)

		Group		Company	
Figures in Pula		2024	2023	2024	2023

21. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances		14,322,270	22,729,992	4,210,386	3,497,149
Short-term deposits		344,776	273,211	344,776	273,211
		14,667,046	**23,003,203**	**4,555,162**	**3,770,360**
Bank overdraft*	30	(6,240,177)	(19,629,605)	(6,240,177)	(19,629,605)
Cash and cash equivalents per cash flow		**8,426,869**	**3,373,598**	**(1,685,015)**	**(15,859,245)**

Cash and cash equivalents consist of cash on hand, bank balances and short-term highly liquid investments with maturities of three months or less. These are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

As at year-end reporting, the Group has no restricted cash or restricted cash equivalents. All amounts reported as cash and cash equivalents are fully available for use without restrictions.

Funds held in trust

Money held in trust with an investment company relates to a settlement for property rights on acquiring a retail mall in South Africa in the previous years. The portion of the funds unutilised was held in trust and is expected to be returned to the Gro up’s main account. As at 31 August 2024, the funds amounted to P1,743,014 (2023: P1,417,717).

* Refer to note 30 for banking facilities and guarantees available to the company.

22. Stated capital

Reconciliation of fully paid linked units:				
Balance at the beginning of the year	252,559,203	247,554,581	252,559,203	247,554,581
Issued on 2 February 2024 (31 March 2023)	11,762,419	5,004,622	11,762,419	5,004,622
	264,321,622	**252,559,203**	**264,321,622**	**252,559,203**

In Pula

Balance at the beginning of the year	14,795,794	14,465,197	14,795,794	14,465,197
Issued on 2 February 2024 (31 March 2023)	555,931	330,597	555,931	330,597
Balance at the end of the year	**15,351,725**	**14,795,794**	**15,351,725**	**14,795,794**

Capital raising through rights offer and excess offer

In the current financial year, the Company had a capital-raising undertaking by offering new linked units to qualifying unitholders at a price of P1.75 per linked unit. This initiative included both a rights offer and an excess offer.

Offer price per linked unit: P1.75

Details of the capital raised:

- Total linked units in issue before capital raising: 252,559,203 units
- Linked units subscribed under the rights offer: 7,693,543 units, raising P13,463,700
- Linked units subscribed under the excess offer: 4,068,876 units, raising P7,120,533

This resulted in a total of 11,762,419 new linked units subscribed, generating gross proceeds of P20,584,233.

22. Stated capital (continued)

- Total linked units in issue after capital raising: 264,321,622 units
- Transaction costs: P473,119
- Net capital raised: P20,111,114

In the previous year, the Company offered its unitholders an elective capitalisation of net debenture interest declared payable on 31 March 2023. As a result of elections made, 5 004 622 linked units were issued on 31 March 2023.

Each linked unit in the company comprises one linked ordinary share of no par value and one variable rate unsecured debenture as per note 25, 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 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.

23. Reserves

Reserves consists of:

	Group 2024	Group 2023	Company 2024	Company 2023
Retained earnings	475,779,684	446,445,060	545,654,694	523,056,273
Foreign currency translation reserve:				
Foreign currency translation reserve on translation of foreign operations	(34,420,129)	(26,803,913)	(16,543,173)	(10,283,800)
Foreign currency translation reserve on translation of related party loan	87,578,097	92,922,357	-	-
	53,157,968	**66,118,444**	**(16,543,173)**	**(10,283,800)**
Retained earnings				
Balance at the beginning of the year	446,445,060	385,807,950	523,056,273	452,401,507
Retained from normal operations during the year before realised exchange differences on translating foreign loan	30,297,556	19,674,915	67,408,113	29,919,727
Arising from realised exchange differences on translating foreign balances	(447,105)	3,757,335	192,149	233,089
Arising from impairment of related party loan	-	-	(37,111,622)	(22,229,615)
Arising from fair value adjustments on revaluation of owned investment properties	(87,216)	34,570,749	-	38,745,638
Arising from fair value adjustments on revaluation of right of use investment properties	(428,611)	2,634,111	(481,084)	(77,552)
Arising from unrealised foreign currency exchange differences arising on related party loan	-	-	(8,340,686)	24,545,623
Arising from unrealised foreign currency exchange differences arising on expected credit losses of the related party loan	-	-	931,551	(482,144)
Balance at the end of the year	**475,779,684**	**446,445,060**	**545,654,694**	**523,056,273**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

23. Reserves (continued)

Gains and losses arising from foreign exchange differences are shown as a separate line in the statement of comprehensive income as follows:

Arising from realised exchange differences on translating foreign balances	(447,105)	3,757,335	192,149	233,089
Arising from unrealised foreign currency exchange differences arising on related party loan	-	-	(8,340,686)	24,545,623
Arising from unrealised foreign currency exchange differences arising on expected credit losses of the related party loan	-	-	931,551	(482,144)
	(447,105)	**3,757,335**	**(7,216,986)**	**24,296,568**

Foreign currency translation reserve on translation of foreign operations

Balance at the beginning of the year	(26,803,913)	(18,658,615)	(10,283,800)	(6,699,822)
Other comprehensive (loss)/income for the year	(7,616,216)	(8,145,298)	(6,259,373)	(3,583,978)
Balance at the end of the year	**(34,420,129)**	**(26,803,913)**	**(16,543,173)**	**(10,283,800)**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve in equity. The cumulative amount is reclassified to profit or loss when the investment is disposed of. These differences arise on the consolidation of foreign-currency denominated operations and do not have any tax impact.

Foreign currency translation reserve on translation of related party loan

Balance at the beginning of the year	92,922,357	78,352,289	-	-
Exchange differences on translation of related party loan	(3,237,479)	23,290,001	-	-
Exchange differences on translation of related party loans reclassified to profit or loss on settlement	-	(4,749,459)	-	-
Deferred tax relating to the exchange differences on translation of related party loan	(2,106,781)	(3,970,474)	-	-
	87,578,097	**92,922,357**	**-**	**-**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

24. Debenture interest reserve

Debenture interest reserve balance at the end of the year	-	3,283,270	-	3,283,270

Debenture interest is recognised against equity and a corresponding liability is recognised when it has been appropriately approved by the directors.

A debenture interest reserve is maintained at year-end for debenture interest that will be paid out of retained earnings at the reporting date but is still under consideration for approval by the board of directors. The debenture interest will be ratifi ed at the forthcoming Annual General Meeting.

25. Debentures

Consolidated	Number of units	Number of units	Pula	Pula
Opening balance	252,559,203	247,554,581	336,135,390	328,433,283
Issued during the year	11,762,515	5,004,622	19,555,183	7,702,107
	264,321,718	**252,559,203**	**355,690,573**	**336,135,390**

During the year the Company conducted a capital-raising programme through a rights offer and excess offer at P1.75 per linked unit.

- Units issued before capital raising: 252,559,203
- New linked units issued: 11,762,419, raising P20,584,233
- Units issued after capital raising: 264,321,622

After transaction costs of P473,119 the net capital raised was P20,111,114.

The 11,762,515 linked units were issued on 2 February 2024.

In the previous year, the company offered its unitholders an elective capitalisation of net debenture interest declared payable on 31 March 2023. As a result of elections, 5,004,622 linked units were issued on 31 March 2023.

Each linked unit in the Company comprises one ordinary share of no par value as per note 16, and one variable rate unsecured debenture, which are indivisibly linked. It is not possible to trade with the shares or the variable rate unsecured debenture s separately from one another. The debentures carry interest at a variable rate recommended by the Board annually and ratified by the unitholders at the annual general meeting. The company normally distributes at least 80% of monies available after the payment of approved capital expenditure, repayment of capital and interest due on third-party debt, provision for replacement, repair and refurbishment of assets and operating costs, as interest on the debentures.

All the variable rate unsecured debentures are of the same class and rank pari passu in every respect. They can be repaid pursuant to a special resolution of the linked unitholders and with the written consent of the creditors of the company.

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.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

26. Borrowings

Absa Bank Limited (South Africa) ZAR59m	44,636,016	47,567,250	-	-
Absa Bank of Botswana Limited loan P45m	44,906,876	45,000,000	44,906,876	45,000,000
Absa Bank of Botswana Limited P75m	66,306,133	66,239,694	66,306,133	66,239,694
Absa Zambia loan USD7m	91,528,471	112,453,036	-	-
BIFM 65m Fixed Rate	66,581,014	66,581,014	66,581,014	66,581,014
Botswana Development Corporation Limited loan P5m	-	4,489,912	-	4,489,912
Botswana Insurance Fund Management P30m	29,992,688	19,775,156	29,992,688	19,775,156
Botswana Insurance Fund Management P99m	100,448,058	100,539,599	100,448,058	100,539,599
First Capital Bank Limited loan P70m	69,894,400	69,894,400	69,894,400	69,894,400
First National Bank Botswana Limited acting through its RMB Botswana Division P160m	148,308,868	152,881,951	148,308,868	152,881,951
First National Bank Zambia Limited ZMW10m	4,850,028	7,271,171	4,850,028	7,271,171
PT024 Listed unsecured senior notes P59m	-	60,140,397	-	60,140,397
PT026 Listed unsecured senior notes P70m	71,639,726	71,639,726	71,639,726	71,639,726
PTCP24 Unlisted unsecured commercial paper P15m	-	16,011,164	-	16,011,164
PTCP25 Unlisted unsecured commercial paper P51.1m	51,001,226	-	51,001,226	-
PTCP26 Unlisted unsecured commercial paper P8.9m	9,048,654	-	9,048,654	-
PTCP30 Unlisted unsecured commercial paper P40m	41,351,825	41,351,825	41,351,825	41,351,825
Stanbic P15m	14,978,920	-	14,978,920	-
Stanbic loan P50m	49,965,742	49,897,096	49,965,742	49,897,096
	905,438,645	**931,733,391**	**769,274,158**	**771,713,105**

Borrowings comprise:				
Principal borrowings	897,316,371	922,916,550	762,021,510	763,697,551
Accrued interest	9,216,398	10,390,577	8,092,516	9,131,350
	906,532,769	933,307,127	770,114,026	772,828,901
Unamortised transaction costs	(1,094,124)	(1,573,736)	(839,868)	(1,115,796)
	905,438,645	**931,733,391**	**769,274,158**	**771,713,105**

Split between non-current and current portions

Current liabilities	360,753,698	150,860,033	303,656,884	138,060,537
Non-current liabilities	544,684,947	780,873,358	465,617,274	633,652,568
	905,438,645	**931,733,391**	**769,274,158**	**771,713,105**

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Reconciliation of borrowings:

2023 - In Pula	Group	Company
Opening balance as at 1 September	934,697,450	765,623,519
Borrowings raised	35,786,321	35,786,321
Borrowings repaid	(37,283,670)	(28,554,285)
Movement in interest payable accrual	(1,466,710)	(1,142,450)
Closing balance as at 31 August	**931,733,391**	**771,713,105**

2024 - In Pula	Group	Company
Opening balance as at 1 September	931,733,391	771,713,105
Borrowings raised	129,000,000	129,000,000
Loan issuance costs	(150,000)	(150,000)
Translation differences	(1,164,609)	(1,702,162)
Interest charged		
- Contractual	75,175,460	59,364,392
- Amortisation of loan issuance costs	620,788	418,100
Borrowings repayment:		
- Interest paid	(76,391,021)	(60,401,625)
- Principal borrowings repaid	(153,385,364)	(128,967,652)
Closing balance as at 31 August	**905,438,645**	**769,274,158**

Interest expense reconciliation

2024- In Pula		Group	Company
Opening accrued interest		10,390,572	9,131,350
Interest charge for the year		76,480,633	59,364,392
Translation differences		41,387	(1,605)
Interest repaid		(77,696,194)	(60,401,625)
Closing balance		**9,216,398**	**8,092,512**
Interest charge for the year consist of:			
Interest charged - borrowings		75,796,248	59,782,492
Interest charged - overdraft		684,385	684,385
		76,480,633	**60,466,877**
Interest charged comprises of:			
Interest charged - borrowings			
Contractual		75,175,460	59,364,392
Amortisation of loan issuance costs		620,788	418,100
		75,796,248	**59,782,492**
Interest charged - overdraft			
Interest on overdraft		684,385	684,385
Total interest charged	8	**76,480,633**	**60,466,877**

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

In the current year, the Company has refined its presentation of the borrowings movements note. Previously, the borrowings movements were disclosed at the capital level in the borrowings note, with interest-related cash flows presented in the cash flow statement. This distinction between capital movements and interest cash flows has now been clearly reflected in the revised note, ensuring greater transparency in the financial statements. Additionally, the Company has addressed the unbundling of foreign exchange translation effects related to loans denominated in foreign currencies.

In the prior year, the impact of translation differences were not separately presented in the note, but this has been revised in the current year to provide a more accurate reflection of the impact of translation differences on borrowings and cash flows. While these adjustments have been applied in the current year, the impact on the prior year financial statements has been assessed and deemed immaterial hence no restatement were applied to the comparatives.

Borrowings maturity profile

	Group		Company	
	2024	2023	2024	2023
Amounts due within one year	421,236,603	222,754,617	355,663,096	193,080,930
Amounts due within two to five years	509,305,621	758,975,989	424,974,738	585,894,999
Amounts due after five years	110,970,655	150,402,938	110,970,549	179,212,182
Undiscounted contractual cashflows	1,041,512,879	1,132,133,544	891,608,383	958,188,111
Less future finance charges	(135,085,609)	(198,826,417)	(121,599,957)	(185,367,040)
Less unamortised transaction costs	(988,625)	-	(734,268)	(1,107,966)
Present value of borrowings repayments	**905,438,645**	**933,307,127**	**769,274,158**	**771,713,105**
Present value of borrowings repayments due				
Amounts due within one year	361,250,305	155,652,048	304,012,947	138,275,070
Amounts due within two to five years	441,176,965	638,655,079	361,995,479	475,546,000
Amounts due after five years	104,000,000	139,000,000	104,000,000	159,000,000
Discounted contractual cashflows	906,427,270	933,307,127	770,008,426	772,821,070
Less unamortised transaction costs	(988,625)	-	(734,268)	(1,107,965)
	905,438,645	**933,307,127**	**769,274,158**	**771,713,105**

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Terms and conditions of long term borrowings

Facility	Period and repayment	Interest rate	Security
Absa Bank of Botswana Limited facility of P66,439,211	This facility has a five-year term, with a final repayment date of 31 August 2026.	The interest rate is variable, set at 261 basis points above the current MoPR of 1.9% (2023: 2.65%).	Secured by first-covering mortgage bonds totaling P146,400,000, along with a cession of insurance and rental income over Prime Plaza 2, Prime Plaza 3, and Prime Plaza 4, located on Lot 74538, Gaborone CBD.
Absa Bank of Botswana Limited facility of P45,000,000	The facility, originally for a 5-year term with a bullet repayment due on 23 November 2023, was renewed on 21 November 2023, extending the final repayment date to 30 November 2028. The loan balance is classified as a current liability due to debt consolidation through an SPV finalised after the reporting date. Refer to Subsequent Events for further details.	The interest rate is variable, with a margin of 471 basis points above the current MoPR of 1.9% (2023: 2.65%).	No additional security is required beyond the existing security held by Absa Bank Botswana Limited, as detailed above.
BIFM Capital Investment Fund One (Proprietary) Limited Fixed-rate term loan of P65,000,000.	The capital portion of the notes is redeemable in six equal semi-annual tranches, beginning on 31 May 2025.	Interest is serviced semi-annually at a fixed rate of 9.65%	Secured by mortgage bonds totaling P105,710,000, along with a cession of insurance and rental income over the following properties: Plot 4649 in Lobatse; Plot 20610, Plot 203, and Plot 22 in Gaborone; and Section 4 of the Scheme Prime Plaza on Lot 74538, Gaborone.
Botswana Development Corporation Limited term loan of P25,000,000.	This was a 30-month facility, fully repaid on 2 January 2024.	Interest is variable, set at 411 basis points above the current MoPR of 1.9% (2023: 2.65%).	None
Botswana Insurance Fund Management Limited on behalf of client-managed funds term loan facility of P99,000,000.	This is a 10-year facility which was fully drawn in June 2021. It is repayable at the end of years 8 to 10 as follows: P25 000 000 on 30 June 2029 P35 000 000 on 30 June 2030 P39 000 000 on 30 June 2031	Interest is variable, set at 636 basis points above the current MoPR of 1.9% (2023: 2.65%).	Secured by first-ranking continuing mortgage bonds totaling P123,750,000, along with a cession of insurance and rental income over the following properties: Plot 50423 in Gaborone and Plots 16177, 16179, 16180, 16181, 16182, 16183, and 16185 in Francistown.

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Facility	Period and repayment	Interest rate	Security
Botswana Insurance Fund Management Limited on behalf of client managed funds term loan facility of P30,000,000.	This is a five-year, interest-only facility with repayment due in full as a bullet payment at the end of the term September 2028.	Interest is charged at a fixed rate of 8.65%.	Secured by mortgage bonds totaling P46,390,000, along with a cession of insurance and rental income over the following properties: Plot 50423 in Gaborone; Plots 16177, 16179, 16180, 16181, 16182, 16183, and 16185 in Francistown; and Section 4 of the Scheme Prime Plaza on Lot 74538, Gaborone.
First Capital Bank Limited- term facility of P70,000,000.	This is a five-year, interest-only facility with a bullet repayment due on 28 February 2026. The loan balance is classified as a current liability due to debt consolidation through an SPV, finalised after the reporting date. Refer to Subsequent Events for further details.	Interest was variable, set at 511 basis points above the current MoPR of 1.9% (2023: 2.65%).	Secured by a first-ranking continuing surety covering mortgage bond of P75,400,000, along with a cession of insurance and rental income over Lot 14076 in Lobatse. Additionally, a power of attorney and resolution have been granted to register mortgage bonds over Lot 2461 in Serowe during the initial two-year period while Lot 14076 is under construction.
First National Bank Botswana Limited acting through its RMB Botswana Division facility of P160,230,000.	This is a 4-year facility that commenced on 19 October 2021. Interest is serviced monthly, with P18,730,000 of the capital repayable over the loan term. The remaining balance of P141,500,000 is due as a bullet payment on 18 October 2025.	Interest is charged at a fixed rate of 6.5%.	Secured by collective first-covering mortgage bonds totaling P230,949,596, along with a cession of insurance and rental income over the following properties: Plot 62417, Plot 75749, Plot 67979, and Plot 20584 in Gaborone, as well as Plot 75782 in Setlhoa Village.
PT024 Listed unsecured senior notes issued on 10 June 2016 P49,000,000 with an additional P10,000,000 issued on 10 December 2016.	The notes matured on 10 June 2024 and were repaid as a bullet payment.	Interest is at a fixed rate of 8.5%.	None
PT026 Listed unsecured senior notes issued on 29 November 2016 for P70,000,000.	The notes mature on 29 November 2026 with a bullet payment.	Bear interest at a fixed rate of 9%.	None
PTCP24 unlisted notes issued on 16 December 2022 for P15,000,000.	The notes matured on 15 December 2023 and were repaid as a bullet payment.	Interest is at a fixed rate of 9.5%.	None

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Facility	Period and repayment	Interest rate	Security
PTCP25 unlisted notes issued on 10 June 2024 for P50,090,000.	The notes have a one-year term and mature on 10 June 2025, with repayment due as a bullet payment.	Interest is paid semi-annually at a fixed rate of 8%.	None
PTCP26 unlisted notes issued on 10 June 2024 for P8,910,000.	The notes have a one-year term and mature on 10 June 2025, with repayment due as a bullet payment.	Interest is paid semi-annually at a fixed rate of 8%.	None
PTCP30 unlisted notes issued on 3 April 2020 for P40,000,000.	The notes mature on 3 April 2030, with repayment due as a bullet payment. Interest is paid semi-annually. The loan balance is classified as a current liability due to debt consolidation through an SPV, finalised after the reporting date. Refer to Subsequent Events for further details.	Interest is variable, set at 536 basis points above the current MoPR of 1.9% (2023: 2.65%).	None
Stanbic Bank term loan P50,000,000 (Tranche A).	This is a three-year facility with full repayment due as a bullet payment on 16 April 2025.The loan balance is classified as a current liability due to debt consolidation through an SPV, finalised after the reporting date. Refer to Subsequent Events for further details..	Interest is variable, set at 50 basis points above the current Stanbic Bank Botswana prime lending rate of 6.01% (2023: 6.76%). Between March 2023 and February 2024, if the Group's LTV ratio exceeds 55%, the applicable margin will increase to 75 basis points (this condition was not applicable during the year). Between March 2024 and the final maturity date, if the group's LTV ratio is between 50% and 55%, the margin will increase to 75 basis points. If the LTV ratio exceeds 55%, the margin will increase to 100 basis points (this condition was not applicable during the year).	Secured by first-covering mortgage bonds totaling P50,000,000, along with a cession of insurance and rental income from Plot 439 in Pilane. Secured by a first-covering mortgage bond of P45,000,000, along with a cession of insurance and rental income from Plot 2461 in Serowe.

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Facility	Period and repayment	Interest rate	Security
Stanbic Bank term loan P15,000,000 (Tranche B).	This is a three-year facility fully repayable on 16 April 2025. The loan balance is classified as a current liability due to debt consolidation through an SPV, finalised after the reporting date. Refer to subsequent events for further details.	Interest is variable, set at 85 basis points above the current Stanbic Bank Botswana prime lending rate of 6.01% (2023: 6.76%). Between March 2023 and February 2024, if the Group's LTV ratio exceeds 55%, the margin will increase to 100 basis points. (this condition was not applicable during the year). Between March 2024 and the final maturity date, if the Group's LTV ratio is between 50% and 55%, the margin will increase to 100 basis points. If the LTV ratio exceeds 55%, the margin will increase to 125 basis points (this condition was not applicable during the year).	Above detailed in Tranche A.
First National Bank Zambia Limited P6,508,970 (ZMW13,000,000) facility.	The loan was drawn in November 2021 and is fully repayable in equal monthly instalments over 7 years until October 2028.	Interest is at a variable rate of 1,000 basis points above the Zambian MPR rate of 13.5% (2023: 10%).	Secured by a first legal mortgage over S/D 3144, Mukwa Road, Heavy Industrial Area, Lusaka for P6,508,970 (ZMW13,000,000), assignment of specific debt being G4S rental income, assignment of the insurance policies with the bank noted as first loss payee and an irrevocable unconditional corporate guarantee by PrimeTime Property Holdings Limited for P6,508,970 (ZMW13,000,000).

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Facility	Period and repayment	Interest rate	Security
Absa Bank Zambia PLC facility for P104,876,000 (USD8,000,000).	This is a five-year facility effective from 1 September 2021, with interest-only payments until 30 April 2024. Twenty-eight capital instalments of P 1,048,760 (USD80,000) will be repayable monthly starting in May 2024, with a bullet payment of P67,645,020 (USD5,160,000) (2023:P76,698,432 (USD5,760,000)) due at the expiration of the facility on 31 August 2026. USD 600,000 was settled early on 29 August 2024, following a capital raise during the year.	Interest at a variable rate of 502 basis points above the three month USD Secured Overnight Financing Rate (SOFR) rate of 5.0166% (2022: 5.4039%).	An unlimited corporate guarantee from PrimeTime Property Holdings Limited, along with a cash flow shortfall undertaking from the same entity. Additionally, there is a cession of insurance and an assignment of rental receivables over Subdivision D, part of Stand No. 2374, Thabo Mbeki Road, Mass Media, Lusaka, Zambia, and Kabulonga Centro, Subdivision 6 of Farm No. 377a, Bishops Road, Lusaka. This also includes the assignment of rights and interests in the lease from ZDT concerning Kabulonga Centro.
Absa Bank Zambia PLC facility for P52,438,000 (USD4,000,000).	By sixty equal monthly repayments commencing 30 April 2019. In the prior year, it was classified in the statement of financial position as repayable within one year due to a covenant breach which existed at the year-end, for which a condonation for the year ended 31 August 2022 was confirmed in writing by the bank in October 2022.	Bore interest at a variable rate of 470 basis points above the 3 month USD LIBOR rate. Due to the upcoming discontinuance of the USD LIBOR rate as a benchmark, with effect from 17 February 2023, the facility bears interest at a variable rate of 482 basis points above the 3 month USD SOFR rate of 5.4039% (2023: LIBOR 3.14414%).	An unlimited corporate guarantee from PrimeTime Property Holdings Limited along with a cash-flow shortfall undertaking from the same entity. Additionally, there is a cession of insurance and an assignment of rental receivables over Subdivision D, part of Stand No. 2374, Thabo Mbeki Road, Mass Media, Lusaka, Zambia, and Kabulonga Centro, Subdivision 6 of Farm No. 377a, Bishops Road, Lusaka. This includes the assignment of rights and interests in the lease from ZDT concerning Kabulonga Centro
Absa Bank Limited (South Africa)facility for P18,396,794 (R24,425,423)	This is a 5-year facility repayable by a single bullet on 16 December 2024.	Interest is at a variable rate of 225 basis points above the 3-month JIBAR rate of 8.2333% (2023: 8.358%). Interest is serviced, and the rate resets quarterly.	Secured by a continuing covering mortgage bond for P34,947,654 (R46,400,000) along with a cession of insurance and a cession of rental income over Portion 7 of Erf 597, Spartan Extension 12, Ekurhuleni. There is also a limited guarantee by PrimeTime Property Holdings Limited for P18,829,555 (R25,000,000) and a cross-default provision with the P34,001,742 (R45,144,113) facility mentioned below.

Notes to the Consolidated And Separate Financial Statements

26. Borrowings (continued)

Facility	Period and repayment	Interest rate	Security
Absa Bank Limited (South Africa) facility for P26,093,182 (R34,643,918).	This is a 5-year facility repayable by a single bullet on 16 December 2024. P4.9m (R6.5m) was settled early during the year on September 2024.	Interest is at a variable rate of 225 basis points above the 3-month JIBAR rate of 8.2333% (2023: 8.358%). Interest is serviced, and the rate resets quarterly.	Secured by a continuing covering mortgage bond for P64,020,487 (R85,000,000) along with a cession of insurance and a cession of rental income over Erf 1618, Bryanston, City of Johannesburg. There is a limited guarantee by PrimeTime Property Holdings Limited for P34,043,835 (R45,200,000) and a cross-default provision with the P19,149,897 (R25,425,318) facility mentioned above.

The Group secured funding from Stanbic Bank Botswana through a P181 million medium-term note and a P40 million revolving facility, with disbursements made after the 31 August 2024 year-end, affecting the borrowing maturity profile. Refer to note 37 for further details.

27. Lease liabilities

Lease liabilities	3,024,939	3,137,312	480,595	719,126
The maturity analysis of lease liabilities is as follows:				
Within one year	256,468	459,310	84,253	284,361
Two to five years	865,848	917,240	177,015	217,445
More than five years	13,614,657	14,044,169	699,818	748,863
	14,736,973	15,420,719	961,086	1,250,669
Less finance charges component	(11,712,034)	(12,476,410)	(480,491)	(531,545)
	3,024,939	**2,944,309**	**480,595**	**719,124**
Present value of minimum lease payments due				
Within one year	21,385	237,641	20,651	237,200
Two to five years	72,397	80,149	69,242	78,030
More than five years	2,931,157	2,819,522	390,702	403,896
	3,024,939	**3,137,312**	**480,595**	**719,126**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

27. Lease liabilities (continued)

Current and non-current portions of lease liabilities

Current liabilities	21,385	237,641	20,651	237,200
Non-current liabilities	3,003,554	2,899,671	459,944	481,926
	3,024,939	**3,137,312**	**480,595**	**719,126**

Reconciliation of opening and closing balances				
Balance as at 1 September	3,137,312	3,080,328	719,126	678,597
Remeasurement	-	149,313	-	260,333
Foreign exchange translation reserve	(40,453)	130,334	(1,543)	(1,251)
Interest expensed	222,864	220,338	47,093	49,483
Repayments	(294,784)	(443,001)	(284,081)	(268,036)
	3,024,939	**3,137,312**	**480,595**	**719,126**

Lease amounts recognised in profit and loss				
Finance costs on lease liabilities	222,864	220,338	47,093	49,483
Fair value adjustment on ROU (included in fair value adjustment)	(428,611)	2,634,111	(481,084)	(77,552)
Variable lease payments (included in operating expenses)	237,921	3,996,121	237,197	2,533,217
	32,174	**6,850,570**	**(196,794)**	**2,505,148**

The Company and Group have base contracts that contain variable payments calculated by reference to rental income on subject properties. The variable lease payments are presented in the line item "operating expenses" on the statement of profit or loss.

The Company and Group have certain lease contracts that have extension/renewal clauses. The extensions are negotiated by management pursuant to aligning leases to the Company and Group's business needs. Management exercise significant judgement in determining whether the extension options are reasonably certain to be exercised.

For right-of-use assets that are classified as investment property, the Group expects to make use of the full lease terms which typically vary between 5 and 94 years.

28. Deferred revenue

Rentals received in respect of future periods invoiced in advance	3,238,640	2,841,852	2,377,018	2,370,730

Reconciliation of deferred revenue				
Opening balance	2,841,852	2,607,052	2,370,730	2,220,186
Revenue recognised during the year	(8,915,007)	(7,935,901)	(3,989,848)	(4,277,056)
Revenue deferred during the year	9,342,287	8,172,989	3,996,136	4,427,600
Foreign conversion	(30,492)	(2,288)	-	-
Closing balance	**3,238,640**	**2,841,852**	**2,377,018**	**2,370,730**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

29. Trade and other payables

Financial instruments:				
Trade payables	9,656,930	6,047,015	8,166,512	4,569,511
Refundable deposits held for tenants	6,270,858	5,330,781	4,439,120	3,311,448
Accrued expenses	3,588,980	6,474,661	1,873,455	3,918,798
Non-financial instruments:				
Withholding tax	1,014,046	2,197,245	479,606	584,927
VAT	521,789	1,496,317	37,472	1,012,398
	21,052,603	**21,546,019**	**14,996,165**	**13,397,082**

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	19,516,768	17,852,457	14,479,087	11,799,757
Non-financial instruments	1,535,835	3,693,562	517,078	1,597,325
	21,052,603	**21,546,019**	**14,996,165**	**13,397,082**

Reclassification and separate disclosures

The composition of other payables has changed compared to the previous year financial statements. In the previous year the financial and non-financial components of trade and other payables were not separately disclosed. Additionally, withholding tax and VAT were not individually itemised. In the current period these amounts have been disclosed separately for transparency and clarity. Furthermore, other payables in the prior year were grouped together, whereas they have now been unbundled into sundry accruals and refundable deposits, which are presented separately in the current year's financial statements.

This unbundling provides clearer insights into the nature and components of other payables as well as reflecting a more accurate presentation.

Fair value of trade and other payables

The average credit period on purchases is 30 days (2023: 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.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

30. Banking facilities and guarantees

Bank overdraft	6,240,177	19,629,605	6,240,177	19,629,605

- At the reporting date, the company has a general short-term banking overdraft facility with Stanbic Bank Botswana Limited of P32 000 000 (2023: P32 000 000). The facility is payable on demand and attracts interest of 311 basis points above the current MoPR of 1.9% per annum (2023: 2.65%).

- As of 31 August 2024 the unused facility was P25,759,823 (2023: P12,370,395).

- The Company has guarantees of P321 570 (2023: P321 570) 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 P13,109,500 (USD1,000, 000) (2023: P13,315,700 (USD1,000,000)) and a spot foreign currency dealing facility of P13,109,500 (USD1,000,000) (2023: P13,315,700 (USD1,000,000)). At 31 August 2024 there were no open forward exchange contracts or spot foreign currency dealings.

- Stanbic Bank Botswana Limited has provided the company with the following foreign exchange facilities:

- A facility for forward exchange contracts, with a limit of P13,109,500 (USD1,000,000) (2023: P13,315,700 (USD1,000,000)).

- A spot foreign currency dealing facility, also with a limit of P13,109,500 (USD1,000,000) (2023: P13,315,700 (USD1,000,000)).

As of 31 August 2024, there were no outstanding forward exchange contracts or spot foreign currency dealings.

- These facilities are secured by First Continuing Covering Mortgage Bond for P31,300,000 (2023: P31,300,000) over Plot 29 Gaborone, a cession of insurance and a cession of rentals.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

31. Related parties

Relationships

Subsidiary	PrimeTime Property Holdings (Mauritius) Limited
Sub-subsidiary	PrimeTime Property Holdings (Zambia) Limited
Common director/s	Ebbstone Asset Management Limited
Common director/s	Linwood Holdings Limited
Common director/s	Time Developments Proprietary Limited
Common director/s	Time Projects Property (Zambia) Limited
Common director/s	Time A & PM Proprietary Limited
Common director/s	Solar Saver Botswana Proprietary Limited
Members of key management	Refer to page 1 (general information page) for details of the company directors.
J Simpson	Member of key management of Time A & PM Proprietary Limited

Related party balances

Amount owed by related parties				
PrimeTime Property Holdings (Mauritius) Limited	-	-	469,910,937	475,489,167

Refer to note 18 for details of the terms and conditions regarding the amount owed by PrimeTime Property Holdings (Mauritius) Limited.

Amounts owed to related parties				
Time A & PM Proprietary Limited	1,900,839	1,803,446	1,900,839	1,803,446
Time Projects Property (Zambia) Limited	298,911	254,427	15,730	18,305
Ebbstone Asset Management Limited	1,268,024	695,804	-	-
Solar Saver Botswana Proprietary Limited	250,053	73,945	250,054	73,945
Directors' fees	522,666	406,200	522,666	406,200
	4,240,493	**3,233,822**	**2,689,289**	**2,301,896**

Amounts due to related parties are non-interest-bearing and do not have specified repayment terms or maturity dates.

Related party transactions

PrimeTime Property Holdings (Mauritius) Limited				
Interest received	-	-	38,942,527	37,322,924
Purchases of services				
Time A & PM Proprietary Limited	19,380,612	14,173,129	19,380,612	14,173,129
Time Projects Property (Zambia) Limited	4,262,606	3,349,948	208,144	201,800
Solar Saver Botswana Proprietary Limited	1,180,717	851,435	1,180,717	851,435
Ebbstone Asset Management Limited	1,373,045	1,407,441	-	-
Time Developments Proprietary Limited	3,800	-	3,800	-
	26,200,780	**19,781,953**	**20,773,273**	**15,226,364**
Debenture interest paid				
Linwood Holdings Limited	3,659,884	5,969,688	3,659,884	5,969,688
Purchase of investment property and work in progress				
Time Developments Proprietary Limited	-	2,864,332	-	2,864,332
Rent received				
Time Projects Property (Zambia) Limited	120,084	155,095	-	-

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

31. Related parties (continued)

Key management personnel/Directors

Amounts owed to key management personnel/Directors				
N Dixon-Warren	103,000	100,400	457,600	100,400
J Jones	56,000	32,000	56,000	32,000
A Kelly and family	32,000	32,000	32,000	32,000
M Marinelli	114,333	123,400	114,333	123,400
P Masie	117,333	90,400	117,333	90,400
M Morolong	32,000	32,000	32,000	32,000
Ingutu Zaloumis	68,000	-	68,000	-
	522,666	**410,200**	**877,266**	**410,200**

Debenture interest paid				
J Jones	3,410	5,565	3,410	5,565
A Kelly	39,374	65,946	39,374	65,946
P Masie	1,450	2,383	1,450	2,383
M Morolong	9,729	15,880	9,729	15,880
J Simpson	1,411	-	1,411	-
	55,374	**89,774**	**55,374**	**89,774**

Directors fees				
N Dixon-Warren	457,600	287,367	457,600	287,367
J Jones	136,000	96,000	136,000	96,000
A Kelly	112,000	96,000	112,000	96,000
M Marinelli	494,333	316,389	494,333	316,389
C Masendu-Kusane	-	156,904	-	156,904
I Zaloumis	124,000	-	124,000	-
P Masie	377,600	238,395	377,600	238,395
M Morolong	112,000	96,000	112,000	96,000
	1,813,533	**1,287,055**	**1,813,533**	**1,287,055**

Notes to the Consolidated And Separate Financial Statements

32. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Rentals straight-line adjustment	13	51,771,601	51,771,601	51,771,601
Trade and other receivables	19	10,889,265	10,889,265	10,889,265
Cash and cash equivalents	21	16,043,782	16,043,782	16,043,782
		78,704,648	**78,704,648**	**78,704,648**

Group - 2023

	Note(s)	Amortised cost	Total	Fair value
Rentals straight-line adjustment	13	55,951,055	55,951,055	55,951,055
Trade and other receivables	19	9,948,556	9,948,556	9,948,556
Cash and cash equivalents	21	24,284,654	24,284,654	24,284,654
		90,184,265	**90,184,265**	**90,184,265**

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Amounts due from related party	18	469,910,937	469,910,937	-
Rentals straight-line adjustment	13	46,404,861	46,404,861	46,404,861
Trade and other receivables	19	5,888,615	5,888,615	5,888,615
Cash and cash equivalents	21	5,186,833	5,186,833	5,186,833
		527,391,246	**527,391,246**	**57,480,309**

Company - 2023

	Note(s)	Amortised cost	Total	Fair value
Amounts due from related party	18	475,489,167	475,489,167	475,489,167
Rentals straight-line adjustment	13	50,691,386	50,691,386	50,691,386
Trade and other receivables	19	6,091,766	6,091,766	6,091,766
Cash and cash equivalents	21	4,320,606	4,320,606	4,320,606
		536,592,925	**536,592,925**	**536,592,925**

Notes to the Consolidated And Separate Financial Statements

32. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Borrowings	26	905,438,645	905,438,645	905,438,645
Lease liabilities	27	3,024,939	3,024,939	3,024,939
Trade and other payables	29	19,516,768	19,516,768	19,516,768
Bank overdraft	30	6,240,177	6,240,177	6,240,177
Amounts due to related parties		4,150,493	4,150,493	4,150,493
		938,371,022	**938,371,022**	**938,371,022**

Group - 2023

	Note(s)	Amortised cost	Total	Fair value
Borrowings	26	931,733,391	931,733,391	931,733,391
Lease liabilities		3,137,312	3,137,312	3,137,312
Trade and other payables	29	17,852,457	17,852,457	17,852,457
Bank overdraft	30	19,629,605	19,629,605	19,629,605
Amounts due from related parties	28	3,233,822	3,233,822	3,233,822
		975,586,587	**975,586,587**	**975,586,587**

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Borrowings	26	769,274,158	769,274,158	769,274,158
Lease liabilities	27	480,595	480,595	480,595
Trade and other payables	29	14,479,087	14,479,087	14,479,087
Bank overdraft	30	6,240,177	6,240,177	6,240,177
Amounts due to related parties		2,689,289	2,689,289	2,689,289
		793,163,306	**793,163,306**	**793,163,306**

Company - 2023

	Note(s)	Amortised cost	Total	Fair value
Borrowings	26	771,713,105	771,713,105	771,713,105
Lease liabilities	27	719,126	719,126	719,126
Trade and other payables	29	11,799,757	11,799,757	11,799,757
Bank overdraft	30	19,629,605	19,629,605	19,629,605
Amounts due to related parties	28	2,301,896	2,301,896	2,301,896
		806,163,489	**806,163,489**	**806,163,489**

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.

Notes to the Consolidated And Separate Financial Statements

32. Financial instruments and risk management (continued)

Capital risk management

The Group's objective when managing capital (which includes share capital, variable-rate unsecured debentures, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities to maximise stakeholder returns sustainably. The primary objective of the Group’s capital management is to ensure that it remains within its quantitative banking covenants and maintains a strong credit rating.

The Group monitors capital primarily using a loan-to-value ratio which is calculated as the amount of outstanding debt divided by the valuation of the investment property portfolio. The Group’s short-term strategy is to keep its average loan-to-value ratio lower than 55% and to reduce it further in the medium term to below 50%. Banking covenants vary according to each loan agreement, but typically require that the loan-to-value ratio does not exceed 60%.

To achieve this overall objective, the Group’s management, among other things, aims to ensure it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings and where they have occurred, waivers have been obtained (refer to note 36).

The outstanding debt and investment property portfolio of the Group at the reporting date was as follows:

In Pula		Group		Company	
		2024	2023	2024	2023
Borrowings	26	905,438,645	931,733,391	769,274,158	771,713,105
Bank overdraft	30	6,240,177	19,629,605	6,240,177	19,629,605
		911,678,822	**951,362,996**	**775,514,335**	**791,342,710**
Valuation of investment property		1,787,691,427	1,715,894,944	1,193,126,139	1,097,871,427
Rentals straight-line adjustment - long term		44,028,460	46,107,534	39,904,700	42,810,584
Rentals straight-line adjustment - short term		7,743,141	9,843,521	6,500,161	7,880,802
Work in progress - Investment property under development at cost		41,651,966	98,682,346	41,651,966	98,682,346
		1,881,114,994	**1,870,528,345**	**1,281,182,966**	**1,247,245,159**
Gearing ratio		48 %	51 %	61 %	63 %

Notes to the Consolidated And Separate Financial Statements

32. Financial instruments and risk management (continued)

Financial risk management

Overview

The Group is exposed to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on amounts due from related parties, trade and other receivables and cash and cash equivalents.

Credit risk for exposures other than those arising on cash and cash equivalents are managed by using credit approvals, limits and monitoring. The Group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves using information submitted by the counterparties and external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the Group through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for ECLs are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

To calculate credit loss allowances, management determines whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12-month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

For trade receivables which do not contain a significant financing component, the loss allowance is determined as the lifetime ECLs of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management has chosen to make use of lifetime expected credit losses as an accounting policy. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables.

The maximum exposure to credit risk is presented in the table below:

Group		2024			2023		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Trade and other receivables	19	16,748,370	(2,698,778)	14,049,592	15,015,317	(780,667)	14,234,650
Cash and cash equivalents	21	16,043,782	-	16,043,782	24,284,654	-	24,284,654
		32,792,152	**(2,698,778)**	**30,093,374**	**39,299,971**	**(780,667)**	**38,519,304**

Notes to the Consolidated And Separate Financial Statements

32. Financial instruments and risk management (continued)

Company		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Amounts due from related parties	18	624,152,606	(154,241,669)	469,910,937	593,550,765	(118,061,598)	475,489,167
Trade and other receivables	19	9,319,275	(1,241,736)	8,077,539	9,991,301	(514,061)	9,477,240
Cash and cash equivalents	21	5,186,833	-	5,186,833	4,320,606	-	4,320,606
		638,658,714	**(155,483,405)**	**483,175,309**	**607,862,672**	**(118,575,659)**	**489,287,013**

Liquidity risk

The Group is exposed to liquidity risk, which is the risk that the Group will encounter difficulties in meeting its obligations as they become due.

The Group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long- and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

There have been no significant changes in the liquidity risk management policies and processes since the previous reporting period.

The maturity profile of contractual cash flows of derivative financial liabilities are presented below. The cash flows are undiscounted contractual amounts.

Group - 2024

		Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
Borrowings	26	421,236,603	509,305,621	110,970,655	1,041,512,879	905,438,645
Lease liabilities	27	256,468	865,848	13,614,657	14,736,973	3,024,939
Trade and other payables	29	19,516,768	-	-	19,516,768	19,516,768
Bank overdraft	30	6,240,177	-	-	6,240,177	6,240,177
Amounts due to related parties	35	4,150,493	-	-	4,150,493	4,150,493
		451,400,509	**510,171,469**	**124,585,312**	**1,086,157,290**	**878,556,146**

Group - 2023

		Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
Borrowings	26	222,754,617	758,975,989	150,402,938	1,132,133,544	931,733,391
Lease liabilities	27	459,310	917,240	14,044,169	15,420,719	3,137,312
Trade and other payables	29	17,852,457	-	-	17,852,457	17,852,457
Bank overdraft	30	19,629,605	-	-	19,629,605	19,629,605
Amounts due to related parties	35	3,233,822	-	-	3,233,822	3,233,822
		263,929,811	**759,893,229**	**164,447,107**	**1,188,270,147**	**894,154,819**

32. Financial instruments and risk management (continued)

Company - 2024

		Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
Borrowings	26	355,663,096	424,974,738	110,970,549	891,608,383	769,274,158
Lease liabilities	27	84,253	177,015	699,818	961,086	480,595
Trade and other payables	29	14,479,087	-	-	14,479,087	14,479,087
Bank overdraft	30	6,240,177	-	-	6,240,177	6,240,177
Amounts due to related parties	31	2,689,289	-	-	2,689,289	2,689,289
		379,155,902	**425,151,753**	**111,670,367**	**915,978,022**	**793,163,306**

Company - 2023

		Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
Borrowings	26	193,080,930	585,894,999	179,212,182	958,188,111	633,652,568
Lease liabilities	27	284,361	217,445	748,863	1,250,669	481,926
Trade and other payables	29	11,799,757	-	-	11,799,757	11,799,757
Bank overdraft	30	19,629,605	-	-	19,629,605	19,629,605
Amounts due to related parties	31	2,301,896	-	-	2,301,896	2,301,896
		227,096,549	**586,112,444**	**179,961,045**	**993,170,038**	**667,865,752**

Market risk

The Group’s activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. There has been no change to the Group’s exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency risk

The Group is exposed to foreign currency risk as a result of certain transactions and borrowings which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising foreign forward exchange contracts where necessary. The foreign currencies in which the Group deals primarily are US Dollars, Kwachas and Rands.

The Group has certain investments in foreign operations whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

Notes to the Consolidated And Separate Financial Statements

		Group		Company	
Figures in Pula		2024	2023	2024	2023

32. Financial instruments and risk management (continued)

Foreign currency balances

US Dollar balances:

Amounts due from related party	-	-	47,435,598	44,516,307
Trade and other receivables	382,588	258,895	49,630	8,047
Cash and cash equivalents	193,145	520,420	27,064	40,179
Trade and other payables	(392,966)	(4,752,990)	(11,836)	(7,811)
Borrowings	(6,981,843)	(8,445,147)	-	-
Leases	(194,084)	(194,177)	-	-
Amounts due to related parties	(21,601)	(17,733)	-	-
Total USD balances	**(7,014,761)**	**(12,630,732)**	**47,500,456**	**44,556,722**

Kwacha balances:

Trade and other receivables	222,586	297,423	222,586	297,423
Cash and cash equivalents	275,381	330,334	275,381	330,334
Borrowings	(9,686,688)	(10,982,148)	(9,686,688)	(10,982,148)
Leases	(9,543)	(9,566)	(9,543)	(9,566)
Amounts due to related parties	(31,417)	(27,648)	(31,417)	(27,648)
Trade and other payables	(44,263)	(86,931)	(44,263)	(86,931)
Total Kwacha balances	**(9,273,944)**	**(10,478,536)**	**(9,273,944)**	**(10,478,536)**

Rand balances

Trade and other receivables	1,640,537	2,002,567	-	-
Cash and cash equivalents	10,767,583	18,110,930	-	-
Trade and other payables	(1,273,170)	(1,889,261)	-	-
Borrowings	(60,504,348)	(67,103,984)	-	-
Total Rand balances	**(49,369,398)**	**(48,879,748)**	**-**	**-**

Exposure in Pula amounts

The net carrying amounts, in Pula, of the foreign currency balances are as follows:

US Dollar balances in Pula

	Note				
Amounts due from related party	18	-	-	624,152,606	593,550,765
Trade and other receivables		5,034,053	3,451,933	650,624	107,151
Cash and cash equivalents		2,541,382	6,938,933	354,796	535,012
Trade and other payables		(5,170,605)	(63,373,200)	(155,164)	(104,009)
Borrowings		(91,866,355)	(112,601,960)	-	-
Leases		(2,553,737)	(2,589,027)	-	-
Amounts due to related parties		(284,224)	(236,440)	-	-
Total US Dollar balances in Pula		**(92,299,486)**	**(168,409,761)**	**625,002,862**	**594,088,919**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

32. Financial instruments and risk management (continued)

Kwacha balances in Pula

Trade and other receivables	111,447	3,960,395	111,447	196,921
Cash and cash equivalents	137,881	4,398,628	137,881	218,711
Borrowings	(4,850,028)	(146,234,988)	(4,850,028)	(7,271,170)
Leases	(4,778)	(127,378)	(4,778)	(6,334)
Amounts due to related parties	(15,730)	(368,152)	(15,730)	(18,305)
Trade and other payable	(22,162)	(1,157,547)	(22,162)	(57,556)
Total Kwacha balances in Pula	**(4,643,370)**	**(139,529,042)**	**(4,643,370)**	**(6,937,733)**

Rand balances in Pula

Trade and other receivables	1,235,623	1,435,841	-	-
Cash and cash equivalents	8,109,952	12,985,538	-	-
Trade and other payables	(82,233,346)	(73,544,334)	-	-
Borrowings	(45,570,798)	(48,113,561)	-	-
Total Rand balances in Pula	**(118,458,569)**	**(107,236,516)**	**-**	**-**

Exchange rates

The following closing exchange rates were applied at reporting date:

Foreign currency per unit of Pula:				
US Dollar	0.076	0.075	0.076	0.075
Kwacha	1.997	1.510	1.997	1.510
Rand	1.328	1.395	1.328	1.395

Foreign currency sensitivity analysis

The following illustrates the effect on profit before tax and equity by the strengthening/weakening of the foreign currencies by 500 basis points (5%).

Group In Pula	2024	2024	2023	2023
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss and equity:				
US Dollar	(4,614,974)	4,614,974	(8,420,488)	8,420,488
Kwacha	232,197	(232,197)	346,971	(346,971)
Rand	1,858,788	(1,858,788)	1,751,962	(1,751,962)
	(2,523,989)	**2,523,989**	**(6,321,555)**	**6,321,555**

Company - In Pula	2024	2024	2023	2023
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss and equity:				
US Dollar	31,250,300	(31,250,300)	29,704,481	(29,704,481)
Kwacha	232,197	(232,197)	346,971	(346,971)
	31,482,497	**(31,482,497)**	**30,051,452**	**(30,051,452)**

Notes to the Consolidated And Separate Financial Statements

32. Financial instruments and risk management (continued)

Interest rate risk

As the Group has interest-bearing assets and liabilities, its policy is to minimise interest rate risk exposure on these financial assets and financial liabilities. During the year, the Group was exposed to changes in market interest rates through bank borrowings, call accounts and lease liabilities.

Interest rate profile

The interest rate profile of interest-bearing financial instruments at the end of the reporting period was as follows:

	Note	Average effective interest rate		Carrying amount	
Group		2024	2023	2024	2023
Variable rate financial instruments					
Borrowings		7.84 %	8.42 %	528,866,469	544,703,983
Fixed rate instruments:					
Borrowings		7.94 %	8.30 %	376,572,176	387,029,408
Lease liabilities		7.50 %	7.50 %	3,024,939	3,137,312
				379,597,115	**390,166,720**

	Note	Average effective interest rate		Carrying amount	
Company		2024	2023	2024	2023
Variable rate instruments:					
Borrowings		6.82 %	7.32 %	392,701,982	384,683,697
Amounts due from related party loan		8.11 %	8.14 %	(469,910,937)	(475,489,167)
				(77,208,955)	**(90,805,470)**
Fixed rate instruments:					
Borrowings		7.94 %	8.30 %	376,572,176	387,029,408
Leases		7.48 %	7.48 %	480,595	719,126
				377,052,771	**387,748,534**

Interest rate sensitivity analysis

A change of 50 basis points (0.5%) in interest rates during the reporting period would have increased/(decreased) the profit before taxation and equity by an equal amount in either direction as shown below:

Group	2024	2024	2023	2023
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss and equity:				
Borrowings	(207,216)	207,216	(229,203)	229,203

Company	2024	2024	2023	2023
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss and equity:				
Borrowings	(133,842)	133,842	(140,753)	140,753
Amounts due from related party loan	190,549	(190,549)	193,524	(193,524)
	56,707	**(56,707)**	**52,771**	**(52,771)**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

33. Segment information

The Company and Group's primary business activities are concentrated in the segment of property rentals and are predominantly concentrated in the geographical regions of Botswana, Zambia and South Africa. The geographical segmental information is outlined below:

Contractual lease revenue

Rental income				
Botswana	127,493,491	119,604,349	127,493,493	119,604,349
Zambia	52,055,679	51,697,849	3,099,279	2,993,154
South Africa	9,564,965	10,456,602	-	-
	189,114,135	**181,758,800**	**130,592,772**	**122,597,503**
Straight-line adjustments				
Botswana	(4,286,526)	(3,316,555)	(4,286,525)	(3,316,555)
Zambia	(322,568)	(3,279,959)	-	-
South Africa	509,294	(502,046)	-	-
	(4,099,800)	**(7,098,560)**	**(4,286,525)**	**(3,316,555)**
Recovery of property expenses				
Botswana	26,930,769	25,565,366	26,930,769	25,565,366
Zambia	7,786,185	5,320,476	-	-
South Africa	7,264,668	7,251,140	-	-
	41,981,622	**38,136,982**	**26,930,769**	**25,565,366**
Total rental income and revenue from contracts with customers				
Botswana	150,137,734	141,853,160	150,137,737	141,853,160
Zambia	59,519,296	53,738,366	3,099,279	2,993,154
South Africa	17,338,927	17,205,696	-	-
	226,995,957	**212,797,222**	**153,237,016**	**144,846,314**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

33. Segment information (continued)

Exchange differences on translation of foreign balances				
Realised exchange differences on translating foreign balances				
Botswana	32,442	5,858,582	87	120,602
Zambia	(540,327)	(905,246)	192,055	112,487
South Africa	60,780	(1,196,001)	-	-
	(447,105)	**3,757,335**	**192,142**	**233,089**
Unrealised foreign currency exchange differences arising on the related party loan including expected credit losses				
Botswana	**4,236,967**	**-**	**(7,409,128)**	**24,063,479**
Total exchange differences on translation of foreign balances	**3,789,862**	**3,757,335**	**(7,216,986)**	**24,296,568**
Expected credit losses on amounts due from related party				
Botswana	-	-	(37,111,622)	(22,229,615)
Expected credit losses on trade receivables				
Botswana	(723,376)	(204,175)	(723,376)	(204,175)
Zambia	(1,344,126)	(481,961)	-	-
South Africa	(548,007)	-	-	-
	(2,615,509)	**(686,136)**	**(723,376)**	**(204,175)**
Operating expenses				
Botswana	(66,985,639)	(55,868,789)	(66,985,639)	(55,868,789)
Zambia	(20,879,326)	(16,475,258)	(1,730,962)	(404,179)
South Africa	(9,503,780)	(9,412,480)	-	-
	(97,368,745)	**(81,756,527)**	**(68,716,601)**	**(56,272,968)**
Fair value adjustment				
Botswana	24,436,661	35,276,936	24,436,661	35,276,936
Zambia	(10,218,665)	11,418,761	7,988,573	6,707,705
South Africa	(2,991,333)	(2,392,278)	-	-
	11,226,663	**44,303,419**	**32,425,234**	**41,984,641**
Interest income				
Botswana	184,052	51,064	39,126,579	37,373,988
Zambia	1,445	31,679	-	-
South Africa	730,972	1,416,265	-	-
	916,469	**1,499,008**	**39,126,579**	**37,373,988**
Interest expense				
Botswana	(58,927,003)	(58,103,313)	(58,927,003)	(58,103,313)
Zambia	(12,842,843)	(12,787,686)	(1,249,380)	(1,602,514)
South Africa	(4,597,140)	(4,615,913)	-	-
	(76,366,986)	**(75,506,912)**	**(60,176,383)**	**(59,705,827)**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

33. Segment information (continued)

Profit before taxation				
Botswana	48,154,898	68,863,466	42,544,296	102,282,274
Zambia	13,695,430	34,538,651	8,299,565	7,806,652
South Africa	490,416	1,005,292	-	-
	62,340,744	**104,407,409**	**50,843,861**	**110,088,926**
Taxation charge for the year				
Botswana	(10,786,632)	(12,501,633)	(12,895,418)	(16,472,107)
Zambia	(6,442,440)	(7,373,598)	(345,208)	(336,281)
South Africa	(772,234)	(1,269,294)	-	-
	(18,001,306)	**(21,144,525)**	**(13,240,626)**	**(16,808,388)**
Profit after taxation				
Botswana	37,368,266	56,361,833	29,648,878	85,810,167
Zambia	7,252,990	27,165,053	7,954,357	7,470,371
South Africa	(281,818)	(264,002)	-	-
	44,339,438	**83,262,884**	**37,603,235**	**93,280,538**

Non-current assets:

Non current assets

Additions to investment properties				
Botswana	10,758,638	989,286	10,758,638	989,286
Zambia	160,895	3,089,670	73,487	-
South Africa	1,687,432	2,695,222	-	-
	12,606,965	**6,774,178**	**10,832,125**	**989,286**
Transfers from work in progress to investment properties				
Botswana	**59,703,875**	**-**	**59,703,875**	**-**
Investment properties				
Botswana	1,164,385,140	1,069,468,617	1,164,385,140	1,069,468,617
Zambia	535,956,049	561,120,824	28,740,999	28,402,811
South Africa	87,350,238	85,305,503	-	-
	1,787,691,427	**1,715,894,944**	**1,193,126,139**	**1,097,871,428**
Work in progress				
Botswana	**41,651,966**	**98,682,346**	**41,651,966**	**98,682,346**
Total assets				
Botswana	1,263,783,120	1,231,034,950	1,733,708,887	1,706,525,133
Zambia	547,794,100	575,951,435	30,031,098	29,458,811
South Africa	99,105,911	100,781,969	-	-
	1,910,683,131	**1,907,768,354**	**1,763,739,985**	**1,735,983,944**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Pula	2024	2023	2024	2023

33. Segment information (continued)

Total liabilities				
Botswana	858,526,567	861,539,932	858,501,161	861,558,237
Zambia	104,728,711	128,603,839	5,085,005	7,438,781
South Africa	47,447,903	50,846,625	-	-
	1,010,703,181	**1,040,990,396**	**863,586,166**	**868,997,018**

The Company and Group have a single tenant which accounts for 10% or more of its revenue as follows:

Contractual lease revenue from a single tenant				
Botswana	17,186,269	16,431,891	17,186,269	16,431,891
Zambia	1,043,902	1,054,885	-	-
	18,230,171	**17,486,776**	**17,186,269**	**16,431,891**
% of the total contractual lease revenue:	10%	10%	13%	13%

34. Lease arrangements

The Company and Group as a lessor

Operating leases receivable by the Company and Group as a lessor relate to the investment properties owned by the Company and Group with lease terms of between 1 and 30 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 income-generating and leased out under operating leases, before the rentals straight-line adjustment amounts to P130,592,772 (2023: P122,597,503), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P11,281,132 (2023: P10,820,150).

Group

The property rental income earned by the Group from its investment properties, all of which are income-generating and leased out under operating leases, before the rentals straight-line adjustment amounts to P189,114,135 (2023: P181,758,800), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P18,470,981 (2023: P19,076,121).

The direct operating expenses incurred by the Group during the year relate solely to properties generating rental income. The Group maintained a very low vacancy rate with most premises achieving full occupancy during the year. As a result, there were no direct operating expenses associated with vacant properties for the reporting period.

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

	Group		Company	
Figures in Pula	2024	2023	2024	2023

34. Lease arrangements (continued)

Not longer than one year	178,967,905	171,849,724	122,413,095	116,282,639
Longer than one year and not longer than five years	356,685,116	349,782,709	216,181,772	216,590,135
Longer than five years	126,006,159	116,483,025	126,006,159	112,260,704
	661,659,180	**638,115,458**	**464,601,026**	**445,133,478**

The Company and Group as a lessee

Operating leases payable by the Company and Group as a lessee relate to the rental of land over certain leasehold properties as per note 13 on which the Company and Group has erected buildings with lease terms remaining of between 1 and 60 years in the Company and 1 and 90 years in the Group.

The current year lease payments made by the Company and Group in respect of the above operating ground leases amount to:

Turnover linked payments	237,921	3,996,121	237,921	2,533,217

At the reporting date the estimated undiscounted minimum lease commitments to lessors amount to:

Not longer than one year	256,468	459,310	84,253	284,361
Longer than one year and not longer than five years	865,848	917,240	177,015	217,445
Longer than five years	13,614,657	14,044,169	699,818	748,863
	14,736,973	**15,420,719**	**961,086**	**1,250,669**

Some lease payments have been recognised under right of use assets (note 13) and the related lease liability recognised as per note 27.

35. Commitments

The acquisition of Plot 54359 in the Gaborone CBD was completed in 2019. Construction work commenced during the financial year ending 31 August 2021 with the development of the first of four planned buildings, including a shared basement for the entire complex, beginning in 2022.

The first phase of the construction project (Motswere Building) was successfully completed on 10 November 2023 with a total cost of P69,603,600. The costs are allocated as follows:

- Costs incurred in previous year: P57,916,118
- Costs incurred in current year: P11,687,482

These amounts have been capitalised under investment property as of the completion date.

As of the reporting date, the Company and Group had additional capital commitments totaling approximately P1,585,886 (2023: P11,265,748) for improvements related to the above development project.

36. Going concern

At year-end, the Group's current liabilities exceeded its current assets by P358,963,554 (2023: P151,268,364) and the Company's by P310,834,961 (2023: P154,867,651). This position is mainly attributable to loan facilities maturing in the 2025 financial year (2023: in the 2024 financial year), totaling P360,753,698 for the Group (2023: P119,000,000) and P310,834,961 for the Company (2023: P119,000,000).

Certain loans were classified as current due to debt consolidation, with refinancing efforts completed subsequent to year-end through a P221 million Special Purpose Vehicle (SPV) facility, while additional credit facilities are in progress. The remaining P137 million in current liabilities will be refinanced upon maturity.

The Group maintains sufficient cash reserves, undrawn facilities, and refinance arrangements to meet operational and financial obligations. Additionally, ongoing rental income collections continue to support liquidity.

36.1 Measures Implemented to Address the Net Liability Position and Funding Requirements

To ensure the Group meets its funding requirements and resolves the net liability position, the directors have undertaken the following measures:

Debt refinancing and restructuring:

- The Group has secured a P221 million SPV facility to refinance a portion of maturing debt.
- Additional credit facilities are in progress to refinance the remaining P137 million due in the short term.
- The Group is actively negotiating long-term funding arrangements to align debt maturity profiles with operational cash flows.

Cash Flow and Liquidity Management

- Detailed cash flow forecasts have been prepared, reflecting stable occupancy rates and controlled expenses.
- The Group has deferred non-essential capital expenditures to conserve liquidity.
- Strategic disposals of certain assets are being explored to further strengthen the Group's cash position.

Covenant Compliance and Lender Engagement

- Proactive discussions with lenders have resulted in no-action letters for loans that breached interest cover covenants impact of sustained higher interest rates over previous years which have started easing in certain markets.
- Formal covenant relaxation approvals were received post-year-end, securing continued lender support.

Operational Cost Optimisation

- The Group has implemented measures to reduce non-essential expenditure and enhance operational efficiency.
- Cost controls have been reinforced to optimise net operating income and ensure sustainable cash flow.

36.2 Key Considerations in Assessing Going Concern

In addition to the measures implemented, the directors have carefully assessed the going concern assumption, considering the following factors:

Stabilisation of Rental Income

36.2.1 Rental income has stabilised, achieving near full occupancy levels.

36.2.2 The outlook remains stable, with strong tenant retention rates and contractual rental escalations.

Notes to the Consolidated And Separate Financial Statements

36. Going concern (continued)

Diversified Portfolio Strength

- The Group's properties are diversified across regions and sectors, minimising concentration risk.
- A significant proportion of tenants are high-quality, investment-grade entities, ensuring stable cash inflows.

Completion of Key Development Projects

- The work-in-progress property was completed in November 2023 and fully tenanted within the financial year, enhancing revenue generation.

Macroeconomic Trends and Market Conditions

- Inflation in Botswana and South Africa has settled within central bank target ranges (3%-6%), stabilising operational costs.
- Interest rates have shown signs of easing, reducing future finance costs.
- Inflation in Zambia remains elevated, though stabilisation is anticipated in the medium term.

Mitigation Strategies for Market Volatility

- Additional credit lines have been secured to cushion against short-term liquidity risks.
- The Group maintains a prudent mix of fixed and floating-rate debt to manage interest rate exposure.

Sensitivity Analysis and Contingency Planning

- The Group has conducted stress tests to evaluate various adverse scenarios, such as rising vacancy rates, currency fluctuations, and higher interest costs.
- The results indicate that liquidity and covenant compliance would remain intact under these conditions.
- If necessary, further contingency measures, such as pre-emptive cost reductions and debt renegotiations, will be implemented.

Conclusion

Having reviewed the 12-month cash flow forecast to 31 January 2025, the directors are satisfied that the Group and the Company have sufficient financial resources to continue operations. Accordingly, these financial statements have been prepared on a going concern basis.

Notes to the Consolidated And Separate Financial Statements

37. Events after the reporting period

37.1 Debt consolidation

The Group entered into an agreement with Stanbic Bank Botswana Limited as mandated lead Arranger of Hour Securities SPV (Proprietary) Limited as security SPV to facilitate funding arrangements, including a medium-term note of P181 million and a revolving facility of P40 million. Although the agreement was executed before year-end on 31 August 2024, the disbursements related to these facilities occurred after the year-end.

The post-year-end disbursement affects the maturity profile of certain borrowings as of 31 August 2024 (note 26 Borrowings). Specifically:

- The **P181 million medium-term note** issuance provides longer-term capital, extending the refinancing of existing debt by three to five years within respective tranches and align with the Group's medium-term liquidity requirements.

- The **P40 million revolving facility** offers flexible funding to support operational liquidity needs and short-term cash flow management.

These changes, while non-adjusting subsequent events, enhance the Group's financial position by improving liquidity and aligning debt structures with future cash flow expectations. These facilities and their impacts on maturity will be appropriately disclosed in the following financial reporting period.

This event does not affect any recognized liabilities or asset valuations as of 31 August 2024.

37.2 Conversion of loan to equity

Subsequent to the reporting date, PrimeTime Property Holdings Limited converted intercompany debt owed by its subsidiary, PrimeTime Property Holdings (Mauritius) Limited, into equity. This transaction involved the issuance of 35,845,069 ordinary shares of USD1 each by the subsidiary, amounting to USD 35,845,069 (P469,910,937) through a share subscription account.

Loan background:

- The loan was classified as Stage 3 under IFRS 9, indicating significant credit risk and expected default.
- Interest waiver: All unpaid interest as at 31 August 2024 was waived, resulting in no further accruals beyond this date.
- ECL calculation: Impairments were calculated at each reporting date using the fair value model, with the carrying amounts of balances approximating their fair values.

Impact of conversion:

- The unimpaired loan balance of P469,910,937 (USD 35,845,069) was fully converted into equity shares in the subscription account.
- The conversion increased the Company's stated capital by P465,568,933 (USD35,513,859), strengthening the subsidiary's equity base.
- This transaction has been classified as a non-adjusting subsequent event under IAS 10 as it was finalised after the reporting period. No adjustments have been made to the financial statements as of 31 August 2024.

Strategic rationale:

- Strengthens the equity structure of PrimeTime Property Holdings (Mauritius) Limited.
- Eliminates intercompany debt, enhancing the consolidated financial position**.**

The impact of the loan capitalisation is shown below:

Investment in subsidiary

Reconciliation of investments in subsidiary - In Pula		
Opening balance	1,020	1,020
Additional investment - commutation of loan to PrimeTime Property Holdings (Mauritius) Limited to equity*	469,910,937	-
	469,911,957	**1,020**

Notes to the Consolidated And Separate Financial Statements

37. Events after the reporting period (continued)

37.3 Firm intention by RDC Properties Limited

On 21 August 2024, PrimeTime Property Holdings Limited received a firm intention letter from RDC Properties Limited proposing a general offer to acquire all linked units not already held by RDC. The offer includes a unit-for-unit exchange of 0.6875 RDC units per PrimeTime unit, subject to regulatory approvals and RDC obtaining at least 44% of PrimeTime's units. This potential acquisition may impact control of the Company with possible effects on its governance structure and strategic direction.

However, on 7 October 2024, the publication of RDC's offer circular was suspended pending regulatory guidance, with further updates expected in due course.