Annual Report

PRIME TIME

2019

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Highlights

6% ▲ INCREASE IN DISTRIBUTION PLU

17.90t plu

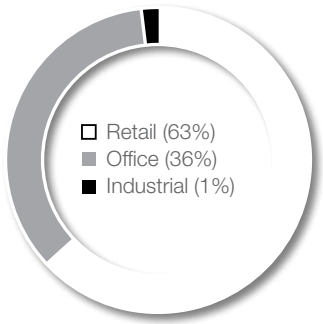
2018: 16.88t

34% ▲ OF INCOME FROM

Zambia

2018: 27%

Rental income by sector



16% ▲ INCREASE IN LEASE REVENUE

P145 Million

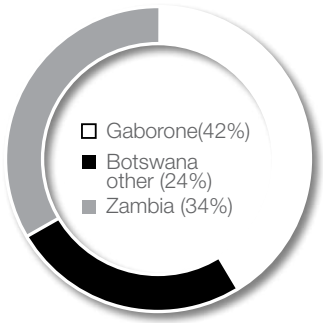
2018: P125m

4% ▲ INCREASE IN TRADING PROFITS

P56 Million

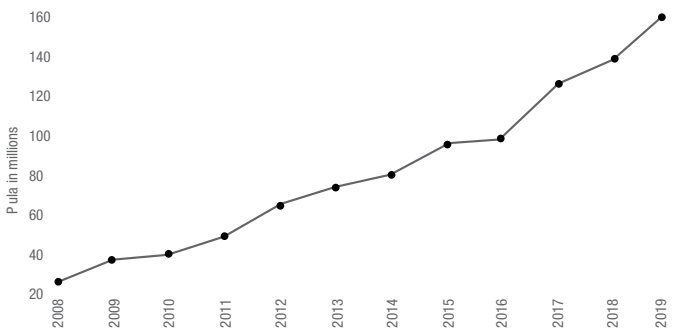
2018: P54m

Rental income by location

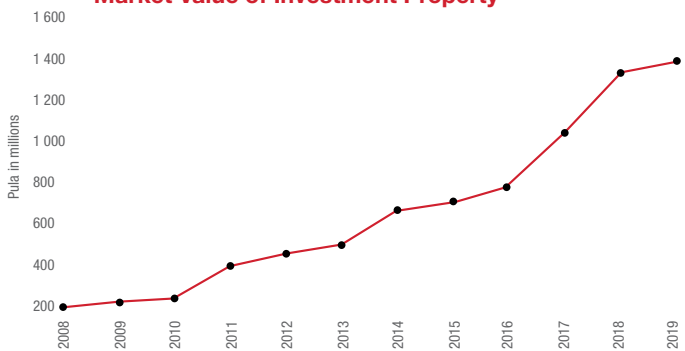


Comparison of Revenue

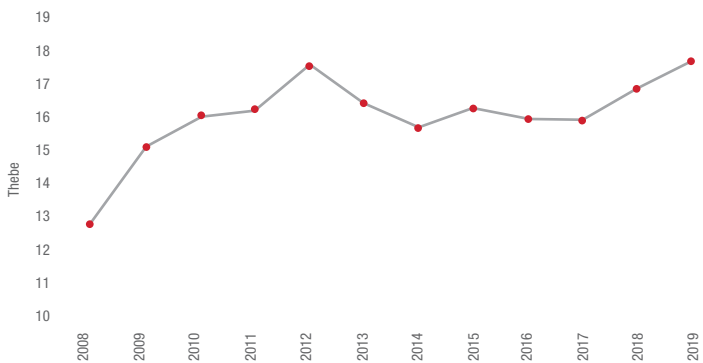
Revenue excluding fair value adjustments



Market Value of Investment Property



Annual distribution per Linked Unit



In the pipeline

Pinnacle Park Setlhoa Gaborone:

Estimated cost: P60 million (phase 1)

PrimeTime began construction of Pinnacle Park in Gaborone's rapidly developing Setlhoa node in June 2019 and will deliver the first phase of the project during the first quarter of 2020. The project will provide over 4,000 sqm of offices with ample parking in an area currently undersupplied in terms of quality office stock.

Prime Plaza II New CBD, Gaborone

Estimated cost: P60 million (phase 1)

Development of what could eventually amount to up to 16,000 sqm of offices will start in the 2020 financial year. Beginning with a relatively small building which will commence on a speculative basis, the securing of development rights to the 10,000 sqm plot will mean PrimeTime will be well positioned to offer new HQ solutions to corporates seeking to relocate within Gaborone.

Riverside Junction Sandton, Johannesburg

Purchase price: R84.7 million

After the 2019 year end the PrimeTime Group acquired Riverside Junction in the Bryanston suburb of Sandton, Johannesburg for R84.7 million (BWP60 million). The purchase is the group's first in South Africa, broadening PrimeTime's asset base into a new geography where we believe there are good opportunities despite some of the economic challenges faced.

Board of Directors

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

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

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

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

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

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

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

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

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

Turnie is the Property Director of Time Projects (Botswana) (Pty) Limited and has been with the company for over 12 years. He has over 20 years' experience in property management.

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

Cross is a fellow of the Chartered Institute of Management Accountants and chairs the Audit Committee for PrimeTime. The CEO of the Motor Vehicle Accident Fund for over 10 years from 2005, he is now the CEO (Ag) of the Botswana Power Corporation and has extensive experience on several boards in Botswana.

Management profiles

JOE SIMPSON
HND BA (Hons)

Joe has been the Asset Manager for Time Projects since 2014. He has worked for over 20-years in the Real Estate field, in a range of roles and jurisdictions. His main role for PrimeTime is in assessing, negotiating and facilitating property acquisitions and disposals, sourcing finance and in managing the larger lease renewals and maintenance projects.

MERAPELO MOPAKI

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

WANANANI NYASULU

Wani is the Group Finance Manager for the PrimeTime Group of companies, having worked her way up in Time Projects from where she started in 2008 as a Property Administrator. With a career spanning over 20 years in the property and accounting sectors, she is a part qualified accountant and is in the final stages of her ACCA professional examinations.

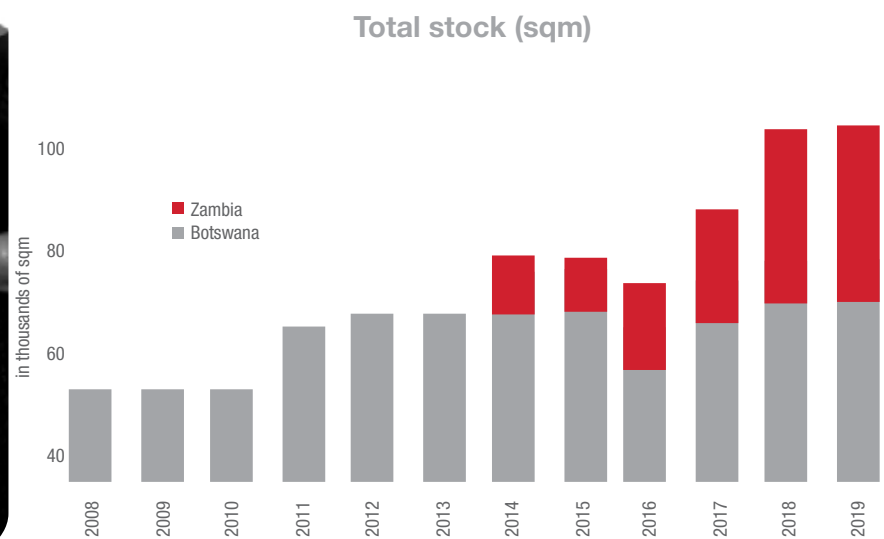
SANDY KELLY (MANAGING DIRECTOR)
See previous page for full Bio information

TURNIE MOROLONG
See previous page for full Bio information

JOANNA JONES
See previous page for full Bio information

Chairlady & Managing Director's Statement

Once again 2019 proved a tumultous year for your company, PrimeTime. We are very pleased to present the annual report which shows some significant highlights: our contractual lease revenue growing some 16% to P145m, our distribution increased by 6% over prior year, our vacancy rates down to below 2% and our growth pipeline secured with the development of Pinnacle Park in Setlhoa firmly underway for completion of the first phase early in 2020 and the plot adjacent to Prime Plaza acquired for extending our flagship office complex in the Gaborone New CBD.



Performance & Results

The PrimeTime Group has achieved substantial year-on-year increases in revenues in 2019. This reflects a full year's trading from the property additions in the prior year of the Design Quarter in Setlhoa and the Chirundu and Munali retail malls in Zambia. The low vacancy levels at the year-end reflects that some of our other properties - including Pilane Crossing, Sebele Centre, Kabulonga Mall and PwC Office Park - experienced better occupancy levels during the year than previously. In some of our other properties we have had to rebase rentals down to current market rates as a reflection of the tough economic conditions that are prevailing in Sub-Saharan Africa. While reducing rentals can be unpalatable, we strive to ensure a reciprocal upside for PrimeTime when agreed to; such as a new long lease on renewal, which in turn protects and enhances our property values.

The increase in operating expenses year-on-year reflects several line items. Firstly the three property additions in the prior year mentioned above resulted in a full year of costs in the current year. Secondly, in line with our longer-term strategy we have invested heavily during the year in maintenance costs to secure and retain quality tenants. This resulted in some significant new leases and renewals secured, including Letshego Holdings at Letshego Place for 3 years, Barclays Bank at Hillside Mall Lobatse for 5 years, Ackermanns and PEP at Nswazwi Mall for 5 years, Exact and Options at Pilane Crossing for 5 years and Corpus Legal Practitioners at PwC Office Park in Lusaka for 5 years. Lastly on the expense side, considerable costs have been incurred on consultancy fees to streamline the group structure. This includes rationalising the number of subsidiaries held in both Zambia and Mauritius and commencing operations in South Africa. Such an exercise comes at an initial cost but will lead to savings/increased revenues in the longer term.

We are very pleased to advise that we have finally overcome the effects on the trade licencing issue that plagued us since the opening of Pilane Crossing in September 2016. Mr Price have taken occupation and are due to start trading early in 2020 and Options have taken up the remaining unit.

Chairlady & Managing Director's statement

Riverside Junction, Bryanston

Maintaining and enhancing our properties

Some additions have been made to the existing investment properties held during the financial year. The freehold on the Ghanzi property was acquired and the ground lease at Serowe was extended for another 25 years. These additions preserve the value of investment in the longer term. These have taken several years to negotiate and their achievement is testament to the dedication of the management team.

An extension to Pilane Crossing was completed at the end of this financial year and will contribute financially in the next. The expected yield on cost of over 10% will enhance the overall performance of the centre.

The P52m work-in-progress at the financial year-end includes P31m towards our second development at Setlhoa of Pinnacle Park, an office park the first phase of which will be completed by the end of Q1 2020 at a total estimated cost of P60m including apportionment of land and plot development infrastructure costs.

The remaining P21m in work-in-progress reflects a second plot secured in the Gaborone CBD, adjacent to our existing Prime Plaza, which will be developed to the same specifications. Plans are underway for the first building and this should commence during Q3 of 2020.

Revaluation of Properties

The market value of PrimeTime's domestic portfolio passed P900m at the year end, up from P850m the prior year. However, values in Zambia slipped from $53m to $50m as rents there came under pressure due to a highly competitive market for attracting tenants, particularly in the retail sector where a significant amount of new supply has been delivered to the market, and is also a reflection of the wider challenging economic environment. Rents are unlikely to soften further and with the absorption of vacant space we are well positioned for growth.

The Botswana gains include a substantial uplift year-on-year of the Ghanzi and Serowe properties reflecting the freehold acquisition and ground lease extension respectively. Other notable increases were also seen at the Sebele and Pilane retail Malls – reflecting their 100% occupancy and quality of the tenant mix.

Prospects & Opportunities

Subsequent to the year end, we reported on our acquisition of a property in Sandton, South Africa, namely Riverside Junction, a boutique office, retail and restaurant building in the high-end residential suburb, Bryanston for ZAR84.7m (BWP60m), yielding over 9%. This is the first of what we plan to build into a private property fund in South Africa as part of our diversification strategy, and transfer of our second acquisition is imminent. It is very difficult to acquire standing properties of this calibre in Botswana where prime returns stand at 7-8%. The listed property sector in SA has come off substantially in the last 2 to 3 years, down 30%, presenting a buying opportunity. The "envelope" within which we are concentrating is between those that the more substantial listed funds are focussed on, ie. over ZAR3-400m minimum and the top end for private investors of about ZAR50m. We will be limiting our exposure to the main conurbation centres with the focus on strong counterparty tenancies and have partnered with an expert local management team.

We see this producing a positive impact to our earnings and solidity over the long term. Despite the negativity around the South African economy, we are of the view that the commercial and industrial sector is far too resilient for failure, and in fact, instead, presents exceptional property investment opportunities based on the fundamentals of strong tenancy counterparties and location parameters.

In Botswana, we look forward to the first phase of Pinnacle Park at Setlhoa completing by March 2020 and for the groundworks on our new CBD plot to commence. A refurbishment is also planned for the exterior of our South Ring Mall property and an extension to Boiteko Junction in Serowe based on strong tenant demand for the centre. There are also further investment prospects that are currently under consideration by the board, to which unitholders will be alerted in due course should they materialise.

In Zambia we are working hard to fill the remaining vacancies at Chirundu and Munali as the malls bed down. To deal with the current power supply issues in the country we are currently evaluating proposals to install solar power on all our properties there. Our management team and associates in Zambia have identified and secured further development prospects which could provide investment opportunities for PrimeTime subject to our usual parameters of securing good tenancies.

Conclusion

We are very enthusiastic and optimistic about the future for PrimeTime as it spreads its wings even further. Notwithstanding the challenging economies in Zambia, South Africa and here at home in Botswana, we are firm believers that nothing comes easy. It is due to the emphatic efforts of our management team that we have been able to continue to grow as we have done, by managing and listening to our tenants, maintaining and fostering relationships with our funders and exploring opportunities in the region.

It is not possible without the support of you, our unitholders who continue to display faith in our mission. We remain committed to providing you with a business which will continue in our quest in providing and creating long term sustainable wealth.

Chairlady
P Matumo

Director
A L Kelly

Portfolio

SEBELE CENTRE
Gaborone



DESIGN QUARTER
Gaborone

Cecil Nurse.

SOUTH AFRICAN HIGH COMMISSION
Gaborone

LETSHEGO PLACE
Gaborone

Letshego EY

PWC OFFICE PARK
Lusaka

pwc Cavmont Bank ALEXANDERFORBES

HILLSIDE MALL
Lobatse

Mr Price CHOPPIES PEP BARCLAYS

NSWAZWI MALL
Francistown

cb SPAR PEP ACKERMANS

RAMOTSWA SHOPPING CENTRE
Ramotswa

CHOPPIES PEP cb

GHANZI SHOPPING CENTRE
Ghanzi

Topline SPAR BARCLAYS



Portfolio

CHIRUNDU MALL
Chirundu

CENTRO KABULONGA
Lusaka

MUNALI MALL
Lusaka


BOITEKO JUNCTION
Serowe

SPAR FNB Cashbuild

PILANE CROSSING
Pilane

CLICKS KFC CHOPPIES Cashbuild FNB

G4S HQ
Gaborone

G4S

G4S LUSAKA/KITWE
Lusaka/Kitwe

G4S

SOUTH RING MALL
Gaborone

Pick n Pay Inspired by you PEP BARCLAYS

INDEPENDENCE PLACE
Gaborone

ALEXANDERFORBES

CAPRICORN HOUSE
Gaborone

AFA HOUSE
Gaborone

bpomas AFA Pula

DHL
Gaborone

DHL



Portfolio

PRIME PLAZA
Gaborone

Shareholders information

as at 31 August 2019

MAJOR LINKED UNITHOLDERS	LINKED UNITS	%
BPOPF (Across all Asset Managers)	74 842 138	30.59%
LINWOOD SERVICES LIMITED	40 028 705	16.36%
TATI COMPANY LIMITED	22 873 846	9.35%
DEBSWANA PENSION FUND (Across all Asset Managers)	22 019 287	9.00%
SCBN(PTY) LTD RE: METROPOLITAN LIFE BOTSWANA	13 696 192	5.60%
MOTOR VEHICLE ACCIDENT FUND	10 323 016	4.22%

LINKED UNIT BAND	NO. LINKED UNITS	%	NO OF HOLDERS	%
0 - 1 999	633 839	0.26%	1 115	65.17%
2 000 - 4 999	688 165	0.28%	237	13.85%
5 000 - 9 999	559 955	0.23%	82	4.79%
10 000 - 49 999	3 723 614	1.52%	189	11.05%
50 000 - 99 999	978 946	0.40%	14	0.82%
100 000 - 499 999	8 116 982	3.32%	36	2.10%
500 000+	229 949 183	93.99%	38	2.22%
	244 650 684	100.00%	1 711	100.00%

Corporate governance

Corporate governance provides a framework to ensure PrimeTime's compliance with all its contractual, statutory and regulatory obligations and assists in providing the stakeholders with timely, relevant and meaningful reports. The Group has adopted King IV as the framework for Corporate Governance and the table at the end of this Report details its compliance.

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

BOARD MEETINGS AND ATTENDANCE DURING THE FINANCIAL YEAR

Name	Quarterly Board	Additional Directors meetings	Additional Independent Directors meetings	Annual General Meeting
P Matumo (Chairlady)	4 (4)	1 (1)	1 (1)	1 (1)
A L Kelly (Managing Director)	4 (4)	1 (1)	N/A	1 (1)
J C Jones	4 (4)	1 (1)	N/A	1 (1)
C Kgosidiile	3 (4)	- (1)	1 (1)	- (1)
M T Morolong	4 (4)	1 (1)	N/A	1 (1)
S Thapelo	3 (4)	1 (1)	1 (1)	- (1)

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

RELATED PARTY TRANSACTIONS WITH THE MANAGEMENT COMPANY

The Board remains sensitive to the related party transactions between the Group and Time Projects (Botswana) (Pty) Limited, the day-to-day managers of the Group. All such transactions are subject to full scrutiny and approval by the Independent Board members before Unitholder approval is sought. Additional meetings and/or discussions are held by the Independent Board members if necessary, in order to facilitate this.

Unitholders are provided with full disclosure of these transactions prior to voting and Linked Units held by related parties are not entitled to vote.

DIRECTORS REMUNERATION FOR THE YEAR ENDED 31 AUGUST 2019

	BWP
P Matumo (chairlady)	129 415
A L Kelly (managing director)	98 845
J C Jones	98 845
C Kgosidiile *	123 270
M T Morolong	98 845
S Thapelo	111 355

*Including fees paid for attendance at Audit Committee meetings

Executive Directors are remunerated by the external management company which is not disclosed here.

AUDIT COMMITTEE

Certain specific duties have been delegated to the Audit Committee, whilst overall responsibility remains with the Board.

The Committee comprises one Independent Director as Chairman and one Independent member. Mario Bellini, who was an Audit Committee member since 2009, resigned from the Committee at the end of November 2018 due to a conflict of interest with his new position. Nigel Dixon-Warren FCCA (UK) FCPA (Bots), was appointed to the Committee in February 2019 and he brings with him a wealth of financial experience in the local market. Completing his training in the UK he came back to Botswana in 1994 and was a Partner at KPMG for the last 20 of his 25 years of service with the firm. He has worked across a broad spectrum of industries and has extensive experience across a number of disciplines including tax, risk management, distress management and dispute resolution. He has also served on numerous Boards, Committees and Councils, making him a valuable

addition to PrimeTime's governance structure.

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

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

Following the revision of the Botswana Stock Exchange Listings Requirements with effect from 1 January 2019, section 7.4 (a) requires any related party transaction to have been reviewed and recommended for approval by the Audit Committee.

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

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

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

Meetings and attendance during the financial year

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

Audit committee member	Committee meetings
C Kgosidiile (chairman)	2 (2)
M Bellini	1 (1)
N Dixon-Warren	1 (1)

DIRECTORS' DEALINGS

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

COMPANY AND MEETING SECRETARY

A representative from PricewaterhouseCoopers, the Company Secretary, attends all Annual and Extraordinary General meetings. Management provide a meeting secretary to take minutes at the Board meetings and these are subsequently ratified by the Board. The removal of the Company Secretary is a matter for the Board as a whole.

EXTERNAL AUDITORS

The external auditors are responsible for the independent review and the expression of an opinion on the reasonableness of the financial statements based on the audit. The audit partner was rotated in 2015 in order to ensure continued independence.

COMPLIANCE WITH KING IV

Leadership	*	Description	Explanation The Board:	Governance outcomes
Steers and sets strategic direction	1	The Board should lead ethically and effectively.	Has taken cognisance of the approach contained in King IV that the Company has a role to play in society and has an obligation to conduct itself as a responsible corporate citizen. Transparency, integrity and accountability are all embedded beliefs which exist within the Company; Ensures the Company complies with all the BSE, IFRS and Companies Act requirements. Minutes of all Board meetings are kept and made available to the auditors upon request; Considers all available information before deciding to ensure that the decisions that are made are effective; Ensures that an ethical culture is embedded in its strategy, plans and performance, despite the Company not having any employees; Feels strongly that it currently conducts its business ethically and with integrity. A Code of Ethics and Conduct is currently being drafted. This will commit the business practices which the Company follows to writing as well as the standards of behaviour required by others within the Company, ensuring that an ethical culture permeates throughout Company and Group as it evolves and grows. Planned adoption of the Code is mid-2020.	Ethical culture
Steers and sets strategic direction	2	The Board should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Assumes responsibility for the governance of ethics. When the Code of Ethics and Conduct (see principle 1 above) has been adopted, it will clearly set out the business practices to be followed as well as the standards of behaviour for all persons within the Group.	Ethical culture
Steers and sets strategic direction	3	The Board should ensure that the organisation is and is seen to be a responsible corporate citizen.	Adopted King IV Code in 2018; Operates in a manner that considers the sustainability and financial health of the Company; Incorporates environmental responsibilities into its decision-making processes when developing properties where practicable; Believes that as a property investment fund enabling individuals and pension funds to enjoy the benefits of property ownership, the Company should be mindful of maximising the returns to unitholders. As such it does not set a large budget for donations and sponsorship. However, it does assist the communities in which it operates where possible.	Ethical culture
Steers and sets strategic direction	4	The Board should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	Assumes responsibility for strategy. This is formalised through its strategy document which is updated annually, tabled and adopted; Uses the approved strategy document to assist in making investment and divestment decisions by applying the agreed parameters therein to each opportunity identified; Makes only yield enhancing property acquisitions that provide sustainable earnings and support a platform for growth.	Ethical culture

*Principle

Leadership	*	Description	Explanation The Board:	Governance outcomes
Steers and sets strategic direction	5	The Board should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short-, medium- and long-term prospects.	Ensures the Annual Financial Statements meet all the requirements of the BSE, IFRS and Companies Act. The Financial Statements are audited by a reputable audit firm to ensure that they correctly represent the financial position of the Company and Group; Publishes an Annual Report containing a Chairlady and Managing Directors Report which details the reasons for the current performance of the Group and opportunities available for future development and growth. Other operational information and analysis is also provided in this report providing stakeholders with additional insight; Prides itself on ensuring that all Circulars, press releases and other statements published during the year contain all relevant information and are prepared with transparency. This enables the stakeholders to assess each transaction on its merits; Engages with various stakeholders on an annual basis to present its year-end results first-hand; All BSE announcements, circulars, Annual Reports and notices of the AGM are placed on the Company's website www.primetime.co.bw.	Ethical culture
Steers and sets strategic direction	6	The Board should serve as the focal point and custodian of corporate governance in the organisation.	Leads by example embracing good practices and compliance with corporate governance; Ensured that it was duly educated and carefully considered which Corporate Governance Code to adopt, after due consultation with its external auditors and the Audit Committee. It is committed to ensuring continued compliance as appropriate to the size and activities of the Company; Is committed to adopt a written a code of ethics and conduct (see principle 1 above).	Ethical culture
Approves policy and planning	7	The Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	Consists of individuals from a variety of business disciplines, bringing a mix of skills, experience and technical expertise; Is comprised of three Executive Directors and three Independent Directors; Has a Chairlady who is an Independent Director whose role is separate from the Managing Director, providing leadership to the Board in all deliberations and ensuring independent input; Members are subject to retirement by rotation and re-election by the Company's unitholders, at least once every 3 years; Ensures that new members are appointed as additional skills are required; Is committed to the principle of diversity.	Good performance
Approves policy and planning	8	The Board should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	Has established an Audit Committee with certain specific duties delegated to it. The Committee Chairman is an Independent Director and reports back to the Board after every meeting held; Passes an annual resolution in terms of which certain responsibilities are delegated to the Executive Directors, subject to limits of authority.	Good performance

*Principle

COMPLIANCE WITH KING IV

Leadership	*	Description	Explanation The Board:	Governance outcomes
Approves policy and planning	9	The Board should ensure that the evaluation of its own performance and that of its individual members support continued improvement in its performance and effectiveness.	Individual performance evaluations have been performed on all Board members in the past. The format and frequency of such evaluations going forward will form part of the Code of Ethics and Conduct (see principle 1 above).	Good performance
Oversees and monitors	10	The Board should ensure that the appointment of and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities.	Remains responsible for formulating and implementing Company policy and making all strategic decisions, however it has delegated the day-to-day management of the Group to Time Projects (Botswana) (Pty) Limited, who have a contractual relationship as the property and asset managers; Performs constant review of this management and the performance of the Group at its quarterly meetings, including monitoring the financial results against the business plan and budget.	Effective control
Oversees and monitors	11	The Board should govern risk in a way that supports the organisation in setting and achieving strategic objectives.	Maintains a detailed Risk Register which is reviewed and updated annually, and more frequently if new risks are identified; Formally approves the updated risk register annually after it has been reviewed and approved by the Audit Committee; Ensures that mitigating action is executed by the Executive Directors.	Effective control
Oversees and monitors	12	The Board should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	Ensures risks relating to technology and information are included within the Company's Risk Register; Ensures that the Internal Control Document details specifics as to the management of technology and information which the company utilises and is reliant upon.	Effective control
Oversees and monitors	13	The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation's being ethical and a good corporate citizen.	Promotes compliance with relevant laws and statutory requirements; Makes use of its Company Secretary and Sponsoring Broker to assist them with Companies Act and BSE Listings Rules compliance; Has legal advisors who are consulted over all legal matters in the jurisdictions in which it operates; Ensures adequate due diligence is performed on all acquisitions made; Ensures that its members and management fully appraise and educate themselves on any new legislation, non-binding rules and codes which may be applicable to the Company; In the 2020 financial year the key areas of focus will be among others the Transfer Pricing Amendment Bill 2018, King IV and new IFRS's.	Effective control

*Principle

Leadership	*	Description	Explanation The Board:	Governance outcomes
Ensures accountability	14	The Board should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	Sets its retainer and meeting fees by an estimation of the time taken by the Directors to adequately fulfil their duties; Reviews remuneration annually; Benchmarks the Directors fees against other similar sized listed entities in Botswana; Discloses the remuneration paid to each Director in the Corporate Governance statement in the Annual Report; Discloses the remuneration paid to each Director in the Related Parties note in the Annual Financial Statements; Requires the Unitholders to approve the Directors remuneration at the AGM.	Legitimacy
Ensures accountability	15	The Board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision making and of the organisation's external reports.	Requires the Audit Committee to make recommendations on the internal controls and external audit appointment; Ensures that the Internal Control Document is updated at least annually and is reviewed by the Audit Committee and the External Auditors; Receives reports from the Audit Committee on both the annual audit planning process and the final audit work. This includes details on the controls and integrity of information as well as management letter points from the auditors; Uses independent external valuers to value the entire property portfolio of the Group on an annual basis. These valuers meet with both the external auditors and management and provide additional information to the Audit Committee to support the assumptions used in making the valuations; Entitles the Directors to seek independent professional advice concerning the affairs of the Company and with unlimited access to the services of the Company Secretary; Provides the external auditors with unrestricted access to the Board and Audit Committee members and ensures that the designated partner of the external audit firm attends the AGM of the Company; Ensures that all policies and procedures are uniform throughout the Group.	Legitimacy
Ensures accountability	16	In the execution of its governance role and responsibilities, the Board should adopt a stakeholder inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	Avails itself at every AGM and EGM to discuss its business with Unitholders; Ensures the Executive Directors have an open-door policy and regularly engage with tenants and other stakeholders as and when required; Uses the company's website www.primetime.co.bw to disseminate information.	Legitimacy

*Principle

SEPARATE AND CONSOLIDATED

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Corporate information

31 August 2019

INCORPORATED IN THE REPUBLIC OF BOTSWANA

Registration number BW00000877365
Date of Incorporation 29 August 2007

NATURE OF BUSINESS

The company is engaged in property investment

PHYSICAL ADDRESS

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

DEBENTURE TRUST TRUSTEE

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

DIRECTORS

P Matumo (Chairlady)
A L Kelly
J Jones
C Kgosidiile
M T Morolong
S Thapelo

COMPANY SECRETARY

PricewaterhouseCoopers

REGISTERED OFFICE

Plot 50371, Fairgrounds Office Park
P O Box 249
Gaborone

AUDITOR

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

TRANSFER SECRETARIES

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

PROPERTY & ASSET MANAGERS

Time Projects (Botswana) (Pty) Ltd
Acacia
Prime Plaza
Plot 74538 CBD
Cnr of Khama Crescent Extension and PG Matante
Gaborone

Directors Report

31 August 2019

The directors have pleasure in submitting to the linked unit holders their report and the audited financial statements of PrimeTime Property Holdings Limited ("Company") and its subsidiaries (the "Group" or "Consolidated") for the year ended 31 August 2019.

Nature of Business

The company is a variable rate loan stock public company and derives its revenue primarily from the rental of investment properties. The company's registration number is BW00000877365.

Stated Capital and Debentures

On 20 June 2017 the company had a rights issue of 64 760 484 linked units. At 31 August 2018 and 31 August 2019 the stated capital of the company comprised 244 650 684 ordinary shares, with a nominal value of P14 242 773, which are linked to 244 650 684 variable rate unsecured debentures with a nominal value of P323 329 682.

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

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

Financial Statements

The statements of financial position sets out the financial position of the Company and Group at 31 August 2019 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.

Linked Units Distribution Policy

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

Debenture interest (thebe)	2019	2018
Interim paid 22 March 2019 (23 March 2018)	5.23	5.55
Interim paid 30 August 2019 (31 August 2018)	8.46	8.40
Total interim declared and paid for the year	13.69	13.95
Proposed as at year end		
Special proposed	2.21	-
Final proposed	2.00	2.93
	17.90	16.88

Administration and Management

The management of the company's properties is undertaken by a related party, Time Projects (Botswana) (Proprietary) Limited.

Directors

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

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

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

Directors' Holdings in Linked Units

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

Directors	Held Directly	Held Indirectly
J Jones and family	37 360	-
A L Kelly and family	451 303	40 028 705
P Matumo	661 729	-
M T Morolong and family	7 440	-

Directors' statement of responsibility

and approval of the financial statements

31 August 2019

Directors' statement of responsibility

The directors are responsible for the preparation and fair presentation of the financial statements of PrimeTime Property Holdings Limited, comprising the separate and consolidated statements of financial position as at 31 August 2019, and the separate and consolidated statements of profit or loss and other comprehensive income, the separate and consolidated statements of changes in equity, and the statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards ("IFRS").

The directors are required by the Companies Act of Botswana (Companies Act, 2003), to maintain adequate accounting records and are responsible for the content and integrity of and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Company and Group as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with IFRS. The external auditors are engaged to express an independent opinion on the financial statements. Their unmodified opinion is presented on pages 28 to 29.

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

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

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

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

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

Approval of the financial statements

The separate and consolidated financial statements set out on pages 30 to 60 which have been prepared on the going concern basis, were approved by the Board of Directors on 20 November 2019 and were signed on its behalf by:

Director
P Matumo

Director
A L Kelly

Deloitte.

PO Box 778
Gaborone
Botswana

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

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

Opinion

We have audited the separate and consolidated financial statements of PrimeTime Property Holdings Limited ("the Company" and its subsidiaries ("the Group"), set out on pages 30 to 60, which comprise the statements of financial position as at 31 August 2019, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended, a summary of the significant accounting policies and notes to the financial statements.

In our opinion, the separate and consolidated financial statements give a true and fair view of the separate and consolidated financial position of the Company and Group as at 31 August 2019, and their separate and consolidated financial performance and separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Separate and Consolidated Financial Statements section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part 4A and 4B), together with other ethical requirements that are relevant to our audit of the Separate and the Consolidated Financial Statements in Botswana, and we have fulfilled our other responsibilities in accordance with these requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

Key Audit Matter	How the matter was addressed in the audit
Valuation of Investment Properties (Separate and Consolidated)	
As disclosed in Note 8, the carrying amount of investment properties amounted to P1.4 billion (Company: P863 million) and the fair value loss recorded in the profit or loss for the year in respect of investment properties was P14.1 million (Company: gain of P17.8 million). The Group uses independent external valuers to determine the fair values for all properties on an annual basis. The independent valuers perform full valuations on the portfolio on a five year rotational cycle, in between the full valuation, the properties are subjected to a desktop valuation. The key inputs applied in the fair value determination for each property vary as a result of the nature, location, size, physical condition and land tenure of the respective properties. The valuation of the investment properties is dependent on assumptions and judgements such as vacancy rates, expenditure escalation rates, revenue escalation rates and capitalisation rates. The most significant assumption relates to the capitalisation rates - changing any of these assumptions will significantly affect the valuation of the investment properties. For the purpose of our audit we identified the valuation of investment properties as a key audit matter due to the significance of the balance to the separate and consolidated financial statements as a whole and the estimates and judgements associated with determining the fair value.	In evaluating the valuation of investment properties, we performed the following procedures: • We assessed the design and implementation of the relevant controls over the valuation process of investment properties. • We assessed the competence, capabilities and objectivity of the Directors' independent valuers, and verified their qualifications. In addition, we discussed and reviewed their terms of engagement to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approaches they used are consistent with International Financial Reporting Standards ("IFRS") and industry norms. We did not come across any evidence which made us to doubt the objectivity and the independence of the external valuers. • We tested a selection of data inputs underpinning the investment property valuation, including rental income, tenancy schedules and capitalisation rates, against appropriate supporting documentation, to assess the accuracy, reliability and completeness thereof. • We also evaluated the appropriateness of the valuation methods used by comparison to valuation methods used by other property companies. • We assessed the adequacy of the disclosures in the financial statements relating to investment properties. The models (discounted cash flow and net income model) used in the valuation were appropriate and the capitalisation rates were comparable to market rates and those used in the prior year. We considered the disclosures in the separate and consolidated financial statements to be appropriate.

Deloitte.

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

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

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

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

In preparing the separate and consolidated financial statements, the Directors are responsible for assessing the Company's and Group'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 Company and/or Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's and Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the separate and consolidated 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 separate and consolidated 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 separate and consolidated 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 Company's and Group'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 Company's and Group'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 separate and consolidated 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 Company and/or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated 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 separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope 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 Audit Committee 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, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the separate and consolidated 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.

Deloitte & Touche

Deloitte & Touche
28 November 2019
Certified Auditors
Practicing Member: C Ramatlapeng (CAP 008 2019)
Gaborone

Statements of profit or loss and other comprehensive income

For the year ended 31 August 2019

	Notes	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P RESTATED
Revenue					
Contractual lease revenue		98 734 640	94 202 827	144 985 569	125 111 041
Rentals straight line adjustment		6 008 501	7 178 619	7 511 980	7 834 938
Rental income		104 743 141	101 381 446	152 497 549	132 945 979
Other operating revenue	1	16 562 574	15 300 165	20 329 739	16 994 345
Operating expenses	2	(47 174 362)	(41 525 526)	(63 935 640)	(48 852 313)
Profit/(loss) on disposal of investment property		-	1 048 287	(18 860)	1 048 287
Profit on disposal of subsidiary		-	-	-	3 000
Other gains		-	-	-	548 269
Exchange differences on translating foreign balances		16 744 139	20 258 471	11 259 888	(2 745 015)
Ground lease straight line adjustment		907 621	(8 892)	907 621	(8 892)
Profit from operations before fair value adjustment		91 783 113	96 453 951	121 040 297	99 933 660
Fair value adjustment	3	17 766 020	5 802 669	(14 143 697)	74 378 313
Profit from operations		109 549 133	102 256 620	106 896 600	174 311 973
Interest income	4	33 118 511	27 723 609	975 859	125 031
Interest expense	4	(41 435 587)	(37 066 575)	(46 432 821)	(39 503 875)
Profit before taxation		101 232 057	92 913 654	61 439 638	134 933 129
Taxation	6.1	(18 292 418)	(14 989 125)	(25 472 213)	(19 222 285)
Profit for the year		82 939 639	77 924 529	35 967 425	115 710 844
Other comprehensive loss					
Items that may be subsequently classified to profit or loss					
Exchange differences on translation foreign operations		(2 707 640)	(1 304 180)	(6 036 064)	(8 711 443)
Other comprehensive loss		(2 707 640)	(1 304 180)	(6 036 064)	(8 711 443)
Total comprehensive income for the year		80 231 999	76 620 349	29 931 361	106 999 401
Earnings per linked unit (thebe)	7	37.84	35.56	18.64	51.01

Statements of financial position

As at 31 August 2019

	Notes	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P RESTATED
ASSETS					
Non-current assets					
Investment properties	8	862 669 638	817 438 143	1 387 629 186	1 357 006 115
Work in progress	10	52 299 965	16 714 466	52 299 965	16 714 466
Investment in subsidiary	11	1 020	1 020	-	-
Rentals straight-line adjustment		55 102 443	50 254 020	58 907 568	52 764 362
Ground lease straight-line adjustment		20 367	-	20 367	-
		970 093 433	884 407 649	1 498 857 086	1 426 484 943
Current assets					
Amounts due from related parties	14	479 313 626	452 705 527	-	-
Trade and other receivables	13	3 359 562	3 382 035	16 625 640	25 020 433
Rentals straight-line adjustment		3 374 080	2 214 003	3 739 678	2 282 588
Taxation receivable		1 602 844	60 258	1 791 072	257 657
Cash and cash equivalents	12	29 934 712	4 130 907	100 046 148	10 880 062
		517 584 824	462 492 730	122 202 538	38 440 740
Total assets		1 487 678 257	1 346 900 379	1 621 059 624	1 464 925 683
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	15	14 242 773	14 242 773	14 242 773	14 242 773
Debentures	16	323 329 682	323 329 682	323 329 682	323 329 682
Reserves	17	413 818 954	367 745 084	413 847 271	418 074 038
Debenture interest reserve	18	10 299 794	7 168 265	10 299 794	7 168 265
Total equity and reserves		761 691 203	712 485 804	761 719 520	762 814 758
Non-current liabilities					
Deferred taxation	6	45 999 621	39 720 830	45 999 621	39 720 830
Long term borrowings	23	521 465 917	457 591 912	640 238 587	491 008 898
Ground lease straight-line adjustment		-	887 254	-	887 254
		567 465 538	498 199 996	686 238 208	531 616 982
Current liabilities					
Trade and other payables	19	23 986 389	11 913 137	28 278 391	32 355 905
Amounts due to related parties	20	3 792 135	1 968 810	4 018 766	8 895 087
Current portion of long term borrowings	23	103 137 038	101 773 844	112 025 161	108 162 591
Deferred revenue	21	2 368 691	3 673 415	3 542 315	4 194 987
Bank overdraft		25 179 982	16 885 373	25 179 982	16 885 373
Tax payable		57 281	-	57 281	-
		158 521 516	136 214 579	173 101 896	170 493 943
Total equity and liabilities		1 487 678 257	1 346 900 379	1 621 059 624	1 464 925 683

Statements of changes in equity

For the year ended 31 August 2019

	Notes	Stated capital P	Debentures P	Accumulated profits P	Foreign currency translation reserve P	Debenture interest reserve P	Total P
Company							
Balance at 1 September 2017		14 242 773	323 329 682	328 806 138	(5 469 716)	8 367 053	669 275 930
Profit for the year		-	-	77 924 529	-	-	77 924 529
Other comprehensive loss for the year		-	-	-	(1 304 180)	-	(1 304 180)
Total comprehensive income/(loss) for the year		**-**	**-**	**77 924 529**	**(1 304 180)**	**-**	**76 620 349**
2017 final debenture interest paid	5	-	-	-	-	(8 367 053)	(8 367 053)
2018 interim debenture interest paid	5	-	-	(34 128 770)	-	-	(34 128 770)
2018 final proposed debenture interest	5	-	-	(7 168 265)	-	7 168 265	-
Taxation attributable to debenture interest	6.1	-	-	9 085 348	-	-	9 085 348
Balance at 31 August 2018		**14 242 773**	**323 329 682**	**374 518 980**	**(6 773 896)**	**7 168 265**	**712 485 804**
Profit for the year		-	-	82 939 639	-	-	82 939 639
Other comprehensive loss for the year		-	-	-	(2 707 640)	-	(2 707 640)
Total comprehensive income/(loss) for the year		**-**	**-**	**82 939 639**	**(2 707 640)**	**-**	**80 231 999**
2018 final debenture interest paid	5	-	-	-	-	(7 168 265)	(7 168 265)
2019 interim debenture interest paid	5	-	-	(33 492 679)	-	-	(33 492 679)
2019 final proposed debenture interest	5	-	-	(10 299 794)	-	10 299 794	-
Taxation attributable to debenture interest	6.1	-	-	9 634 344	-	-	9 634 344
Reclassification of translation differences		-	-	(4 431 125)	4 431 125	-	-
Balance at 31 August 2019		**14 242 773**	**323 329 682**	**418 869 366**	**(5 050 411)**	**10 299 794**	**761 691 203**
Consolidated							
Balance at 1 September 2017 as previously stated		14 242 773	323 329 682	323 425 051	19 861 273	8 367 053	689 225 832
Restatement due to error on translation at subsidiaries level	29	-	-	12 154 227	(12 154 227)	-	-
Restated balance as at 1 September 2017	29	**14 242 773**	**323 329 682**	**335 579 278**	**7 707 046**	**8 367 053**	**689 225 832**
Restated profit for the year	29	-	-	115 710 844	-	-	115 710 844
Restated other comprehensive loss for the year	29	-	-	-	(8 711 443)	-	(8 711 443)
Total comprehensive income/(loss) for the year		**-**	**-**	**115 710 844**	**(8 711 443)**	**-**	**106 999 401**
2017 final debenture interest paid	5	-	-	-	-	(8 367 053)	(8 367 053)
2018 interim debenture interest paid	5	-	-	(34 128 770)	-	-	(34 128 770)
2018 final proposed debenture interest	5	-	-	(7 168 265)	-	7 168 265	-
Taxation attributable to debenture interest	6.1	-	-	9 085 348	-	-	9 085 348
Restated balance at 31 August 2018		**14 242 773**	**323 329 682**	**419 078 435**	**(1 004 397)**	**7 168 265**	**762 814 758**
Profit for the year		-	-	35 967 425	-	-	35 967 425
Other comprehensive loss for the year		-	-	-	(6 036 064)	-	(6 036 064)
Total comprehensive income/(loss) for the year		**-**	**-**	**35 967 425**	**(6 036 064)**	**-**	**29 931 361**
2018 final debenture interest paid	5	-	-	-	-	(7 168 265)	(7 168 265)
2019 interim debenture interest paid	5	-	-	(33 492 679)	-	-	(33 492 679)
2019 final proposed debenture interest	5	-	-	(10 299 794)	-	10 299 794	-
Taxation attributable to debenture interest	6.1	-	-	9 634 344	-	-	9 634 344
Reclassification of translation differences		-	-	(4 431 125)	4 431 125	-	-
Balance at 31 August 2019		**14 242 773**	**323 329 682**	**416 456 607**	**(2 609 336)**	**10 299 794**	**761 719 520**

Statements of cash flows

For the year ended 31 August 2019

	Notes	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P Restated
Cash flows from operating activities					
Profit for the year before taxation		101 232 057	92 913 654	61 439 638	134 933 129
Interest income	4	(33 118 511)	(27 723 609)	(975 859)	(125 031)
Interest expense	4	41 435 587	37 066 575	46 432 821	39 503 875
Profit on disposal of subsidiary		-	-	-	(3,000)
Fair value adjustments on revaluation of investment properties	3	(24 682 142)	(12 972 396)	5 724 096	(82 204 359)
(Profit)/loss on disposal of investment property		-	(1 048 287)	18 860	(1 048 287)
Operating income before working capital changes		84 866 991	88 235 937	112 639 556	91 056 327
Decrease/(increase) in trade and other receivables		22 473	420 304	8 394 793	(3 765 875)
Increase/(decrease) in trade and other payables		12 073 252	(48 643)	(4 077 514)	8 481 325
Increase/(decrease) in amounts due to related parties		1 823 325	(975 759)	(4 876 321)	5 241 365
Increase in current amounts due from related parties		(26 608 099)	(111 060 430)	-	-
(Decrease)/increase in deferred revenue		(1 304 724)	814 422	(652 672)	1 315 751
Cash generated from/(used in) operations		70 873 217	(22 614 169)	111 427 842	102 328 893
Income taxes paid		(3 864 588)	(366 616)	(11 035 212)	(5 085 110)
Net cash generated from /(used in) operating activities		67 008 629	(22 980 785)	100 392 630	97 243 783
Cash flows from investing activities					
Interest received	4	33 118 511	27 723 609	975 859	125 031
Cost of additions and interest capitalised to investment properties	8	(31 000 883)	(7 181 064)	(30 774 986)	(7 510 642)
Additions to work in progress	10	(35 585 499)	(22 720 298)	(35 585 499)	(87 643 125)
Proceeds on disposal of investment properties		-	8 809 879	50 238	8 809 879
Net cash (used in)/generated from investing activities		(33 467 871)	6 632 126	(65 334 388)	(86 218 857)
Cash flows from financing activities					
Net increase in long term borrowings		65 237 199	47 884 066	153 092 259	43 527 144
Debenture interest paid		(40 660 944)	(42 495 823)	(40 660 944)	(42 495 823)
Interest paid	4	(41 435 587)	(37 066 575)	(46 432 821)	(39 503 875)
Net cash (used)/generated from financing activities		(16 859 332)	(31 678 332)	65 998 494	(38 472 554)
Net increase/(decrease) in cash and cash equivalents for the year		16 681 427	(48 026 991)	101 056 737	(27 447 628)
Cash at beginning of the year		(12 754 466)	35 067 269	(6 005 311)	49 840 680
Effects of exchange rate		827 769	205 256	(20 185 260)	(28 398 363)
Cash balances at end of the year		4 754 730	(12 754 466)	74 866 166	(6 005 311)
Comprising:					
Bank balances and cash		29 934 712	4 130 907	100 046 148	10 880 062
Bank overdraft		(25 179 982)	(16 885 373)	(25 179 982)	(16 885 373)
Cash balances at end of the year		4 754 730	(12 754 466)	74 866 166	(6 005 311)

Significant accounting policies

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GENERAL INFORMATION

PrimeTime Property Holdings Limited is a limited company incorporated in the Republic of Botswana. The company is listed on the Botswana Stock Exchange. The address of its registered office, principal place of business and principal activities are disclosed under the Corporate Information on page 25.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Standards and interpretations effective in the current year

In the current year, the Group adopted all of the applicable new and revised Standards and Interpretations of the International Accounting Standards Board (the IASB) and the IFRS Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 September 2018. There have been no significant changes to the financial results of the entity arising from the adoption of the revised standards and new interpretations.

New/Revised International Financial Reporting Standards adopted in the current year

IFRS 15 Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018)

In the current year, the Group has adopted IFRS 15 Revenue from Contracts with Customers which was effective for all financial periods beginning on or after 1 January 2018. IFRS 15 superseded the following revenue Standards and Interpretations on its effective date: IAS 18 Revenue; IAS 11 Construction Contracts; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the Construction of Real Estate; IFRIC 18 Transfers of Assets from Customers; and SIC 31 Revenue – Barter Transactions Involving Advertising Services.

IFRS 15 introduces a 5-step approach to revenue recognition. The core principle of IFRS 15 is that the Group should recognise revenue to depict the transfer of promised services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The 5-step approach to revenue recognition is as follows:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the Company and Group satisfies a performance obligation

Under IFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. The new accounting policies are set out under the revenue heading of the significant accounting policies.

The application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Group.

IFRS 9 (amended) Financial Instruments (Reissue of a complete standard with all chapters incorporated) (effective for annual periods beginning on or after 1 January 2018)

In the current year, the Group has adopted IFRS 9 Financial Instruments which was effective for all financial periods beginning on or after 1 January 2018. On its effective date IFRS 9 superseded IAS 39 Financial Instruments: Recognition and Measurement. The new accounting policies as a result of the adoption of IFRS 9 are set out under the financial instruments heading of the significant accounting policies. The Group has applied IFRS 9 Financial Instruments effective 1 September 2018. The disclosures for the comparative periods follow the classification and measurement requirements under IAS 39.

The application of IFRS 9 has not had a significant impact on the financial position and/or financial performance of the Group.

IAS 40 (amended) Transfers of Investment Property (effective for annual periods beginning on or after 1 January 2018)

The amendment clarifies that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use. IAS 40 has not had an impact on the financial position and/or financial performance of the Group.

IFRIC 22 Foreign currency transactions and advance consideration (effective annual periods beginning on or after 1 January 2018)

The interpretation addresses foreign currency transactions or part of transactions where there is consideration that is denominated or priced in a foreign currency and the prepayment asset or deferred income liability is non-monetary. The interpretation has had no impact on the Group's financial statements.

New/Revised International Financial Reporting Standards issued but not yet effective

At the date of approval of these financial statements, the following standards and interpretations were in issue but not effective for the current reporting period:

IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective annual periods beginning on or after a

Significant accounting policies

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ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

New/Revised International Financial Reporting Standards issued but not yet effective (continued)

date to be determined). The standard is not expected to have a material impact on adoption.

IFRS 16 Leases (New standard) (effective for annual periods beginning on or after 1 January 2019). The standard is not expected to have a material impact on adoption.

IFRIC 23 Uncertainty over tax treatments (effective for annual periods beginning on or after 1 January 2019).The interpretation is not expected to have a material impact on adoption.

IFRS 9 (amended) Prepayment features with negative compensation (effective for annual periods beginning on or after 1 January 2019). The amendment is not expected to have a material impact on adoption.

IAS 28 (amended) Long-term interests in Associates and Joint Ventures (effective for annual periods beginning on or after 1 January 2019). The amendment is not expected to have a material impact on adoption.

IAS 19 (amended) Plan amendment, curtailment or settlement (effective for annual periods beginning on or after 1 January 2019). The amendment is not expected to have a material impact on adoption.

Changes in Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

Application of IFRS 9 Financial Instruments

In the current year, the Group has applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRSs. IFRS 9 replaces IAS 39 Financial Instruments and introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment for financial assets and 3) general hedge accounting. Details of these new requirements as well as their impact on the Group's financial statements are described below.

The Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

Classification and measurement of financial assets

The date of initial application (i.e. the date on which the Group has assessed its existing financial assets and financial liabilities in terms of the requirements of IFRS 9) is 1 September 2018. Accordingly, the Group has applied the requirements of IFRS 9 to instruments that have not been derecognised as at 1 September 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 September 2018. Compratives in relation to instruments that have not been derecognised as at 1 September 2018 have not been restated. Instead, cumulative adjustments to retained earnings, where applicable, have been recognised in retained earnings as at 1 September 2018.

All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The measurement requirements are summarised below:

Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost.

Debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income.

All other debt instruments and equity instruments are subsequently measured at fair value through profit or loss, unless specifically designated otherwise.

The Group may, on initial recognition, irrevocably elect to present subsequent changes in fair value of an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies in other comprehensive income.

The Group may irrevocably designate a debt instrument that meets the amortised cost or fair value through other comprehensive income criteria as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

When a debt instrument measured at fair value through other comprehensive income is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In contrast, for an equity instrument designated as measured at fair value through other comprehensive income, the cumulative gain

Significant accounting policies

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ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

Application of IFRS 9: Financial Instruments (Continued)

Classification and measurement of financial assets (continued)
or loss previously recognised in other comprehensive income is not subsequently reclassified to profit or loss.

Debt instruments that are subsequently measured at amortised cost or at fair value through other comprehensive income are subject to new impairment provisions using an expected loss model. This contrasts the incurred loss model of IAS 39.

The directors reviewed and assessed the Group's existing financial assets as at 1 September 2018 based on the facts and circumstances that existed at that date and concluded that the initial application of IFRS 9 has had the following impact on the Group's financial assets as regards to their classification and measurement:

Debt instruments
Debt instruments classified as loans and receivables under IAS 39 that were measured at amortised cost continue to be measured at amortised cost under IFRS 9 as they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

Impairment of financial assets
In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the Group to recognise a loss allowance for expected credit losses on debt instruments subsequently measured at amortised cost and contract assets to which the impairment requirements of IFRS 9 apply.
In line with the provisions of IFRS 9, the Group has made a policy choice and opted to use the Simplified Model for its impairment assessment. Under the Simplified Model, the Group is required to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life.

As at 1 September 2018, the directors reviewed and assessed the Group's existing financial assets amounts for impairment using reasonable and supportable information that was available without undue cost or effort in accordance with the requirements of IFRS 9 to determine the credit risk of the respective items at the date they were initially recognised, and compared that to the credit risk as at 1 September 2017 and 1 September 2018. The result of the assessment is as follows:

Items existing on 1 January 2018 that are subject to the provisions of IFRS 9:	Note	Credit risk attributes at 1 September 2017 and impairment 1 September 2018
Trade and other receivables	13	The Group applies the simplified approach and recognises lifetime expected credit losses for these assets. There was no adjustment on the opening loss allowance resulting from the application of IFRS 9.
Bank balances	12	All bank balances are assessed to have low credit risk at each reporting date as they are held with a reputable banking institutions with no history of default. Therefore no loss allowance was recognised on 1 September 2018.

Classification and measurement of financial liabilities
One major change introduced by IFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit risk of the issuer. Specifically, IFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings when the financial liability is derecognised. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at FVTPL was presented in profit or loss.

The application of IFRS 9 has had no impact on the classification and measurement of the Group's financial liabilities.

Application of IFRS 15: Revenue from Contracts with Customers

Services to tenants
For investment property held primarily to earn rental income, the Company and Group enters as a lessor into lease agreements that fall within the scope of IAS 17 Leases. Such lease agreements include certain services offered to tenants including cleaning, security, landscaping and other event related services. These services are specified in the lease agreements and separately invoiced. The Group has determined that these services constitute distinct non-lease components and are within the scope of IFRS 15.

The Group continues to allocate the consideration in the contract to the separate

Significant accounting policies

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ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

lease and service (non-lease) components based on the relative stand-alone selling prices. The Group concluded that applying IFRS 15 to its accounting for services to tenants did not have any impact on the financial statements.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with International Financial Reporting Standards.

BASIS OF PREPARATION

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

CONSOLIDATED FINANCIAL STATEMENTS

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

REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of business, net of value added tax (VAT). Revenue is recognised when the Group has satisfied its performance obligations on the contracts with customers.

Rental Income

Revenue comprises rental income from investment property. Rental income is recognised in profit or loss on a straight-line basis over the terms of the lease agreement. 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.

Revenue from services to tenants

For investment property held primarily to earn rental income, the Group enters as a lessor into lease agreements that fall within the scope of IAS 17. These agreements include certain services offered to tenants such as cleaning, security, landscaping and other support services. The consideration charged to tenants for these services includes fixed fees charged and reimbursement of certain expenses incurred.

The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of IFRS 15. The Group allocates the consideration in the contract to the separate lease and revenue (non-lease) components on a relative stand-alone selling price basis.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

Interest Income

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

Revenue from sale of properties

The Group, from time to time, enters into contracts with customers to sell some of its properties which it deems no longer core to its operations. The sale of these properties constitutes a single performance obligation and the Group has determined that the performance obligation is satisfied at the point in time when control transfers and this generally occurs when legal title transfers to the customer.

In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

For some contracts, the Group is entitled to receive an initial deposit before the transaction is completed. This is not considered a significant financing component because it is for reasons other than the provision of financing to the Group. The initial deposits are used to protect the Group from the other party failing to adequately complete some or all of its obligations under the contract. In addition, there is no non-cash consideration or consideration payable to customers.

TAXATION

Current Tax

The charge for current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other

Significant accounting policies

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TAXATION (CONTINUED)

Current Tax (continued)
years and it further excludes items that are not taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by reporting date.

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

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

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

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

FOREIGN CURRENCY TRANSACTIONS

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

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

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

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

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

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

BORROWING COSTS

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

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

Significant accounting policies

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LEASING

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

The Group as Lessor

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

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

The Group as Lessee

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

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

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

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

INVESTMENT PROPERTIES

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

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

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

WORK IN PROGRESS

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

FINANCIAL INSTRUMENTS

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the Group, as applicable, are as follows:

Financial assets which are debt instruments

Amortised cost. This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows; or

Fair value through other comprehensive income. This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments; or

Mandatorily at fair value through profit or loss. This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income; or

Designated at fair value through profit or loss. This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch.

Financial liabilities

Amortised cost; or

Mandatorily at fair value through profit or loss. This applies to contingent consideration in a business combination or to liabilities which are held for trading; or

Designated at fair value through profit or loss. This classification option can be

Significant accounting policies

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FINANCIAL INSTRUMENTS (CONTINUED)

applied when it eliminates or significantly reduces an accounting mismatch;

the liability forms part of a group of financial instruments managed on a fair value basis; or

it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss.

Note 24 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Trade and Other Receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured 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 and the Group's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost. The amortised cost is the amount recognised on the receivable initially, minus principal repayments and adjusted for any loss allowance.

Impairment

The Group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date. The Group measures the loss allowance for balances receivable at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The Group always recognises lifetime ECL for lease and other receivables receivables. The Group makes use of provision matrices as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrices are based on historic credit loss experience. The loss allowance is calculated on an individual receivables category based on the ageing and profile of the counterparties. In measuring the ECL, the Group considers both quantitative and qualitative information that is reasonable and supportable based on historical information that is available without undue cost or effort.

The impact of forward-looking macro-economic changes on the trade receivables at any point is likely to be insignificant given the short tenor of the Group's trade receivables. The impact of any forecast macro-economic changes on default rates would therefore only impacts trade receivables that originated in the future. A key assumption that the Group has therefore made, is that any forecasted macro-economic changes are unlikely to affect the default behaviour of the current trade receivables. The ECL has therefore been calculated only with reference to probability of default used to calculate the lifetime ECL (i.e. no adjustments have been made for any forward-looking information).

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 13).

Write off policy

The Group writes off a receivable when there is information indicating that there is no realistic prospect of recovery, e.g. when the balance due from a counterparty is too small to follow up (cost benefit analysis) and balance is now long over-due or when efforts to collect from a funder have proved unsuccessful. Receivables written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the financial instruments and risk management note (note 24).

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and 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.

Trade and Other Payables

Classification

Trade and other payables (note 19), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Significant accounting policies

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FINANCIAL INSTRUMENTS (CONTINUED)

Recognition and measurement
They are recognised when the Group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the

Recognition and measurement (continued)
effective interest method. 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.

Derecognition

Financial assets
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.

Financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

RELATED PARTY TRANSACTIONS

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

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Fair value of investment properties
The directors use their judgement in selecting an appropriate valuation technique for the investment properties. Independent experts are engaged on a yearly basis to value the Group's portfolio of properties. The independent valuers perform full valuations on the properties on a five year rotational cycle, in between the full valuations, the properties are subjected to desktop valuations. Investment properties are valued by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

Trade and other receivables
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 customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 13.

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

Notes to the separate and consolidated financial statements

31 August 2019

	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P Restated
1 OTHER OPERATING REVENUE				
Other operating revenue comprises:				
Utilities, service levies and other costs recovered from tenants	16 562 574	15 300 165	20 329 739	16 994 345
2 OPERATING EXPENSES				
Included in operating expenses are the following costs:				
Amounts paid to related parties				
Asset management fees	8 838 980	8 392 612	9 216 860	10 561 270
Property management fees	4 604 120	4 430 345	6 570 812	5 762 974
Letting fees	934 672	334 762	1 646 721	533 202
	14 377 772	13 157 719	17 434 393	16 857 446
Less: Asset management fees capitalised	(774 157)	(557 556)	(807 612)	(1 965 283)
	13 603 615	12 600 163	16 626 781	14 892 163
Auditors' remuneration				
Audit fees - current year	493 702	451 740	719 253	654 563
Audit fees - prior year	8 492	3	22 971	6 835
Other services - taxation	49 242	-	49 242	37 567
- consultancy	-	-	635	58 908
Directors' emoluments - For services as directors	660 575	712 323	660 575	712 323
- For additional services	-	321 300	-	321 300
Professional fees	2 291 106	807 062	3 852 536	1 161 612
Rentals and ground leases	1 911 153	1 919 607	3 445 677	3 305 406
Rates	606 499	613 141	796 746	672 293
Trustees' fees	50 617	49 557	50 617	49 557
Utilities, service levies and other property costs	19 443 250	17 338 828	24 484 666	19 566 807
3 FAIR VALUE ADJUSTMENT				
Change in fair value of investment properties for the year (Note 8)	24 682 142	12 972 396	(5 724 096)	82 204 359
Rentals straight-line adjustment for the year (Note 8)	(6 008 501)	(7 178 619)	(7 511 980)	(7 834 938)
Ground lease straight-line adjustment (Note 8)	(907 621)	8 892	(907 621)	8 892
	17 766 020	5 802 669	(14 143 697)	74 378 313
4 INTEREST				
Interest income				
- Bank deposits	22 691	105 535	975 859	125 031
- Related parties (Note 25)	33 095 820	27 618 074	-	-
	33 118 511	27 723 609	975 859	125 031
Interest expense				
- Bank borrowings and bonds	43 218 514	39 267 183	48 208 649	41 702 222
- Related parties (Note 25)	-	-	1 778	145
- Other	5 075	6 863	10 396	8 979
	43 223 589	39 274 046	48 220 823	41 711 346
Less: capitalised to work in progress (Note 10)	(1 788 002)	(1 160 086)	(1 788 002)	(1 160 086)
Less: capitalised to investment property (Note 8)	-	(1 047 385)	-	(1 047 385)
	41 435 587	37 066 575	46 432 821	39 503 875
5 DEBENTURE INTEREST				
Interim paid 22 March 2019 - 5.23 thebe (2018: 23 March 2018 - 5.55 thebe)	12 795 231	13 578 113	12 795 231	13 578 113
Interim paid 30 August 2019 - 8.40 thebe (2018: 31 August 2018 - 8.46 thebe)	20 697 448	20 550 657	20 697 448	20 550 657
Total declared and paid for the year	33 492 679	34 128 770	33 492 679	34 128 770
Proposed debenture interest (in debenture reserve)				
Interim proposed - 2.21 thebe (2018: nil)	5 406 780	-	5 406 780	-
Final proposed - 2.00 thebe (2018: 2.93 thebe)	4 893 014	7 168 265	4 893 014	7 168 265
	10 299 794	7 168 265	10 299 794	7 168 265
Total paid and proposed interest for the year	43 792 473	41 297 035	43 792 473	41 297 035
Weighted average number of linked units in issue for the year	244 650 684	244 650 684	244 650 684	244 650 684
Distribution per linked unit (thebe)	17.90	16.88	17.90	16.88

Notes to the separate and consolidated financial statements

31 August 2019

	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P Restated
6 TAXATION				
6.1 Company Taxation				
Withholding taxation - foreign interest	-	69 895	695 009	297 270
- foreign rental income	242 025	246 343	4 928 235	3 094 461
- dividend income	-	-	1 798 576	1 157 666
Normal taxation	2 137 258	-	2 137 258	-
Deferred taxation	6 278 791	5 587 540	6 278 791	5 587 540
Charge for the year	8 658 074	5 903 778	15 837 869	10 136 937
Income tax expense comprises:				
Charge to statement of comprehensive income	18 292 418	14 989 125	25 472 213	19 222 285
Attributable to debenture interest credited to statement of changes in equity	(9 634 344)	(9 085 347)	(9 634 344)	(9 085 348)
	8 658 074	5 903 778	15 837 869	10 136 937

6.2 Estimated Tax Losses

The company has estimated tax losses amounting to Pnil (2018: P10 349 602) available to offset against future taxable income. Deferred taxation of Pnil (2018: P2 276 912) has been recognised on these estimated tax losses.

6.3 Deferred Taxation				
Gains on fair value of investment property	16 453 535	16 486 234	16 453 535	16 486 234
Capital allowances	29 546 086	25 511 508	29 546 086	25 511 508
Estimated tax losses	-	(2 276 912)	-	(2 276 912)
Deferred tax liability at end of the year	45 999 621	39 720 830	45 999 621	39 720 830
Deferred taxation arises as follows:				
Gains on fair value of investment property:				
Balance at beginning of the year	16 486 234	19 006 329	16 486 234	19 006 329
Movement during the year	(32 699)	(2 520 095)	(32 699)	(2 520 095)
Balance at end of the year	16 453 535	16 486 234	16 453 535	16 486 234
Capital allowances on investment property:				
Balance at beginning of the year	25 511 508	16 701 680	25 511 508	16 701 680
Movement during the year	4 034 578	8 809 828	4 034 578	8 809 828
Balance at end of the year	29 546 086	25 511 508	29 546 086	25 511 508
Estimated tax losses:				
Balance at beginning of the year	(2 276 912)	(1 574 719)	(2 276 912)	(1 574 719)
Arising during the year	2 276 912	(702 193)	2 276 912	(702 193)
Balance at end of the year	-	(2 276 912)	-	(2 276 912)
Total deferred tax	45 999 621	39 720 830	45 999 621	39 720 830
Reconciliation of Taxation Charge				
Profit before taxation	101 232 057	92 913 654	61 439 638	134 933 129
Taxation at the current tax rate of 22%	22 271 053	20 441 004	13 516 720	29 685 288
Debenture interest	(8 945 408)	(9 349 081)	(8 945 408)	(9 349 081)
Fair value adjustments	(6 059 862)	(4 822 595)	(4 561 129)	(5 052 063)
Profit on disposal of investment property	-	(230 623)	4 149	(230 623)
Foreign exchange losses/(gains)	773 153	-	(3 081 079)	2 249 021
Expenses not deductible	377 114	100 263	377 114	100 263
Effect of (lower)/higher tax on foreign components	-	(551 428)	11 105 681	(13 044 924)
Withholding taxation - foreign income	242 024	316 238	5 623 244	4 621 390
Withholding taxation - dividends	-	-	1 798 576	1 157 666
Charge for the year	8 658 074	5 903 778	15 837 869	10 136 937

Notes to the separate and consolidated financial statements

31 August 2019

	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P Restated
7 EARNINGS PER LINKED UNIT				
The earnings and weighted average number of linked units used in the calculation of earnings per linked unit are as follows:				
Profit for the year	82 939 639	77 924 529	35 967 425	115 710 844
Taxation attributable to debenture interest (Note 6.1)	9 634 344	9 085 347	9 634 344	9 085 348
Earnings for the year attributable to linked unit holders	92 573 983	87 009 876	45 601 769	124 796 192
Weighted average number of linked units in issue for the year	244 650 684	244 650 684	244 650 684	244 650 684
Earnings per linked unit (thebe)	37.84	35.56	18.64	51.01
8 INVESTMENT PROPERTIES				
At fair value				
Freehold properties	199 369 900	179 820 394	199 369 900	179 820 394
Leasehold properties	663 299 738	637 617 748	1 188 259 286	1177 185 721
Total investment properties	862 669 638	817 438 143	1 387 629 186	1 357 006 115
Reconciliation of fair value				
Balance at beginning of the year	817 438 143	785 163 086	1 357 006 115	1 069 677 905
Total additions	31 000 883	7 181 064	30 774 986	7 510 642
Property additions at cost	31 000 883	6 133 679	30 774 986	6 463 257
Finance costs capitalised	-	1 047 385	-	1 047 385
Property disposals at value	-	(7 761 592)	(69 098)	(7 761 592
Transfers from work in progress	-	28 403 941	-	190 842 284
Fair value adjustment for the year	24 682 142	12 972 396	(5 724 096)	82 204 359
Foreign exchange translation reserve	(3 535 408)	(1 351 025)	14 060 880	22 358 562
Rentals straight-line adjustment for the year	(6 008 501)	(7 178 619)	(7 511 980)	(7 834 938)
Ground lease straight line adjustment for the year	(907 621)	8 892	(907 621)	8 892
Balance at end of the year	862 669 638	817 438 143	1 387 629 186	1 357 006 115

The fair values of the company's investment properties in Botswana at 31 August 2019 have been arrived at on the basis of valuations carried out at that date by Knight Frank Botswana (Proprietary) Limited, independent valuers. Knight Frank Botswana (Proprietary) Limited are members of the Real Estate Institute of Botswana and are registered in terms of the Real Estate Professionals Act 2003. The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and 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 company's investment properties in Zambia at 31 August 2019 have been arrived at on the basis of valuations carried out at that date by Knight Frank (Zambia) Limited, independent valuers. Knight Frank (Zambia) Limited are members of both the Surveyors Institute of Zambia (SIZ) and the Zambia Institute of Estate Agents (ZIEA). The principal valuer holds a recognised and relevant professional qualification and has recent experience in the locations and category of the investment properties valued. The valuations conform to International Valuation Standards, and were determined by reference to the discounted value of the net rentals and market evidence of transaction prices for similar properties.

The Directors assessed the external valuation performed at year end as reasonable. Capital commitments relating to investment properties are disclosed in Note 28. These have been contracted for. 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 2.

Notes to the separate and consolidated financial statements

31 August 2019

Freehold properties comprise:

- Plot 203, Gaborone		
- Plot 22, Gaborone		*2
- Plot 29, Ghanzi		*2
- Plot 29, Gaborone		*1
- Plot 16177 - 16185, Francistown		*2

Leasehold properties comprise:

- Plot 50423, Gaborone	50 year State grant from 20 October 1994	*2
- Plot 20610, Gaborone	50 year State grant from 31 January 2000	*2
- Plot 165, Gaborone	15 year Ground lease from 1 May 2005, with an option to renew for another 5 year period	
- Plot 67979, Gaborone	50 year State grant from 13 July 2000	*2
- Plot 3273, Ramotswa	50 year Tribal lease from 9 March 1998	
- Lease Area 110 MP on Plot 2461, Serowe	25 year Ground lease from 1 December 2006, extended from 1 December 2030 for a period of 21 years	
- Plot 4649, Lobatse	20 year Ground lease from 1 November 2004	*2
- Plot 20584, Gaborone	50 year State grant from 27 November 1998	
- Plot 62417, Gaborone	50 year State grant from 26 September 2005	*2
- Plot 74538, Gaborone	50 year state grant from 26 September 2005	*2
- Tribal Lot 439, Pilane	Notarial deed of cession and delegation from Amatrix Developments (Pty) Limited of a 50 year lease from 18th December 2008 registered at the Deeds Office on 14th October 2016	
- Stand 3144, Lusaka	99 year state lease from 1 July 1975	
- Stand 3714, Kitwe	99 year state lease from 1 January 1968	

Additionally in the group:

Leasehold properties

- PwC Office Park, Subdivision D part of Stand No. 2374, Thabo Mbeki Road, Lusaka	Ceded lease agreement from the Agricultural and Commercial Society of Zambia for 50 years from 2004.	*2
- Kabulonga Centro, Subdivision 6 of Farm No. 377a, Bishops Road, Lusaka	Renewable lease agreement with the Zambian Diocesan Trustees for 35 years from 8 April 2015.	*2
- Chirundu Mall, Stand No. 1001, Chirundu	99 year state lease held under a Certificate of Title from 1 May 2014	
- Munali Mall, Subdivision 8 of Subdivision E of farm No. 609 corner of Munali Road and 12th Street, Lusaka.	100 year state lease held under a Certificate of Title from 1 July 1975	*2

*1 This property is encumbered as per Note 22
*2 These properties are encumbered as per Note 23

Notes to the separate and consolidated financial statements

31 August 2019

9 FAIR VALUE MEASUREMENT

	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P Restated
Assets measured at fair value				
The investment properties of the company and group are measured at fair value at the end of the reporting period are categorised under Level 3 - Significant unobservable inputs.				
Recurring fair value measurements at the end of the reporting period				
Investment properties	862 669 638	817 438 143	1 387 629 186	1 357 006 115
Reconciliation of fair value measurements categorised within Level 3 of fair value hierarchy				
Investment properties				
Opening balance	817 438 143	785 163 086	1 357 006 115	1 069 677 905
Included in profit or loss	17 766 020	5 802 669	(14 143 697)	74 378 313
Foreign exchange translation reserve	(3 535 408)	(1 351 025)	14 060 880	22 358 562
Additions and transfers	31 000 883	34 537 619	30 774 986	197 305 541
Finance costs capitalised	-	1 047 385	-	1 047 385
Disposals	-	(7 761 592)	(69 098)	(7 761 592)
Closing balance	862 669 638	817 438 143	1 387 629 186	1 357 006 115
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/(losses) for the period	17 766 020	5 802 669	(14 143 697)	74 378 313

Valuation techniques and inputs	Fair value at 8/31/2019 Company P	Fair value at 8/31/2019 Group P	Valuation technique	Unobservable input	Range
Investment properties (excluding straightline lease adjustment)	862 669 638	1 387 629 186	Discounted net rentals	Capitalisation rate	8-12%

Valuation process
The valuation process has been described in Note 8.

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

10 WORK IN PROGRESS

	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P
Balance at beginning of the year	16 714 466	22 398 109	16 714 466	122 515 807
Transferred to investment property	-	(28 403 941)	-	(190 842 284)
Total additions for the year	35 585 499	22 720 298	35 585 499	87 643 125
Additions	33 797 497	21 560 212	33 797 497	86 483 039
Finance costs capitalised	1 788 002	1 160 086	1 788 002	1 160 086
Foreign exchange translation reserve	-	-	-	(2 602 182)
Balance at end of the year	52 299 965	16 714 466	52 299 965	16 714 466

Notes to the separate and consolidated financial statements

31 August 2019

10 WORK IN PROGRESS (CONTINUED)

These costs are in relation to:
a. the development on Plot 75782 Setlhoa of a commercial office park commenced in the prior year and was still incomplete as at the reporting date.
b. the development of a retail park on Plot 75749 was completed in the prior year and the property was transferred to investment property.
c. the acquisition of Plot 54359 in the Gaborone CBD. Additionally in the group:
d. the development of a retail shopping centre is at Stand No. 1001, Chirundu. The property was completed in the prior year and was transferred to investment property.
e. the development of a retail shopping centre is at subdivision No. 8 of subdivision E of farm No. 609 corner of Munali Road and 12th Street, Lusaka. The construction was completed in prior year and the property was transferred to investment property.

The finance costs capitalised relate to interest incurred on the various long term borrowings as disclosed in Note 23.

11 INVESTMENT IN SUBSIDIARIES

	Proportion of ownership interest	Company		Consolidated	
		2019	2018	2019	2018
	%	P	P	P	P Restated
PrimeTime Property Holdings (Mauritius) Limited	100	1 020	1 020	-	-

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

12 CASH AND CASH EQUIVALENTS

Bank balances	29 903 374	4 101 469	34 896 362	10 850 624
Short-term investments	31 338	29 438	31 338	29 438
Balances held in trust	-	-	65 118 448	-
	29 934 712	4 130 907	100 046 148	10 880 062

Balances held in trust represent cash earmarked for a property acquisition in South Africa which was being held by the lawyers pending finalisation of the transaction.

13 TRADE AND OTHER RECEIVABLES

Trade receivables	1 551 253	1 515 458	5 192 215	4 219 500
Allowance for credit losses	(374 913)	(319 016)	(1 074 918)	(338 716)
Net trade receivables	1 176 340	1 196 442	4 117 297	3 880 784
Other receivables	2 183 222	2 185 593	12 508 343	21 139 649
	3 359 562	3 382 035	16 625 640	25 020 433

Other receivables comprise prepayments and value added tax (VAT) receivable.

The directors consider the carrying amount of trade and other receivables to approximate their fair value. The average credit period is 30 days (2018: 30 days). No interest is charged on overdue receivables. The Company and Group have provided for past due and impaired receivables based on estimated irrecoverable amounts determined by reference to default experience.

Ageing of past due				
Up to 30 days (current)	692 073	440 522	1 093 033	1 783 228
30 to 60 days	166 024	229 502	493 529	573 989
60 to 90 days	110 593	166 843	595 082	414 862
90 to 120 days	96 605	130 806	430 288	250 656
120+ days	485 958	547 785	2 580 283	1 196 765
	1 551 253	1 515 458	5 192 215	4 219 500
Movement in the allowance for credit losses				
Balance at beginning of year	319 016	585 225	338 716	1 128 038
Amounts written off during the year	(279 483)	(550 605)	(283 449)	(756 190)
Impairment losses reversed	(26 760)	(70 888)	(46 192)	(404 566)
Impairment losses recognised during the year	362 140	355 284	1 045 982	420 986
Foreign exchange translation reserve	-	-	19 861	(49,552)
Balance at end of year	374 913	319 016	1 074 918	338 716

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13 TRADE AND OTHER RECEIVABLES (CONTINUED)

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 allowance for credit losses significantly increased from the previous period as the some tenants at the new properties in Zambia have not performed as expected resulting in the deteriotation of their credit risk.

The gross receaivables increased in the current year due to the new properties which were commissioned in the middle of the previous financial year.

14 AMOUNTS DUE FROM RELATED PARTIES

	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P Restated
PrimeTime Property Holdings (Mauritius) Limited	479 313 626	452 705 527	-	-

The loan has no repayment terms and accrues interest at the Group's weighed average cost of borrowings. In the current year, the Group's weighed average cost of borrowings was 7.36% (2018: 7.37%).

The carrying amounts of the balances receivable approximate their fair values as at the reporting dates.

15 STATED CAPITAL

	Company & consolidated		Company & consolidated	
	2019 Number of units	2018 Number of units	2019 P	2018 P
Fully paid linked units				
Balance at the beginning and the end of the year	244 650 684	244 650 684	14 242 773	14 242 773

Each Linked Unit in the company comprises one linked unit and one variable rate unsecured debenture as per Note 16, which are indivisibly linked. It is not possible to trade with the shares or the variable rate unsecured debentures separately from one another.

The linked units are listed on the Botswana Stock Exchange. All of the issued shares are of the same class and rank *pari passu* in every respect.

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

16 DEBENTURES

	Company & consolidated		Company & consolidated	
	2019 Number of debentures	2018 Number of debentures	2019 P	2018 P
Variable rate unsecured debentures				
Balance at the beginning and at the end of the year	244 650 684	244 650 684	323 329 682	323 329 682

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

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

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

17 RESERVES

	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P
Accumulated profits	418 869 365	374 518 980	416 456 607	419 078 435
Foreign currency translation reserve	(5 050 411)	(6 773 896)	(2 609 336)	(1 004 397)
	413 818 954	367 745 084	413 847 271	418 074 038

Notes to the separate and consolidated financial statements

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17 RESERVES (CONTINUED)

17.1 ACCUMULATED PROFITS

	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P
Balance at the beginning of the year as previously stated	374 518 980	328 806 138	419 078 435	323 425 052
Effect of correcting prior period error	-	-	-	12 154 227
Restated balance at the beginning of the year	374 518 980	328 806 138	419 078 435	335 579 279
Retained from normal operations during the year	24 066 659	30 220 361	7 500 693	(1 225 298)
Reclassification from foreign currency translation reserve	(4 431 125)	-	(4 431 125)	-
Arising from fair value adjustments on revaluation of investment properties	24 714 851	15 492 481	(5 691 397)	84 724 454
Balance at the end of the year	418 869 365	374 518 980	416 456 607	419 078 435

The accumulated profits from normal operations amounts to P85 345 985 (2018: P65 710 438) in the Company and P18 853 155 (2018: P15 783 586) in the Group.

17.2 FOREIGN CURRENCY TRANSLATION RESERVE

Balance at the beginning of the year as previously stated	(6,773,896)	(5,469,716)	(1 004 397)	19 861 273
Effect of correcting prior period error	-	-	-	(12 154 227)
Restated balance at the beginning of the year	(6,773,896)	(5,469,716)	(1 004 397)	7 707 046
Reclassification from accumulated profits	4,431,125	-	4 431 125	-
Other comprehensice loss for the year	(2,707,640)	(1,304,180)	(6,036,064)	(8 711 443)
	(5,050,411)	(6,773,896)	(2 609 336)	(1 004 397)

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

18 DEBENTURE INTEREST RESERVE

	Company 2019 P	Company 2018 P	Consolidated 2019 P	Consolidated 2018 P Restated
Debenture interest reserve	10 299 794	7 168 265	10 299 794	7 168 265

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 as at year end for debenture interest that will be paid out of retained earnings as at the reporting date but pending approval by the Board of Directors.

The debenture interest will be ratified at the forthcoming Annual General Meeting.

19 TRADE AND OTHER PAYABLES

Trade payables	7 403 284	4 256 605	7 647 952	4 256 605
Refundable deposits held for tenants	2 307 649	2 290 908	4 057 367	3 702 915
Other payables	14 275 456	5 365 624	16 573 072	24 396 385
	23 986 389	11 913 137	28 278 391	32 355 905

The average credit period on purchases is 30 days (2018: 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.

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	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P
20 AMOUNTS DUE TO RELATED PARTIES				
				Restated
Time Projects (Botswana) (Proprietary) Limited	3 583 080	1 733 960	3 583 080	1 733 960
Time Projects Property (Zambia) Limited	-	-	226 631	6 926 277
Directors' fees	209 055	234 850	209 055	234 850
	3 792 135	1 968 810	4 018 766	8 895 087

The carrying amounts of the balances payables approximate their fair values as at the reporting dates.

21 DEFERRED REVENUE

Rentals received in respect of future periods invoiced in advance	2 368 691	3 673 415	3 542 315	4 194 987

22 BANKING FACILITIES AND GUARANTEES

At the reporting date, the company has a general short term banking overdraft facility with Stanbic Bank Botswana Limited of P32 000 000 (2018: P32 000 000). The facility is payable on demand, and attracts interest at the rate of 100 basis point below prime currently 6.25% per annum (2018: 6.5%).

At 31 August 2019 the unused facility was P6 820 018 (2018: P15 114 627).

The Company has guarantees of P321 570 (2018: 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 USD1 000 000 (2018: USD 1 000 000) and a spot foreign currency dealing facility of USD1 000 000 (2018: USD1 000 000). At 31 August 2019 there were no open forward exchange contracts or spot foreign currency dealings.

These facilities are secured by First Continuing Covering Mortgage Bond for P31 300 000 over Plot 29 Gaborone (2018: P31 300 000), a cession of insurance and a cession of rentals.

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23 LONG TERM BORROWINGS

	Company		Consolidated	
	2019	2018	2019	2018
	P	P	P	P
Secured				Restated
African Alliance Botswana Management Company (Pty) Limited	-	20 734 006	-	20 734 006
African Alliance Botswana Enhanced Yield Fund represented by African Alliance Advisory (Pty) Ltd	15 195 616	-	15 195 616	-
Barclays Bank of Botswana Limited	66 439 211	66 219 688	66 439 211	66 219 688
Barclays Bank of Botswana Limited loan	45 000 000	-	45 000 000	-
Capital Management Fund 1 (Pty) Limited (Under Liquidation) Floating Rate Promissory Notes	3 286 606	5 910 998	3 286 606	5 910 998
Capital Management Fund 1 (Pty) Limited (Under Liquidation) Fixed Rate Promissory Notes	13 593 550	22 588 836	13 593 550	22 588 836
BIFM Capital Investment Fund One (Pty) Limited Fixed Rate Term Loan	66 581 014	66 581 014	66 581 014	66 581 014
First National Bank Botswana Limited acting through its RMB Botswana Division	85 433 151	85 433 151	85 433 151	85 433 151
FNBBN (Pty) Ltd Re: AA BPOPF Fixed represented by African Alliance Advisory (Pty) Limited	15 195 616	-	15 195 616	-
PT021 Listed unsecured senior notes	97 528 110	97 528 110	97 528 110	97 528 110
PT024 Listed unsecured senior notes	60 140 397	60 140 397	60 140 397	60 140 397
PT026 Listed unsecured senior notes	71 639 726	71 639 726	71 639 726	71 639 726
PTCP05 Unlisted unsecured commercial paper	-	30 507 534	-	30 507 534
PTCP06 Unlisted unsecured commercial paper	-	6 527 502	-	6 527 502
PTCP07 Unlisted unsecured commercial paper	5 696 547	-	5 696 547	-
PTCP08 Unlisted unsecured commercial paper	48 873 411	-	48 873 411	-
Stanbic Bank short term facility	-	25 554 795	-	25 554 795
Stanbic Bank term loan	30 000 000	-	30 000 000	-
Barclays Bank Zambia PLC	-	-	127 660 793	39 805 733
	624 602 955	559 365 756	752 263 748	599 171 489
Less: Portion repayable within one year disclosed as a current liability	103 137 038	101 773 844	112 025 161	108 162 591
African Alliance Botswana Management Company (Pty) Limited	-	20 734 006	-	20 734 006
African Alliance Botswana Enhanced Yield Fund represented by African Alliance Advisory (Pty) Ltd	15 195 616	-	15 195 616	-
BIFM Capital Investment Fund Two (Pty) Limited Floating Rate Promissory Notes	2 631 737	2 637 425	2 631 737	2 637 425
BIFM Capital Investment Fund Two (Pty) Limited Fixed Rate Promissory Notes	9 221 713	9 490 184	9 221 713	9 490 184
BIFM Capital Investment Fund One (Pty) Limited Fixed Rate Term Loan	1 581 014	1 581 014	1 581 014	1 581 014
First National Bank Botswana Limited acting through its RMB Botswana Division	433 151	433 151	433 151	433 151
FNBBN (Pty) Ltd Re: AA BPOPF Fixed represented by African Alliance Advisory (Pty) Limited	15 195 616	-	15 195 616	-
PT021 Listed unsecured senior notes	1 528 110	1 528 110	1 528 110	1 528 110
PT024 Listed unsecured senior notes	1 140 397	1 140 397	1 140 397	1 140 397
PT026 Listed unsecured senior notes	1 639 726	1 639 726	1 639 726	1 639 726
PTCP05 Unlisted unsecured commercial paper	-	30 507 534	-	30 507 534
PTCP06 Unlisted unsecured commercial paper	-	6 527 502	-	6 527 502
PTCP07 Unlisted unsecured commercial paper	5 696 547	-	5 696 547	-
PTCP08 Unlisted unsecured commercial paper	48 873 411	-	48 873 411	
Stanbic Bank short term facility	-	25 554 795	-	25 554 795
Stanbic Bank term loan	-	-	-	
Barclays Bank Zambia PLC	-	-	8 888 123	6 388 747
Total long term portion of borrowings	521 465 917	457 591 912	640 238 587	491 008 898

Notes to the separate and consolidated financial statements

31 August 2019

23 LONG TERM BORROWINGS (CONTINUED)

Terms and conditions of long term borrowings

Facility	Period and repayment	Interest rate	Security
Capital Management Fund 1 (Pty) Limited (Under liquidation) Floating Rate Promissory Notes of P15 000 000 plus accrued interest to 31 October 2011	The notes were fully drawn-down between 31 January 2011 and 31 August 2011. Interest accrues on the notes during the 'Interest Holiday Period', which period expired on 31 October 2011. Thereafter, interest only is payable quarterly in arrears commencing on 31 January 2012. The capital portion of the notes is redeemable in 24 equal tranches on quarterly redemption dates commencing on 31 January 2015.	Bears interest at a floating rate of 222 basis points above the 91-day Bank of Botswana Certificate rate prevailing, and as published by the Bank of Botswana, 3 months prior to a given interest payment date, currently 1.64% (2018: 1.49%).	Secured by first continuing covering mortgage bonds for P78 000 000, a cession of insurance and a cession of rentals over the following properties: Plot 50423 Gaborone, Plot 67979 Gaborone and Plots 16177, 16179, 16180, 16181, 16182, 16183 and 16185 Francistown.
Capital Management Fund 1 (Pty) Limited (Under liquidation)Fixed Rate Promissory Notes of P50 000 000 plus accrued interest to 31 October 2011	The notes were fully drawn-down between 31 January 2011 and 31 August 2011. Interest accrues on the notes during the 'Interest Holiday Period', which period expired on 31 October 2011. Thereafter, interest only is payable half yearly in arrears commencing on 30 April 2012. The capital portion of the notes is redeemable in 12 equal tranches on half yearly redemption dates commencing on 30 April 2015.	Bears interest at a fixed rate of 10.3%.	Secured by first continuing covering mortgage bonds for P78 000 000, a cession of insurance and a cession of rentals over the following properties: Plot 50423 Gaborone, Plot 67979 Gaborone and Plots 16177, 16179, 16180, 16181, 16182, 16183 and 16185 Francistown.
BIFM Capital Investment Fund One (Pty) Limited Fixed Rate Term Loan of P65 000 000	The loan was fully drawn-down. Interest only is payable half yearly in arrears commencing on 31 May 2013. The capital portion of the notes is redeemable in 6 tranches on half yearly redemption dates commencing on 31 May 2025.	Bears interest at a fixed rate of 9.65%.	Secured by first continuing covering mortgage bonds for P81 200 000, a cession of insurance and a cession of rentals over the following properties: Plot 4649 Lobatse, Plot 20610 Gaborone, Plot 29 Ghanzi and Plot 22 Gaborone.
Barclays Bank of Botswana Limited facility of P75 000 000	This loan was varied with effect from September 2016 to an interest only facility with a bullet payment of the capital after a five year period. Prior to that, the term of the loan was 12 years with an initial 2 year interest-only period which ended in August 2015. Thereafter, the capital was repayable in 120 equal monthly instalments.	Bears interest at a variable rate of 150 basis points below the current prime rate of 6.25%. (2018: 6.5%).	Secured by first covering mortgage bonds for P146 400 000, a cession of insurance and a cession of rentals over Prime Plaza 2, Prime Plaza 3 and Prime Plaza 4 situated on Lot 74538, CBD, Gaborone.
First National Bank Botswana Limited acting through its RMB Botswana Division facility of P85 000 000	Period of 3 years from the first advance date being 24th March 2018. The loan is interest only and the capital is repayable by a bullet payment on 23rd March 2021.	Bears interest at a variable rate of 50 basis points below the current prime rate of 6.25% (2018: 6.5%).	Secured by a first covering mortgage bond for P141 600 000 and a cession of insurance and a of rentals over Plot 62417 Gaborone.
PT021 Listed unsecured senior notes issued on 10 June 2016 P56 000 000 with an additional P40 000 000 issued on 10 December 2016.	The notes mature on 10 June 2021 with a bullet payment.	Bear interest at a variable rate of 100 basis points above the current prime rate of 6.25% (2018: 6.5%).	None
PT024 Listed unsecured senior notes issued on 10 June 2016 P49 000 000 with an additional P10 000 000 issued on 10 December 2016.	The notes mature on 10 June 2024 with a bullet payment.	Bear interest at a fixed rate of 8.5%.	None
PT026 Listed unsecured senior notes issued on 29 November 2016 P70 000 000.	The notes mature on 29 November 2026 with a bullet payment.	Bear interest at a fixed rate of 9%.	None
PTCP05 Commercial paper issued on 29 November 2017 P30 000 000.	The paper matured on 29 November 2018 and was rolled into PTCP08 as disclosed below.	Bore interest at a fixed rate of 6.5%.	None
PTCP06 Commercial paper issued on 25 November 2017 P6 520 000.	The paper matured on 25 November 2018 and was partly rolled into PTCP07 as disclosed below.	Bore interest at a variable rate of 50 basis points below prime.	None
PTCP07 Commercial paper issued on 25 November 2018 P5 690 000.	The paper matures on 25 November 2019 with a bullet payment.	Bears interest at a fixed rate of 6%.	None

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23 LONG TERM BORROWINGS (CONTINUED)

Terms and conditions of long term borrowings

Facility	Period and repayment	Interest rate	Security
PTCP08 Commercial paper issued on 29 November 2018 P46 500 000.	The paper matures on 29 November 2019 with a bullet payment.	Bears interest at a variable rate of 25 basis points above the current prime rate of 6.25%.	None
African Alliance Botswana Management Company (Pty) Limited fixed rate notes for P20 373 973 issued on 8 June 2018.	The facility was for a 3 month period and was due for repayment together with the accrued interest on 5 September 2018. The facility was then rolled for a further 3 months and was repaid on 5 December 2018.	Bore interest at a fixed rate of 7.5%.	None
Stanbic Bank short term loan facility for P25 000 000 issued on 4 May 2018	The facility was for a 180 day period and was due for repayment together with the accrued interest on 3 November 2018. The facility was extended for three months and was repaid on 31 January 2019.	Bore interest at a variable rate of 25 basis points above prime.	No additional security required to the existing security held by Stanbic Bank as disclosed on 22.
Barclays Bank of Botswana Limited P45 000 000 term loan which was fully drawn on 28 January 2019.	The facility is for a 5 year period and is repayable with a bullet on 27 January 2024.	Bears interest at a variable rate of 60 basis points above the current prime rate of 6.25%.	No additional security required to the existing security held by Barclays Bank of Botswana Limited as disclosed above.
FNBBN (Pty) Ltd Re: AA BPOPF Fixed represented by African Alliance Advisory (Pty) Limited issued on 25 June 2019.	The facility is for a one year period and is fully repayable together with accrued interest on 24 June 2020.	Bears interest at a variable rate of 200 basis points above the current Bank of Botswana rate of 4.75%.	None
African Alliance Botswana Enhanced Yield Fund represented by African Alliance Advisory (Pty) Limited issued on 25 June 2019.	The facility is for a one year period and is fully repayable together with accrued interest on 24 June 2020.	Bears interest at a variable rate of 200 basis points above the current Bank of Botswana rate of 4.75%.	None
Stanbic Bank term loan fully drawn on 11 July 2019.	The facility is for a three year period and is fully repayable on 16 April 2022.	Bears interest at a variable rate of the current prime rate of 6.25%.	Secured by a first covering mortgage bond for P36 000 000 and a cession of insurance and a of rentals over Plot 439 Pilane.
Barclays Bank Zambia PLC facility for USD5 000 000	Period of 7 years, repayable in 84 equal monthly instalments. This facility was restructured during the current year into the USD 8 000 000 facility detailed below.	Bears interest at a variable rate of 425 basis points above the 3 month USD LIBOR rate of 2.13275% (2018: 2.34825%).	An on demand payment guarantee for an amount of USD5 000 000 issued by Barclays Bank of Botswana Limited (on behalf of PrimeTime Property Holdings Limited) to be retained for the full duration of the facilities. A cession of insurance and a cession of rentals over Subdivision D part of Stand No. 2374 Thabo Mbeki Road, Mass Media, Lusaka, Zambia.
Barclays Bank Zambia PLC facility for USD8 000 000	By a single capital repayment of the loan in full on 25 March 2022.	Bears interest at a variable rate of 470 basis points above the 3 month USD LIBOR rate of 2.13275%.	Unlimited corporate guarantees from Tilson Limited, PrimeTime Property Holdings Limited and Ataraxia Limited. Cash flow shortfall undertaking from PrimeTime Property Holdings Limited. A cession of insurance and assignment of rentals receivable over both 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. Assignment of the rights and interests in the lease from ZDT in respect of Kabulonga Centro.
Barclays Bank Zambia PLC facility for USD4 000 000	By sixty equal monthly repayments commencing 30 April 2019.	Bears interest at a variable rate of 470 basis points above the 3 month USD LIBOR rate of 2.13275%.	Unlimited corporate guarantees from Tilson Limited, PrimeTime Property Holdings Limited and Ataraxia Limited. Cash flow shortfall undertaking from PrimeTime Property Holdings Limited. A cession of insurance and assignment of rentals receivable over both 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. Assignment of the rights and interests in the lease from ZDT in respect of Kabulonga Centro.

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24 FINANCIAL RISK MANAGEMENT

	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P
Categories of Financial Instruments				
Financial assets				
Receivables (including related party balances and cash and cash equivalents)	512 607 900	460 479 518	109 099 036	27 873 078
Financial liabilities				
Payables (including related party balances)	675 837 013	588 477 375	807 489 222	654 998 810

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

Capital Risk Management
The group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2018.

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

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

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

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

Foreign Currency Risk
In the normal course of business, the company and group enters into transactions denominated in foreign currencies. At 31 August 2019 the company had P58 315 and the group had P130 978 905 monetary liabilities denominated in foreign currencies, which would expose it to fluctuations in foreign currency exchange rates (2018: company P55 078 and group P66 166 694). At 31 August 2019 the company had P498 429 133 and the group had P94 710 673 monetary assets denominated in foreign currencies (2018: company P455 614 264 and group P12 951 369).

If exchange rates had been 5% higher/lower and all other variables were held constant, the company's profits would have increased/decreased by P1 969 397 and the group's profit would have increased/decreased by P721 407 (2018: company P1 572 080 and group P5 161 935).

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

If interest rates had been 0.5% higher/lower and all other variables were held constant, the company's profit and comprehensive income would have increased/decreased by P673 961 and group's profit and comprehensive income and equity would have decreased/increased by P1 837 654 (2018: company P713 992 and group P1 336 304).

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

Significant increase in credit risk
In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased or expected significant deterioration in the financial instrument's external (if available) or internal credit rating has occured;

- existing or forecast adverse changes in business, financial or economic conditions

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24 FINANCIAL RISK MANAGEMENT (CONTINUED)

Significant increase in credit risk (continued)

that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

1) The financial instrument has a low risk of default,
2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtor to fulfil its contractual cash flow obligations.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- 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 its creditors, including the Group, in full (without taking into account any deposits held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of tenant;
(b) a breach of contract, such as a default or past due event (see above); or
(c) it is becoming probable that the tenant will enter bankruptcy or other financial reorganisation.

Liquidity risk management

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

	<1 Year P	1-5 Years P	>5 Years P
Company			
2019			
Non-interest bearing	22 766 921	-	-
Variable interest rate instruments	109 037 624	323 094 080	-
Fixed interest rate	19 279 398	63 371 837	135 000 000
	151 083 943	386 465 917	135 000 000
2018			
Non-interest bearing	10 667 238	-	-
Variable interest rate instruments	53 566 355	250 493 261	-
Fixed interest rate	65 092 861	13 098 651	194 000 000
	129 326 454	263 591 912	194 000 000
Consolidated			
2019			
Non-interest bearing	26 026 726	-	-
Variable interest rate instruments	117 925 747	441 866 751	-
Fixed interest rate	19 279 398	63 371 837	135 000 000
	163 231 871	505 238 587	135 000 000
2018			
Non-interest bearing	30 046 853	-	-
Variable interest rate instruments	59 955 102	283 910 247	-
Fixed interest rate	65 092 861	13 098 651	194 000 000
	155 094 816	297 008 898	194 000 000

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25 RELATED PARTY TRANSACTIONS

Trading transactions

The company has entered into a Property Management Agreement and an Asset Management Agreement with Time Projects (Botswana) (Proprietary) Limited. The shareholders of Time Projects (Botswana) (Proprietary) Limited owned 16.6% of the issued linked units of the Company at 31 August 2019 (2018: 19.3%).

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

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

	Purchases of services P	Debenture interest paid (gross) P	Interest received (gross) P	Interest paid (gross) P	Purchases of Investment Property & Work in Progress P	Rent received (gross) P	Directors fees P	Amounts owed (by)/ to related parties P
2019 Company								
PrimeTime Property Holdings (Mauritius) Limited (Note 14)	-	-	33 095 820	-	-	-	-	(479 313 626)
Time Projects (Botswana) (Proprietary) Limited (Note 20)	14 377 772	-	-	-	1 563 830	-	-	3 583 080
Linwood Services Limited	-	6 652 771	-	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)								
Key management personnel/directors:								
J Jones and family	-	6 209	-	-	-	-	98 845	31 253
A Kelly and family	-	75 007	-	-	-	-	98 845	31 253
C Kgosidiile	-	-	-		-	-	123 270	43 763
P Matumo	-	109 979	-	-	-	-	129 415	40 283
M Morolong and family	-	1 237	-	-	-	-	98 845	31 253
S Thapelo	-	-	-	-	-	-	111 355	31 253
Consolidated								
Time Projects (Botswana) (Proprietary) Limited (Note 20)	14 377 772	-	-	-	1 563 830	-	-	3 583 080
Time Projects Property (Zambia) Limited (Note 20)	3 056 621	-	-	1 778	-	(36 606)	-	226 631
Linwood Services Limited	-	6 652 771	-	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)								
Key management personnel/directors:								
J Jones and family	-	6 209	-	-	-	-	98 845	31 253
A Kelly and family	-	75 007	-	-	-	-	98 845	31 253
C Kgosidiile	-	-	-	-	-	-	123 270	43 763
P Matumo	-	109 979	-	-	-	-	129 415	40 283
M Morolong and family	-	1 237	-	-	-	-	98 845	31 253
S Thapelo	-	-	-	-	-	-	111 355	31 253

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25 RELATED PARTY TRANSACTIONS (CONTINUED)

	Purchases of services P	Debenture interest paid (gross) P	Interest received (gross) P	Interest paid (gross) P	Purchases of Investment Property & Work in Progress P	Consulting fees P	Directors fees P	Amounts owed (by)/ to related parties P
2018 Company								
PrimeTime Property Holdings (Mauritius) Limited (Note 14)	-	-	27 618 074	-	-	-	-	(452 705 527)
Time Projects (Botswana) (Proprietary) Limited (Note 20)	13 157 718	-	-	-	1 398 570	-	-	1 733 960
Linwood Services Limited	-	8 121 390	-	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)								
Key management personnel/directors:								
J Jones and family	-	6 489	-	-	-	-	105 470	29 765
A Kelly and family	-	78 391	-	-	-	-	94 135	29 765
C Kgosidiile	-	-	-	-	-	321 300	153 140	53 595
P Matumo	-	114 942	-	-	-	-	147 470	50 280
M Morolong and family	-	1 292	-	-	-	-	94 135	29 765
S Thapelo	-	-	-	-	-	-	117 965	41 680
Consolidated								
Time Projects (Botswana) (Proprietary) Limited (Note 20)	13 157 718	-	-	-	1 398 570	-	-	1 733 960
Time Projects Property (Zambia) Limited (Note 20)	3 142 164	-	-	145	35 675 489	-	-	6 926 277
Linwood Services Limited	-	8 121 390	-	-	-	-	-	-
(A L Kelly has a beneficial interest in Linwood Services Limited)								
Key management personnel/directors:								
J Jones and family	-	6 489	-	-	-	-	105 470	29 765
A Kelly and family	-	78 391	-	-	-	-	94 135	29 765
C Kgosidiile	-	-	-	-	-	321 300	153 140	53 595
P Matumo	-	114 942	-	-	-	-	147 470	50 280
M Morolong and family	-	1 292	-	-	-	-	94 135	29 765
S Thapelo	-	-	-	-	-	-	117 965	41 680

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

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

Notes to the separate and consolidated financial statements

31 August 2019

26 OPERATING LEASE ARRANGEMENTS

The Company and Group as a lessor

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

Company

The property rental income earned by the company from its investment properties, all of which are leased out under operating leases, before the rentals straight-line adjustment amounts to P98 734 640 (2018: P94 202 827), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P8 910 912 (2018: P6 688 132).

Group

The property rental income earned by the group from its investment properties, all of which are leased out under operating leases, before the rentals straight-line adjustment amounts to P144 985 569 (2018: P125 111 041), as reflected in the statement of comprehensive income. Direct operating expenses arising on the investment properties for the year amounted to P13 618 840 (2018: P9 398 376).

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

	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P Restated
Not longer than 1 year	99 733 275	86 118 100	148 807 883	128 720 673
Longer than 1 year and not longer than 5 years	258 030 668	240 621 357	391 247 323	381 963 553
Longer than 5 years	176 857 791	206 306 696	191 948 380	231 816 691
	534 621 734	533 046 153	732 003 586	742 500 918

The Company and Group as a lessee

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

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

Minimum lease payments	240 000	500 540	240 000	500 540
Turnover linked rental	1 671 152	1 419 067	3 205 677	2 804 864
	1 911 152	1 919 607	3 445 677	3 305 404

At the reporting date the estimated minimum lease commitments by the company to lessors amounts to:

Not longer than 1 year	240 000	521 383	240 000	521 383
Longer than 1 year and not longer than 5 years	960 000	2 329 366	960 000	2 329 366
Longer than 5 years	40 000	1 708 958	40 000	1 708 958
	1 240 000	4 559 707	1 240 000	4 559 707

Notes to the separate and consolidated financial statements

31 August 2019

27 SEGMENT INFORMATION

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

	Company		Consolidated	
	2019 P	2018 P	2019 P	2018 P Restated
Contractual lease revenue				
Local operations	96 325 097	91 739 393	96 325 097	91 739 393
Foreign operations	2 409 543	2 463 434	48 660 472	33 371 648
	98 734 640	94 202 827	144 985 569	125 111 041
Profit/(loss) for the year				
Local operations	76 582 606	74 545 088	76 582 606	74 545 088
Foreign operations	6 357 033	3 379 441	(40 615 181)	41 165 756
	82 939 639	77 924 529	35 967 425	115 710 844
Non-current assets				
Investment properties				
Local operations	843 168 112	798 709 235	843 168 112	798 709 235
Foreign operations	19 501 526	18 728 908	544 461 074	558 296 880
	862 669 638	817 438 143	1 387 629 186	1 357 006 115
Work in progress				
Local operations	52 299 965	16 714 466	52 299 965	16 714 466
Foreign operations	-	-	-	-
	52 299 965	16 714 466	52 299 965	16 714 466
Total liabilities				
Local operations	725 818 170	634 203 862	725 818 170	634 203 862
Foreign operations	168 885	130 713	133 521 934	67 907 063
	725 987 055	634 334 575	859 340 104	702 110 925

28 CAPITAL COMMITMENTS

Company as disclosed under Note 10:
A second extension to the retail shopping centre at Tribal Lot 439 Pilane was in progress at the prior year end and the total estimated cost to complete as at 31 August 2018 was P7 085 114. This extension was completed during the year.

The retail park at Plot 75749 Setlhoa, Gaborone was completed during the prior year.

The extension at Sebele Centre for an additional shop was completed during the prior year.

Pinnacle Park, the office park at Plot 75782 Setlhoa, Gaborone was in progress at the year end and the total estimated cost to complete as at 31 August 2019 was P28 001 939.

Additionally in the Group as disclosed under Note 10
The retail shopping centre at Stand No. 1001, Chirundu was completed during the prior year.

The retail shopping centre at subdivision No. 8 of subdivision E of farm No. 609 corner of Munali Road and 12th Street, Lusaka was completed during the prior year.

Notes to the separate and consolidated financial statements

31 August 2019

29 PRIOR PERIOD ERROR - CONSOLIDATED FINANCIAL STATEMENTS

In the prior years, one of the Group's subsidiary companies in Zambia was incorrectly retranslating the cost for its investment property at each reporting period instead of maintaining the cost translated at the exchange rate prevailing on the date of the acquisition of the property. This resulted in a misclassification error between the fair value adjustment on the investment property and the foreign exchange gains and losses.

Further, 3 of the Group's subsidiary companies in Zambia, whose functional and reporting currency is the United States Dollar (USD), were incorrectly translating the transactions completed in the Zambian Kwacha (ZMW) at the year end rate as if they were translating balances of a foreign operation. In terms of IAS 21 - The Effects of Changes in Foreign Exchange Rates, when translating balances from another currency to the functional currency, monetary items should be translated at the closing rate and non-monetary items should be translated at the historic exchange rate which was applicable when the transaction was completed. The subsidiary companies were further recognising the exchange differences from the translation in the foreign currency translation reserve (FCTR) instead of recognising them in profit or loss.

As a result of these errors, as at 31 August 2017 the retained earnings balance was understated by P12 154 277 and the FCTR was overstated by an equal amount.

For the year ended 31 August 2018, the fair value gains on investment properties were overstated by P10 530 696, the exchange differences on translating foreign balances recognised in profit or loss were overstated by P2 182 103 and the exchange differences on translating foreign operations recognised in other comprehensive income were understated by P12 712 799.

Consequently as at 31 August 2018, the retained earnings balance was overstated by P558 571 and the FCTR was understated by an equal amount.

The effect of the restatement on those financial statements is summarised below. The effect in 2019 has been corrected in the current year.

	As previously reported	Restated	
Statement of profit and loss and other comprehensive income	**2018**	**2018**	**Impact**
	P	**P**	**P**
Exchange differences on translating foreign balances (profit or loss)	(562 912)	(2 745 015)	(2 182 103)
Fair value adjustment	84 909 009	74 378 313	(10 530 696)
Profit before tax	147 645 928	134 933 129	(12 712 799)
Profit for the year	128 423 643	115 710 844	(12 712 799)
Exchange differences on translating foreign operations (other comprehensive income)	(21 424 242)	(8 711 443)	12 712 799
Total comprehensive income	106 999 401	106 999 401	-
Earnings per linked unit (thebe)	56.21	51.01	(5.20)
Statement of financial position			
As at 31 August 2018			
Retained earnings	419 637 007	419 078 435	(558 572)
Foreign currecy translation reserve	(1 562 969)	(1 004 397)	558 572
As at 31 August 2017			
Retained earnings	323 425 051	335 579 278	12 154 227
Foreign currecy translation reserve	19 861 273	7 707 046	(12 154 227)

30 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year end the Group concluded on an acquisition which was in progress at the year end. Riverside Junction, situated at Erf1618, Sandton, Johannesburg, South Africa was acquired for ZAR84.7 million by PrimeTime Property Holdings (Mauritius) Limited. Transfer of title completed in October 2019 and the consideration was settled in cash.

Except for the above, no other events have occurred between the end of the reporting period and the date of approval of the consolidated and separate financial statements which will materially affect the separate and consolidated financial statements.

Notice of Annual General Meeting

31 August 2019

Notice is hereby given that the annual general meeting of unitholders of the company will be held at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, Gaborone, Botswana at 15h00 on Wednesday 26th February 2020, for the purpose of transacting the following business and considering and if deemed fit, passing, with or without modification, the following resolutions:

Agenda

Ordinary Business

1. **To read the notice convening the meeting.**

2. **Ordinary Resolution 1:**
   To receive, consider, and adopt the audited financial statements for the year ended 31 August 2019.

3. **Ordinary Resolution 2:**
   To approve the interim interest payment of 5.23 thebe per. linked unit declared on 22 February 2019 and paid on 22 March 2019, as authorised and recommended by the directors.

4. **Ordinary Resolution 3**
   To approve the interim interest payment of 8.40 thebe per. linked unit declared on 2 August 2019 and paid on 30 August 2019, as authorised and recommended by the Directors.

5. **Ordinary Resolution 4**
   To approve the interim interest payment of 2.21 thebe per. linked unit declared on 22 October 2019 and paid on 22 November 2019, as authorised and recommended by the Directors.

6. **Ordinary Resolution 5**
   To approve the final interest payment of 2.00 thebe per. linked unit declared on 20 November 2019 and due to be paid in March 2020, as authorised and recommended by the Directors.

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

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

9. **Ordinary Resolution 8**
   To approve the remuneration of the Directors for the year ended 31 August 2019. For the chairman an annual retainer fee of P55 545 and a sitting allowance of P12 510 per meeting. For the other directors an annual retainer fee of P37 485 and a sitting allowance of P12 510 per meeting.

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

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

Voting and proxies

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

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

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

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

In order to be effective, a duly completed form of proxy must be received by the Company Secretary, at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, P. O. Box 1395, Gaborone, Botswana, not later than 15h00 on Friday 21 February 2020.

By Order of the Board

Petronella Matumo
Chairlady of the Board of Directors

20 January 2020
Gaborone

Proxy form

31 August 2019

For completion by Unitholders

PLEASE READ THE NOTES OVERLEAF BEFORE COMPLETING THIS FORM.

For use at the annual general meeting of unitholders of the Company to be held at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, Gaborone, Botswana at 15h00 on Wednesday 26 February 2020.

I/We _____
(Name/s in block letters)

Of _____
(Address)

Appoint (see note 2): _____ 1.or failing him/her,

_____ 2.or failing him/her,

3._____ the chairman of the meeting,

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

Number of Linked units:

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

Signed at_____on _____20 20.

Signature _____.
Assisted by (where applicable)

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

Please read the notes on the reverse side hereof.

Notes

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

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

3. Forms of proxy must be lodged at or posted to the Company Secretary, at Acacia Building, Prime Plaza, Plot 74538, Corner of Khama Crescent Extension and PG Matante, CBD, P.O. Box 1395, Gaborone, Botswana, not later than 15h00 on Friday 21 February 2020.

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

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

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

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

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

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

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

PRIME
TIME