



**CRESTA MARAKANELO LIMITED**

(Incorporated in the Republic of Botswana on 23 August 1974

Registration number BW00001308618

(Share Code: CML ISIN: BW 000 000 0892)

**TRADING STATEMENT**

In terms of paragraph 5.4(d) of the Botswana Stock Exchange listing requirements, companies are required to publish a trading statement as soon as they have reasonable certainty that the financial results for the period to be reported upon next will differ by at least 10% from those of the previous corresponding period.

Shareholders are advised that the audited consolidated profit before tax ("PBT") of Cresta Marakanelo Limited ("the Company") for the year ended 31 December 2019, is estimated to be 12% to 15% (P4.3 million to P5.3 million) lower than the PBT of P35.8 million reported for the year ended 31 December 2018. However, the underlying operating performance of the Company improved, with operating profit increasing by 45% compared to the prior year. The decline in PBT is primarily as a result of additional finance costs incurred on borrowings for the acquisition of four hotel properties as well as the depreciation related to the newly acquired properties.

The audited financial statements for the year ended 31 December 2019 will be released by 31 March 2020. Accordingly, Shareholders are advised to exercise caution when dealing in the Company's securities until a full announcement is made.

The information in this announcement has not been reviewed by the Company's independent auditors.

For and on behalf of the Board of Directors.

25 March 2020