ABRIDGED AUDITED FINANCIAL RESULTS

FOR THE YEAR ENDED 31 JANUARY 2021

Directors:PK Balopi,(Chairperson),GH Abdoola(MD),S.Pufimanasinghe, P.Bezuidenhout,P. Pillar(retired 27 January 2021),M Nteta,V.Tebele(appointed 5 February 2021).

Registered office:plot 50370,Fairgrounds Office Park,P O Box 1172 Gaborone.
Transfer Secretaries:Grantthornton Business Services(Proprietry)Limited, Plot 50370,Fairground Office Park,P O Box 1157,Gaborone.

Company Number 2000/5302
Auditors:Ernst & Young,2nd floor,plot 22,Khama Cresent,P O Box 41015 Gaborone,Botswana.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2021

	GROUP		COMPANY	
	31-Jan-21 Pula	31-Jan-20 Pula	31-Jan-21 Pula	31-Jan-20 Pula
Revenue				
Rental income	257,551,224	269,308,758	143,645,270	151,330,229
Reent Relief	(12,281,732)	-	(9,074,304)	-
Other income	5,478,567	4,305,310	6,745,195	2,605,739
Operating expenses	(121,090,610)	(116,946,306)	(71,385,365)	(68,974,340)
Dividend income from subsidiary	-	-	42,821,588	8,019,161
Operating profit	**129,657,449**	**156,667,762**	**112,752,384**	**92,980,789**
Finance income	253,212	439,093	15,100,300	44,295,131
Finance cost	(25,849,802)	(33,338,910)	(25,849,802)	(33,338,910)
Profit before exchange difference and FV	**104,060,859**	**123,767,945**	**102,002,882**	**103,937,010**
Exchange gain	2,748,846	27,692,506	2,748,846	27,692,506
Exchange loss	(5,364,133)	(17,246,696)	(5,368,335)	(17,246,696)
Profit before fair value and impairment	**101,445,572**	**134,213,755**	**99,383,393**	**114,382,820**
Fair value adjustments	(7,190,400)	(14,803,307)		
Good will impairment	(12,402,710)	(25,280,910)	60,618,863	12,450,533
Profit before tax	**81,852,462**	**94,129,538**	**160,002,256**	**126,833,353**
Taxation	(546,447)	22,113,234	(3,588,743)	17,833,005
Profit for the year	**81,306,015**	**116,242,772**	**156,413,513**	**144,666,358**
Other comprehensive income				
Exchange difference on translating foreign operations	16,044,562	31,207,559	-	-
Total comprehensive income for the year	**97,350,577**	**147,450,331**	**156,413,513**	**144,666,358**
Total comprehensive income attributable to:				
Owners of the parent company	97,350,577	147,450,331	156,413,513	144,666,358
	-	-	-	-
	97,350,577	**147,450,331**	**156,413,513**	**144,666,358**
Profit for the year attributable to linked Unit holders				
Owners of the parent company	81,306,015	116,242,772	156,413,513	144,666,358
Non controlling interest	-	-	-	-
	81,306,015	**116,242,772**	**156,413,513**	**144,666,358**
Basic earnings per linked unit (in thebe)	14.21	20.32	27.34	25.28
Diluted earnings per linked unit (in thebe)	14.21	20.32	27.34	25.28
Distribution per linked unit(in thebe)	19.00	9.00	19.00	9.00
Debenture interest per linked unit(in thebe)	11.94	8.25	11.94	8.25
Dividend per linked unit(in thebe)	7.06	0.75	7.06	0.75
NAV per unit (thebe)	2.96	2.89	2.71	2.54
Number of linked units	572,153,603	572,153,603	572,153,603	572,153,603

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2021

	GROUP		COMPANY	
	31-Jan-20 31-Jan-21	31-Jan-19 31-Jan-20	31-Jan-20 31-Jan-21	31-Jan-19 31-Jan-20
ASSETS				
Non-Current Assets	**2,442,082,718**	**2,451,941,816**	**2,199,828,477**	**2,142,151,485**
Investment property	2,396,259,505	2,382,205,593	1,335,770,609	1,274,735,971
Plant and equipment	1,947,505	3,313,425	946,703	2,213,511
Goodwill	25,658,129	38,354,182	-	-
Investment in subsidiaries	-	-	606,613,011	606,613,011
Loan to related compamy	-	-	240,990,516	233,084,802
Lease asset	18,217,579	28,068,616	15,507,638	25,504,190
Current Assets	**65,762,894**	**54,482,048**	**44,592,935**	**33,687,380**
Lease asset	4,444,843	3,269,840	4,430,550	3,269,840
Cash and cash equivalent	24,185,916	13,092,960	17,456,443	6,305,413
Trade and other receivables	37,132,135	38,119,248	22,705,942	24,112,127
Total Assets	**2,507,845,612**	**2,506,423,864**	**2,244,421,412**	**2,175,838,865**
EQUITY AND LIABILITIES				
Stated Capital and Reserves	**1,696,357,070**	**1,656,221,853**	**1,551,499,313**	**1,452,301,162**
Stated capital	346,420,555	346,420,555	346,420,555	346,420,555
Linked unit debentures	286,076,802	286,076,802	286,076,802	286,076,802
Fair value surplus	557,705,857	564,032,325	693,821,951	633,203,088
Retained earnings	317,936,135	339,012,836	173,686,181	186,600,717
Debenture interest and dividend reserves	51,493,824	-	51,493,824	-
Foreign currency translation reserve	136,723,897	120,679,335	-	-
Non- Current Liabilities	**728,514,914**	**746,676,418**	**635,946,287**	**648,124,163**
Borrowings	546,626,991	562,393,610	546,626,991	562,393,610
Deferred taxation	181,887,923	184,282,808	89,319,296	85,730,553
Current Liabilities	**82,973,628**	**103,525,593**	**56,975,812**	**75,413,540**
Trade and other payables	39,150,215	49,460,268	13,152,399	21,348,215
Borrowings	40,540,726	34,091,716	40,540,726	34,091,716
Unclaimed debenture interest and dividend	1,499,628	1,403,665	1,499,628	1,403,665
Current tax payable	1,575,294	1,191,260	1,575,294	1,191,260
Bank overdraft	207,765	17,378,684	207,765	17,378,684
Total Equity and Liabilities	**2,507,845,612**	**2,506,423,864**	**2,244,421,412**	**2,175,838,865**
	-	-	-	-

CONSOLIDATED STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 JANUARY 2021

	GROUP		COMPANY	
	31-Jan-21 Pula	31-Jan-20 Pula	31-Jan-21 Pula	31-Jan-20 Pula
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash generated from operations	130,151,530	137,594,147	75,755,142	61,328,236
Finance income	253,212	439,093	15,100,300	44,295,131
Taxation (paid) received	(4,104,144)	742,080	384,034	1,186,508
Net cash from operating activities	**126,300,598**	**138,775,320**	**91,239,476**	**106,809,875**
Cash flows from investing activities				
Additions to plant and equipment	(317,957)	(1,352,835)	(89,374)	(1,016,897)
Proceeds on disposal of property,plant and equipment	448,115	598,214	422,854	598,214
Movement in financial assets net of foreign exchange	-	-	-	26,872,038
Loans advaced to related companies	-	-	(7,905,714)	(1,704,252)
Dividend received from subsidiary	-	-	42,821,568	8,019,161
Sale of investment property	-	12,000,000	-	12,000,000
Additions to investment properties	(415,775)	(13,251,212)	(415,775)	(12,011,074)
Net cash from investing activities	**(285,617)**	**(2,005,833)**	**34,833,559**	**32,757,190**
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	(13,905,566)	(34,675,649)	(13,905,566)	(34,675,649)
Dividends and debenture interest paid	(57,215,360)	(105,848,416)	(57,215,360)	(105,848,416)
Finance costs	(25,849,802)	(33,338,910)	(25,849,802)	(33,338,910)
Net cash from financing activities	**(96,970,728)**	**(173,862,975)**	**(96,970,728)**	**(173,862,975)**
Total cash and cash equivalents movement	**29,044,253**	**(37,093,488)**	**29,102,307**	**(34,295,910)**
Cash and cash equivalent at the beginning	(4,285,724)	32,115,739	(11,073,270)	22,530,615
Effect of exchange rate movement on cash balance	(780,378)	692,025	(780,378)	692,025
Total cash and cash equivalents	**23,978,151**	**(4,285,724)**	**17,248,659**	**(11,073,270)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANAUARY 2021

	Group						
	Stated capital Pula	Linked unit debentures Pula	Fair value surplus Pula	Foreign currency translation reserve Pula	Distribution reserve Pula	Retained earnings Pula	Total equity Pula
Opening balance of company at 01 February 2019	**346,420,555**	**286,076,802**	**568,074,083**	**89,471,776**	**54,354,592**	**270,222,130**	**1,614,619,938**
Profit for the year						116,242,773	116,242,773
Other comprehensive income				31,207,559			31,207,559
Total comprehensive income for the year	-	-	-	**31,207,559**	-	**116,242,773**	**147,450,332**
Fair value surplus transferred			(4,041,758)			4,041,758	-
Final distribution to debenture holders paid 31 January 2019	-	-	-	-	(54,354,592)	-	(54,354,592)
Distribution transferred to distribution reserve					51,493,824	(51,493,824)	-
Interim distribution paid 31 July 2019					(51,493,824)		(51,493,824)
						-	
Transactions with unit holders recognised in the statement of changes in equity.	**-**	**-**	**(4,041,758)**	**-**	**(54,354,592)**	**(47,452,066)**	**(105,848,416)**
Balance as at 31 January 2020	**346,420,555**	**286,076,802**	**564,032,325**	**120,679,335**	**-**	**339,012,837**	**1,656,221,854**
Profit for the year						81,306,015	81,306,015
Other comprehensive income				16,044,562			16,044,562
Total comprehensive income for the year	**-**	**-**	**-**	**16,044,562**	**-**	**81,306,015**	**97,350,577**
Fair value surplus transferred (Turnstar properties)			60,618,863			(60,618,863)	-
Fair value surplus transferred (Mlimani properties)			-				-
Final distribution to debenture holders paid 31 January 2020	-	-	-	-	-	-	-
Distribution transferred to distribution reserve					108,709,184	(108,709,184)	-
Interim distribution paid 31 July 2020					(57,215,360)		(57,215,360)
						-	
Transactions with unit holders recognised in the statement of changes in equity.	-	-	60,618,863	-	51,493,824	(169,328,047)	(57,215,360)
Balance as at 31 January 2021	**346,420,555**	**286,076,802**	**624,651,188**	**136,723,897**	**51,493,824**	**250,990,805**	**1,696,357,071**

SEGMENT REPORT

Primary segment - Geographical segment	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**Figures in Pula 2021**	**Figures in Pula 2020**
	Botswana	**Botswana**	**Tanzania**	**Tanzania**	**Dubai**	**Dubai**	**Consolidated**	**Consolidated**
Revenues from external customers	134,570,966	151,330,229	105,697,393	108,852,520	5,001,133	9,126,009	**245,269,492**	**269,308,758**
Inter segment revenues	-				-	-	-	-
Total segment revenues	**134,570,966**	**148,548,212**	**105,697,393**	**101,870,373**	**5,001,133**	**8,655,541**	**245,269,492**	**269,308,758**
Segment property direct and indirect expenses	49,043,424	51,001,779	42,086,797	41,602,293	2,818,709	4,197,013	93,948,930	96,801,085
Segment operating profit	**85,527,542**	**99,173,811**	**63,610,596**	**59,920,654**	**2,182,425**	**5,423,174**	**151,320,563**	**172,507,673**
Segment Assets	**1,396,817,885**	**1,336,141,052**	**1,018,237,355**	**1,080,948,188**	**92,790,372**	**89,334,624**	**2,507,845,612**	**2,506,423,864**
Segment assets include the following:								
Investment property	1,335,770,609	1,274,735,971	972,544,749	1,020,740,626	87,944,147	86,728,996	2,396,259,505	2,382,205,593
Property plant and equipment	946,703	2,213,511	1,000,802	1,099,914	-	-	1,947,505	3,313,425
Goodwill	-	-	25,658,129	38,354,182	-	-	25,658,129	38,354,182
Lease asset	19,938,188	28,774,030	2,724,234	2,564,426	-	-	22,662,422	31,338,456
Trade and other receivables	22,705,942	24,112,127	9,590,777	12,205,194	4,835,416	1,801,927	37,132,135	38,119,248
Cash and cash equivalents	17,456,443	6,305,413	6,718,664	5,983,846	10,809	803,701	24,185,916	13,092,960
Segment Liabilities	**692,922,099**	**723,537,703**	**118,566,443**	**126,098,505**	**-**	**565,803**	**811,488,542**	**850,202,011**
Segment liabilities include the following:								
Borrowings	587,167,717	596,485,326	-	-			587,167,717	596,485,326
Deferred tax	89,319,296	85,730,553	92,568,627	98,552,255			181,887,923	184,282,808
Trade and other paybles	13,152,399	21,348,215	25,997,816	27,546,250	-	565,803	39,150,215	49,460,268
Current tax payable	1,575,294	1,191,260	-	-			1,575,294	1,191,260
Unclaimed debenture interest and dividend payable	1,499,628	1,403,665	-	-			1,499,628	1,403,665
Bank overdraft	207,765	17,378,684					207,765	17,378,684
							-	

Secondary segment- Operating segment	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**Figures in Pula 2021**	**Figures in Pula 2020**
Revenues	**Retail**				**Commercial**							
	Botswana	**Botswana**	**Tanzania**	**Tanzania**	**Botswana**	**Botswana**	**Tanzania**	**Tanzania**	**Dubai**	**Dubai**	**Consolidated**	**Consolidated**
Rental income from external customers	**124,141,451**	**140,632,161**	**87,597,549**	**86,564,836**	**10,429,515**	**10,698,068**	**18,099,844**	**22,287,684**	**5,001,133**	**9,126,009**	245,269,492	269,308,758
Inter segmental revenues												
Total segment revenues	**124,141,451**	**137,277,290**	**87,597,549**	**80,713,990**	**10,429,515**	**11,270,922**	**18,099,844**	**21,156,383**	**5,001,133**	**8,655,541**	**245,269,492**	**269,308,758**
Segment expenses	46,127,386	48,340,863	38,441,321	33,930,091	2,916,038	2,660,916	3,645,476	7,672,202	2,818,709	4,197,013	93,948,930	96,801,085
Segment operating profit	**78,014,065**	**95,140,653**	**49,156,228**	**42,544,086**	**7,513,477**	**8,718,228**	**14,454,368**	**17,376,568**	**2,182,425**	**5,423,174**	**151,320,563**	**172,507,673**

	Figures in Pula 2021	**Figures in Pula 2020**
Reconciliation of group net profit before tax		
Total reporting segment operating profit	151,320,563	172,507,673
Salaries and wages	(14,418,937)	(13,968,169)
Loss on exchange difference	(5,364,133)	(17,246,696)
Profit on exchange differences	2,748,846	27,692,506
Fair value adjustments	(7,190,400)	(25,280,910)
Finance income	253,212	439,093
Sundry income	5,478,567	4,305,310
Corporate expenses	(12,722,743)	(6,177,051)
Operating profit	**120,104,974**	**142,271,755**
Finance costs	(25,849,802)	(33,338,910)
Goodwill impairment	(12,402,710)	(14,803,307)
Group profit before tax	**81,852,462**	**94,129,538**

Segment information is organised into two, georaphical and into operating segments which comprises retail and commercial. The segments are the basis on which the company reports its primary segment information. Retail segment comprises Game City, Nzano, Supa Save and Mlimani shopping centres. The commercial segment incorporates office, residential, industrial properties in Botswana,Tanzania and Dubai. Segment assets and liabilities are done based on the geographical segments.

Turnstar Holdings Ltd

The Management and the Board of Directors of Turnstar Holdings Limited, present the Audited Group Financial Results for the year ended 31 January 2021.
The Group consists of Turnstar Holdings Limited (Botswana), Island View (Proprietary) Limited (Botswana), Mlimani Holdings Limited (Tanzania), Turnstar Investments Limited (UAE) and Palazzo Venezia Holdings Limited (UAE).

OVERVIEW

The Governments of Botswana, Tanzania and Dubai, implemented lockdowns and various restrictions, to combat the spread of the Covid 19 pandemic. These restrictions led to disruptions of trade resulting in rental rebates being granted by the Turnstar Group.

Turnstar considers its tenants as partners in its business, and their existence and continuity are paramount in the success of Turnstar. A strategic decision was made to grant substantial rental concessions to our retail and commercial tenants who could not operate during the initial lockdown periods. The rentals revenues of the Group reduced by approximately P12.28m during the year under review.

The vacancies in the Commercial Office space in Dar es Salaam, continues to affect the Group results. However, the retail mall is performing to its optimum capacity. The Group is optimistic that the trading conditions in Tanzania will improve in the near future.
The operating expenses are largely of a fixed nature, and as such, an increase in the rental revenues from the letting of the office space and conference centre, will convert directly into additional operational profits.

CURRENCY FLUCTUATIONS

The developments at Mlimani in Tanzania are financed by a US$ loan obtained by Turnstar. These funds are passed on from Turnstar to Mlimani in the form of intercompany loans. A part of this loan was converted to share capital in Mlimani, at the commencement of the period under review. The US$ appreciated against the Botswana Pula, during the year ended 31 January 2021.
As such the Group had a net forex loss , on the US$ loan, for the year 31 January 2021 of P2.6m, compared to a net forex gain of P10.44m in the corresponding previous year end January 2020, when Turnstar had a corresponding US$ intercompany loan in Mlimani.

Stakeholders are reminded that the foreign exchange translation gains are unrealised, and dependant on the US$ /BWP exchange rate at year end.

FAIR VALUE OF PROPERTIES

Due to the vacancies in the Commercial Office space, and the reduction in Conference Centre income due to Covid, Mlimani Holdings has reported a Fair Value loss for the year. It should be noted that Fair Values are calculated on current rentals, projected into the future on a discounted cash flow basis. It does not reflect the actual cost of the buildings, and may change from year to year, depending on occupancy levels. The Botswana properties however, recorded substantial Fair Value Gains.

GOODWILL IMPAIRMENT

In terms of IAS 36, an assessment of Goodwill was carried out. Goodwill impairment of Pula 12.4m (2020: Pula 14.8) has been recorded in the results under review.

Group

- Group basic earnings per share (EPS) is 14 thebe per share (2020; 20 thebe).
- Group Tax comprises wholly of deferred tax, calculated in accordance with IAS 12.

SHARE PRICE

We have experienced a substantial drop in the share price. This is due to overseas funds exiting Botswana, due to the E E C grey listing.
The current share price does not reflect the Company's position and is far below actual value.
The NAV per share is P 2.89.

FINAL DISTRIBUTION

The Directors have approved a final distribution of 9 thebe per linked unit, split as follows;
Debenture interest of 4.54 thebe and 4.46 thebe dividend per share in respect of the year ended 31 January 2021 to all registered unit holders with the company at close of business on 28th May 2021.

Ex distribution date	26th May 2021
Record date for participation	28th May 2021
Payment date	9th June 2021

In accordance with requirements of the Income Tax Act, withholding tax shall be deducted by the Company on the payment of interest and dividends paid to residents and non – residents' holders of link units who are not exempt from the withholdings tax provisions of the Act.