

PRIME TIME

PrimeTime Property Holdings Limited

Share code: PrimeTime ISIN: BW 000 000 0603, Incorporated in the Republic of Botswana on 29 August 2007, Company No. 2007/4760

UNAUDITED INTERIM FINANCIAL RESULTS 2015

HALF YEAR TRADING HIGHLIGHT

Contractual lease revenue up 23% over prior corresponding period reflecting the company's core strategies of property improvement and growth

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2015

	Interim six months to 28/02/2015	Interim six months to 28/02/2014	Audited results year to 31/08/2014
	Pula	Pula	Pula
Revenue			
Contractual lease revenue	41 351 516	33 618 772	70 331 782
Rentals straight line adjustment	3 895 039	1 812 297	5 607 167
Rental income	45 246 555	35 431 069	75 938 949
Other operating revenue	6 013 799	4 707 376	9 563 563
Operating expenses	(15 185 457)	(11 857 091)	(25 909 991)
Ground lease straight line adjustment	-	-	(55 378)
Profit from operations before fair value adjustment	36 074 897	28 281 354	59 537 143
Fair value adjustment	-	-	33 966 953
Profit from operations	36 074 897	28 281 354	93 504 096
Interest income	19 458	5 104	30 274
Interest expense	(11 127 214)	(7 555 640)	(16 172 737)
Profit before taxation	24 967 141	20 730 818	77 361 633
Taxation	(962 431)	(332 776)	(12 010 515)
Total comprehensive income for the period	24 004 710	20 398 042	65 351 118
Earnings per. Linked Unit (thebe)	13.34	11.34	39.76
Distribution per linked unit (thebe)	5.38	5.17	15.6
Interest per linked unit	4 months	4 months	12 months

Note 1: The charge for taxation comprises deferred taxation in relation to the potential liability for Capital Gains Tax on the acquisition of the properties and deferred taxation on the fair value adjustment for the period/year and withholding tax on the rental income of the foreign branch.

No provision has been made for normal taxation as the Company expects to have enough capital allowances to cover any taxable income.

STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2015

	28/02/2015	28/02/2014	Audited 31/08/2014
	Pula	Pula	Pula
ASSETS			
Non-current assets	735 086 574	645 123 329	730 030 661
Investment properties	706 802 035	567 151 514	705 686 817
Work in progress	-	56 953 494	-
Rent receivable – straight line adjustment	28 284 539	21 018 321	24 343 844
Current assets	14 210 022	8 062 653	10 995 794
Trade and other receivables	2 011 151	4 110 202	6 205 672
Rent receivable – straight line adjustment	2 948 503	2 497 264	2 994 160
Taxation receivable	4 619	1 265	2 238
Cash and cash equivalents	9 245 749	1 453 922	1 793 724
Total assets	749 296 596	653 185 982	741 026 455
EQUITY AND LIABILITIES			
Total equity and reserves	422 509 070	375 686 362	398 771 895
Stated capital	4 716 210	4 716 210	4 716 210
Debentures	132 610 057	132 610 057	132 610 057
Accumulated profits	269 225 776	222 534 799	254 899 159
Foreign currency translation reserve	1 367 933	1 775 872	1 635 467
Debenture interest reserve	14 589 094	14 049 424	4 911 002
Non-current liabilities	282 583 143	245 191 588	290 654 035
Deferred taxation	27 114 162	21 108 732	26 257 254
Long term borrowings	254 699 289	223 368 543	263 627 089
Ground lease straight line adjustment	769 692	714 313	769 692
Current liabilities	44 204 383	32 308 032	51 600 525
Trade and other payables	21 188 234	19 226 136	31 109 553
Current portion of long term borrowings	22 665 704	7 985 584	14 602 979
Deferred revenue	350 445	328 050	2 235 099
Bank overdraft	-	4 768 262	3 427 493
Taxation payable	-	-	225 401
749 296 596	653 185 982	741 026 455	

CONDENSED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2015

	28/02/2015	28/02/2014	Audited 31/08/2014
	Pula	Pula	Pula
Net cash flows from operating activities	24 235 101	27 372 905	66 253 608
Net cash used in investing activities	(1 095 760)	(41 809 411)	(89 399 097)
Net cash (used in)/from financing activities	(11 992 289)	22 062 774	32 420 649
Net increase in cash and cash equivalents for the period	11 147 052	7 626 268	9 275 160
Cash deficit at the beginning of the period	(1 633 769)	(10 868 023)	(10 868 023)
Effects of exchange rate on the cash held in foreign currencies	(267 534)	(72 585)	(40 906)
Cash and cash equivalents/(cash deficit) and the end of the period	9 245 749	(3 314 340)	(1 633 769)

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2015

	Stated capital	Linked unit debentures	Accumulated profits	Foreign currency translation reserve	Debenture interest & reserve	Total
	Pula	Pula	Pula	Pula	Pula	Pula
Balance at 1 September 2013	4 716 210	132 610 057	211 437 080	1 876 003	4 749 101	355 388 451
Total comprehensive income for the year	-	-	65 351 118	(240 536)	-	65 110 582
Debenture interest declared	-	-	(28 062 870)	-	28 062 870	-
Taxation attributable to debenture interest	-	-	6 173 831	-	-	6 173 831
Debenture interest paid	-	-	-	-	(27 900 969)	(27 900 969)
Balance at 1st September 2014	4 716 210	132 610 057	254 899 159	1 635 467	4 911 002	398 771 895
Total comprehensive income for the period	-	-	24 004 710	(267 534)	-	23 737 176
Debenture interest declared	-	-	(9 678 093)	-	9 678 093	-
Balance at 28 February 2015	4 716 210	132 610 057	269 225 776	1 367 933	14 589 095	422 509 071

COMMENTS

Our properties have performed well during the interim period. Economic conditions have worsened over the last year with the current illiquidity in the banking sector being the latest hurdle for the business community to deal with. The work we have put into refurbishing and re-gearing many of our properties in recent years has stood PrimeTime in good stead to weather this, however.

Our latest refurbishments – South African High Commission and the Sebele Centre to provide a larger space for Woolworths – have been completed within this period. The Woolworths increased space of 1,600m² with a 7 year lease further cements Sebele Centre as Gaborone's preferred convenience shopping centre.

Marula House – otherwise known as Prime Plaza Phase II, has seen Arup Botswana and Botswana Life taking up tenancies this period, and is now fully let. Barclays Bank took occupation of their new Head Office in Prime Plaza during August 2014 and so it has made a contribution to turnover for the full 6 months to 28 February 2015. These 2 buildings are the main contributors to the 23% increase in contractual rental income during the 6 months ended 28 February 2015 when compared to the corresponding prior period.

Our share price continues to be strong and has risen from P2.31 at 28 February 2014 to P2.70 at 28 February 2015 – an increase of some 17%. A reflection of investor confidence.

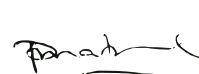
We recently paid out debenture interest for the 6 months to 31 December 2014. The next debenture interest payment is due for the 6 month period ended 30 June 2015 and will be paid out by 31 August 2015.

PROSPECTS AND OUTLOOK

Despite the challenges which face us in Botswana, we are pleased to report that we continue to seek positive signs going forward and are currently pursuing some new opportunities.

Prospects remain abundant in Zambia, and our hard work is getting us closer in terms of securing properties, developments and funding.

By order of the Board



P Matumo
(Chairman)



A L Kelly
(Managing Director)

Gaborone, 16 April 2015