



## PrimeTime Property Holdings Limited

Incorporated in the Republic of Botswana on 29 August 2007, Company No. 2007/4760

# PRESS ANNOUNCEMENT

The board of PrimeTime Property Holdings Limited ("PrimeTime" or "the Company") through its subsidiary PrimeTime Property Holdings (Mauritius) Limited, is pleased to advise linked unit holders the Company has provisionally entered into an agreement to acquire 100% of the shares in Luongo, a private company incorporated in Mauritius, whose only asset is shares in Tilson Limited, a private company incorporated in Zambia.

Tilson Limited's only asset is a 35 year lease over a site in Kubulonga, Lusaka, Zambia on which it has constructed a Shopping Mall. The Mall comprises approximately 7,500 sqm of prime retail space.

The transaction is defined as a Category 1 transaction by virtue of the quantum of the anticipated purchase price is estimated to be US\$17.1 million.

**Asset** A prime retail development situated on subdivision 6 of Farm No 377 in the central Lusaka suburb of Kabulonga. The property is being purchased from the Sellers on the basis of a guaranteed return of 9.25% in the first year of operation which will translate to a purchase price estimated to be US\$17.1 million.

**The Sellers** The Asset is registered in the name of a Zambian domiciled company, Tilson Limited, a company incorporated in accordance with the laws of Zambia, of which 99% is currently owned by Luongo and the remaining 1% owned by a private individual who is an unrelated party of the PrimeTime Group who will transfer their share as part of the Agreement. Luongo is a private company incorporated according to the laws of Mauritius which is owned 95% by Pylos Africa Limited and 5% by Qubicon Management Services Limited, both companies are incorporated under the laws of Mauritius.

**Purpose of the Acquisition and Development and benefits expected to accrue to the Company**

This Transaction is part of the execution of PrimeTime's strategy to continue growing and diversifying the property portfolio in order to create long-term value for linked unit holders and will enhance the current geographical spread and mix of properties. The Board believes that while the effect on net asset value and earnings per share will not be material in the short term, the medium term impact of this transaction on PrimeTime will be meaningful as the rental revenues and asset value rise in line with contracted escalations, inflation and general economic growth.

**Consideration** The consideration will be calculated on the basis of a net return of 9.25% (rental income less withholding tax, lease payments and insurance) which will amount to a figure estimated to be US\$17.1 million (approx P184.7 million).

**Effect on net asset value (per PrimeTime linked unit)** Given that the Acquisition is to be entirely financed from debt the impact on net asset value per share in the Linked Unit is not material.

**Effect on net profits (per PrimeTime linked unit)** The impact of this Transaction on the net profits of the PrimeTime Group will not be material (3% being recognised as material in terms of the Listing Requirements of the Botswana Stock Exchange).

**Approvals** In accordance with the requirements of the Botswana Stock Exchange Listing Requirements, within 28 days of this announcement a circular will be issued and notice given of an extraordinary general meeting of Linked Unitholders to approve the transaction.

By order of the Board:

**P Matumo**, Chairman  
Gaborone, 24th November 2016

Sponsoring Broker



**Stockbrokers Botswana Ltd**  
Member of the Botswana Stock Exchange