



ANNUAL REPORT

2024

HIGHLIGHTS OF THE YEAR



Revenue increase by

13%

Profit before tax
increase by

58%



Full year
distribution

20t

Net asset value


P3.36

Property assets value

**P 2.8
billion**

Gearing ratio

21%



Earnings per share increased
to

26 thebe

Fair value gain

**P50
million**



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BOARD OF DIRECTORS

MR BUTLER PHIRIE - CHAIRMAN OF THE BOARD

Appointed 1 July 2021



Mr. Phirie is a Fellow member of the Botswana Institute of Chartered Accountants (FCA) and the Association of Chartered Certified Accountants (UK) (FCCA). He also holds a BComm degree for the University of Botswana obtained in 1984. He brings with him a wealth of experience, having served at PricewaterhouseCoopers (Botswana) for 27 years, 13 years of which he was the Managing Partner. He has also served the Botswana Development Corporation as General Manager Finance and Administration for 4 years.

Mr Phirie has over the years distinguished himself by holding some prestigious positions in both the public and private sector of Botswana as well as professional and sporting bodies. He is former Director at Air Botswana, Sechaba Breweries Holdings, Fairgrounds Holdings (Chairman) and several other companies. Mr Phirie has held positions of President of Botswana Institute of Accountants and President East Central and Southern Federation of Accountants (ECSAFA). He was also involved with Botswana Golf Union as President.

MR SHIRAN PUVIMANASINGHE - EXECUTIVE DIRECTOR

Appointed 11 December 2014



Shiran Puvimanasinghe is a Chartered Accountant. He commenced his career in Botswana in 1987 as a Senior Manager at Coopers and Lybrand (now PwC). He served the Botswana Housing Corporation, as a Chief Accountant during the period 1990-1993. He was the Financial Director of Zurich Insurance Company Botswana for 15 years and was subsequently appointed as Chief Executive Officer in 2009. Shiran joined Turnstar Holdings as the Chief Financial Officer, in June 2013 and was appointed as the Chief Operating Officer on the 1st of April 2023.

MR GULAAM ABDOOLA - MANAGING DIRECTOR

Appointed 12 February 2001



Gulaam Husain Abdoola has been the Executive Chairman of the GH Group since the group's inception. The family owned group of companies has a large employment force, in various sectors including property development, wholesale and retail, hospitality and automotive parts.

He is also the founding member and managing director of Turnstar Holdings Limited, a listed property company on the Botswana Stock Exchange.

He continues to play an active role in many other social and charitable activities.

MS VICTORIA TEBELE - DIRECTOR

Appointed 1 February 2021



Ms Victoria Tebele graduated from the University of Botswana with a First Class Bachelor of Commerce (Accounting) in 1992 and attained ACCA in 1998. Ms Tebele is a Fellow Member of both ACCA and the Botswana Institute of Chartered Accountants.

Ms Tebele has extensive experience in financial and management accounting, risk management, internal auditing, contracts management, corporate governance and people management in a number of industries including mining, financial services, beef production and general maintenance in both the private sector and parastatals.

She has served as a Director under Botswana National Productivity Centre (BNPC), Private Enterprises Evaluation and Privatization Agency (PEEPA), and Bank of Botswana where she was the Chairman of the Audit and Risk Committee. She served as a BICA Tax Committee member from 2004 to 2011.

She is currently serving as the Treasurer at the Botswana Chamber of Mines and is currently the Country Manager and Director at Epiroc Botswana, a supplier of innovative mining solutions."

MR AMARESH CHETTY - DIRECTOR
(B COM, PG DIP BUS MANAGEMENT, MBA)
Appointed 1 July 2022



Mr Chetty is the Chief Investment Officer at Ngwenya Capital and has in excess of 20 years' investment and commercial experience across various sectors including but not limited to real estate, healthcare, mining and financial services.

He has served as a director at several companies in South Africa that include:

- Ascendis Health Limited (JSE main board) - member of audit and risk committee, Chair of Human Capital Committee and member of Social and Ethics committee
- Sunstone Capital Limited – Chairman and Chair of the investment committee
- Pepper Club Hotel Investments Ltd – Director and Chair of the Investment Committee
- Rencell Ltd - Director

MR SOLOMON SEKETSU MANTSWE - DIRECTOR
Appointed 1 July 2022



Mr Mantswe has a career spanning over 35 years' in the public service sector with experience in areas of Policing, Public Relations and Corporate Governance.

He joined the Botswana Police Service (BPS) in October 1983, and over the years held various key positions providing strategic leadership and management. In April 2002 he was appointed Head of Botswana Police Public Relations Unit and would later be appointed Director-Department of Managerial Services in April 2012.

Mr Mantswe was appointed the Deputy Commissioner of Botswana Police Services in July 2021. Some of his key responsibilities include the development and implementation of the organisational strategies, directing the Human Resource and Administration of the BPS, Policy direction and stakeholder relations.

He has extensive experience in corporate governance through his service as the Chairman of the Botswana Public Officers Pension Fund (BPOPF) a position he has held since 2017, and also from the various sub-committees of the same board.

He has over the years served on numerous Boards, some of which included;

- a) Chairman, Police XI Football Club, b) Chairperson, Botswana Police Relief Fund

He brings a wealth of applied knowledge and experience.

MRS SETHEBE MANAKE - DIRECTOR
Appointed 1 September 2022



Sethebe Manake is an influential figure in Botswana's real estate industry, known for her thought leadership and proptech advocacy. With over 14 years experience, she founded Gosmartvalue, a research and consulting firm focused on transforming the sector.

Sethebe, a chartered surveyor in Real Estate Investment and Finance, introduced an automated valuation platform that provides objective property valuations, democratizes real estate information, and optimizes business efficiency. She serves on the board of the Africa Proptech Forum, leads the Botswana Proptech Chapter, and is the President of the Real Estate Institute of Botswana.

Sethebe's accomplishments include receiving awards such as the Most Innovative Real Estate Data Analytics Firm and the Business Excellence Award for Women in a Male Dominated Industry. Her leadership and dedication have established her as a trusted influencer in Botswana's Real Estate industry.

MANAGING DIRECTOR'S REPORT

Valued Shareholders and Stakeholders,

On behalf of Turnstar Holdings, it is both a privilege and a pleasure to present to you a report of our performance and strategic initiatives as Turnstar for the financial year ended 31 January 2024.

Turnstar is a proudly Botswana business that continues to create value for Botswana even beyond our borders, and you will see more of this throughout this Annual Report, closely aligned to the strategy of a homegrown business that today proudly makes its mark across multiple markets. The very values this business was founded upon in 2002 continue to guide us, supported now by the opportunities that time, innovation and digitization offer.

NOTABLE MILESTONES IN THIS PERIOD

- Botswana properties continued to enjoy high occupancy rates during the year
- Economic conditions in Tanzania continued to improve. The retail shopping centre operated at optimum capacity, the conference centre showed strong income growth and the Commercial Office space secured several new tenants
- The Dubai property saw full occupancy during the year
- All properties recorded substantial fair value gains
- Overall, the Group has a 2.7% vacancy
- Notable financial highlights of the year under review
- 13% increase in Revenue due to strong rental income growth in all jurisdictions
- 15% increase in Operating Profit and 58% increase in Profit Before Tax
- P49.8 million fair value gain on the investment property portfolio
- Re-statement of financials for the prior 2 years resulted in substantial growth in the Group's profit after taxation (increase of 23% for the year under review) and retained earnings
- Investment property value growth of over P1 20 million, bringing our asset value to P 2.8 billion.

SOCIO-ECONOMIC CLIMATE

Throughout the year, we witnessed several challenges that significantly impacted the broader business environment and economic climate. Navigating these changes — both global and local required resilience, adaptability, and strategic foresight.

The global landscape had a bearing on Botswana's economy and the industries and businesses within it, especially those with international investments like that of Turnstar. This included the impacts of global conflicts such as in the Middle East and between Russia/Ukraine,



which persist to date. On the back of the long-term consequences of the COVID-19 pandemic, we saw greater disruptions to trade, supply chain, costs of living, global financing conditions, and the cost of raw materials in the property space. This raised development costs tremendously, and yet, paradoxically, rentals in Botswana remain relatively low. The challenge for us is how to navigate the broader concerns whilst also matching property costs and maintaining a satisfactory return on investment for shareholders, a challenge we rose to meet. We also remain acutely aware of global influences such as sustainability, ESG focuses, and of climate change, mindful that we are not immune to the effects of these.

Locally, we felt the impact of the US Dollar appreciation against the Botswana Pula in the form of increased finance costs and foreign exchange losses. National GDP growth was only 2.9%, being significantly lower than the projected 7.6%; rising unemployment rates only affected this further. Botswana's economic resilience bore the brunt of volatility in the global diamond market, prompting changes in policy we see policymakers working to navigate to date. In the property space, we observed increased market competition.

However, occupancy rates for Turnstar properties were maintained. Last but not least, we are mindful of the concerning economic conditions in Botswana, with the lack of new investors and businesses entering the market having posed (and continuing to pose) challenges to employment creation.

Despite these conditions, Turnstar maintained its status as the largest property company in Botswana, living true to the strategic focus on growth and expansion that we carry into how we shape our future.

STRATEGIC GROWTH AND EXPANSION

Testament to our growth and expansion theme is the significant addition to our portfolio of Lotsane Junction in Botswana during the period under review. We successfully concluded the acquisition of this exceptional quality asset, the kind of which that rarely comes to market, and which brings our portfolio value to over BWP 2.850b and total portfolio size to approx. 105, 000 m² of Gross Lettable Area (G.L.A). We now await the necessary compliance approvals from shareholders and statutory bodies to progress further.

In addition to Lotsane Junction, we began conducting due diligence on three other potential acquisitions, each of which are poised to further strengthen Turnstar's market position and enhance our asset base further, creating value for the company and shareholders. These deal negotiations carried into the subsequent (current) reporting period, and thus more detail on these acquisitions will be shared once the necessary protocols and requirements have been met, and subsequent agreements finalized.

Also in our pipeline is the expansion of Turnstar's footprint in East Africa, with additional space at Mlimani City in Dar es Salaam. Work began on exploring the new opportunity around this prime location, one which also offers substantial growth opportunities.

While our growth strategy continues to drive our success, the aforementioned lack of new investors and businesses entering the Botswana market remains a significant concern. We are cautiously optimistic of how we navigate this, mindful of the incredible role we believe property can play in shaping the growth narrative of Botswana, and the part we wish to play in this as Turnstar.

Conversely, the East African market, particularly Tanzania, presents a more optimistic outlook. East Africa is experiencing a veritable boom, and Turnstar's established presence in Tanzania positions us advantageously to capitalize on regional growth. Our growing investments in this region are expected to yield substantial returns and support our long-term growth objectives further.

Turnstar's ability to navigate such global and local economic challenges is demonstrative of our strong market presence and effective operational strategies, ensuring continued growth, expansion and profitability. This strong and stable brand is one we are proud to see continue to create value and deliver both returns and impact. We move, as the saying goes "with the times," always learning and always evolving with the necessary agility, perseverance, determination and strategic foresight that remain essential to our industry. This is how we live our purpose to invest, manage and grow properties that bring about real returns for communities and investors with sustainable results.


LOOKING AHEAD

As we navigate these varied market dynamics, Turnstar remains committed to prudent investment, strategic expansion, and maintaining our leadership in the property sector. We will continue to leverage our strengths and explore new opportunities to drive value for our shareholders and contribute positively to the markets in which we operate. While efforts and exploration of even more strategic investments cannot be disclosed as yet, we are confident they will only bring more value and impact, allowing this home-grown Botswana business to extend its proverbial roots deeper and its reach broader, bringing us closer to our bold target of P3 billion in asset value.

On the base of a solid 22-year foundation, robust assets, sound risk management strategy, a low debt gearing ratio and consistent returns, ours is a future that we at Turnstar are all excited to build together.

APPRECIATION

The calibre of Board, Management and Staff we have are what make this possible, and to them I offer tremendous appreciation for working so tirelessly to invest in our growth, expansion and profitability, as well as to being the living embodiments of our values. We also extend our gratitude to our shareholders, partners, financiers, suppliers and wider stakeholders for their continued support and the role they play in our journey, a role we hope they continue to play well into the future.



Gulaam Husain Abdoola
Managing Director

FINANCIAL OPERATING REVIEW



THE RENTAL REVENUES OF THE GROUP FOR THE YEAR ENDED 31 JANUARY 2024 INCREASED BY APPROXIMATELY 13% COMPARED TO THE CORRESPONDING YEAR ENDED 31 JANUARY 2023

P328.5 million

FOR THE YEAR ENDED 31 JANUARY 2024 COMPARED TO

P291.3 million

FOR THE YEAR ENDED 31 JANUARY 2023). THIS WAS DUE TO STRONG RENTAL INCOME GROWTH IN ALL JURISDICTIONS IN WHICH THE GROUP OPERATES.



THE GROUP'S OPERATIONAL PROFIT INCREASE BY

P22.8 million

COMPARED TO THE CORRESPONDING YEAR ENDED 31 JANUARY 2023

P176.1 million

FOR THE YEAR ENDED 31 JANUARY 2024 COMPARED TO

P153.3 million

FOR THE YEAR ENDED 31 JANUARY 2023.



THE GROUP'S PROPERTY ASSETS WERE VALUED AT

P2.8 billion,

AS AT BALANCE SHEET DATE. THE INCREASE IS MAINLY DUE TO FAIR GAINS IN MLIMANI.



THE GROUP EARNINGS PER LINKED UNIT WAS

26 thebe.

ALL PROPERTIES RECORDED SUBSTANTIAL FAIR VALUE GAINS

FINANCE COSTS

The Group restructured one of its loan facilities from the prior year. This together with the US Dollar appreciation against the Botswana Pula resulted in an increase in the Group's finance costs by 26% compared to the prior year (from BWP 30.9 for the year ended 31 January 2023 to P38.8 for the year ended 31 January 2024). The ABS loan is due in September 2024, however the company has signed a new facility converting ABSA USD loan into Pula loan.

FAIR VALUE

The Group realized a fair value gain on its investment property portfolio of P49.8 million for the year ended 31 January 2024. This is due to substantial increase in Mlimani caused improved occupancy in the office blocks.

CURRENCY FLUCTUATIONS

The US Dollar appreciated against Botswana Pula, during the year under review approximately 49% of Group rental is in US Dollar, resulting in an exchange gain for Turnstar.

TRANSLATION GAINS

The translation gain reported for the year, occurred when translating the US \$ denominated investments and assets of the group subsidiaries in Tanzania and Dubai

LOAN TO VALUE RATIO (LTV)

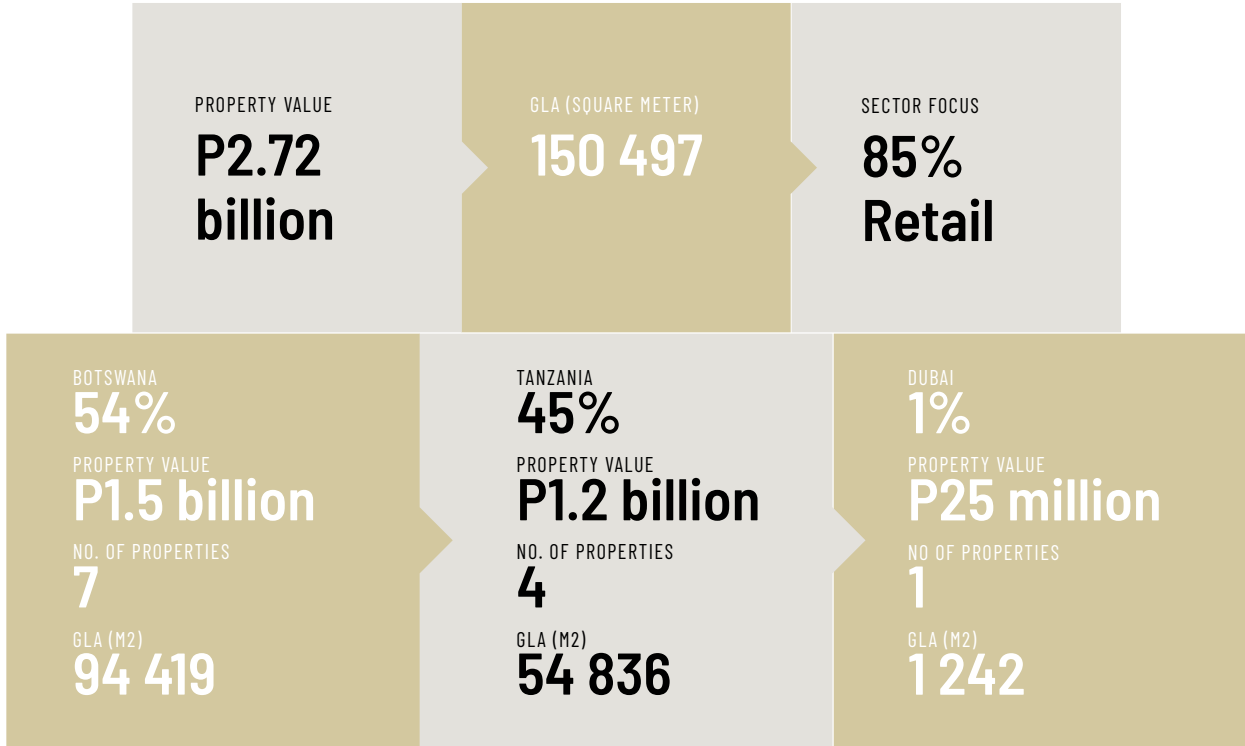
The loan to value ratio (borrowing as a percentage of investment property) is a very conservative 21% compared to 23% of prior year. Company has set internal gearing ratio of 30%.

DISTRIBUTION TO SHAREHOLDERS

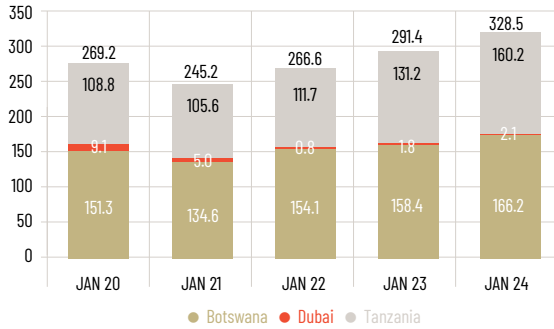
The company continues to pay good distribution despite tough economic challenges, total distribution of 20 thebe per linked unit.



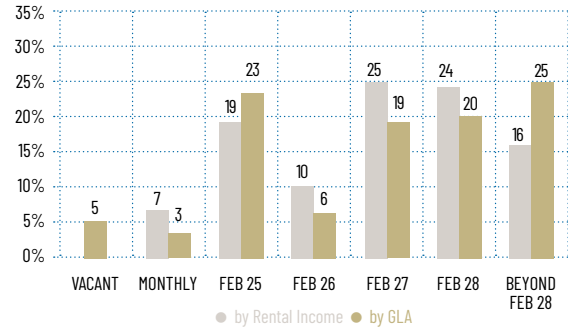
TURNSTAR GROUP GEOGRAPHICAL ANALYSIS



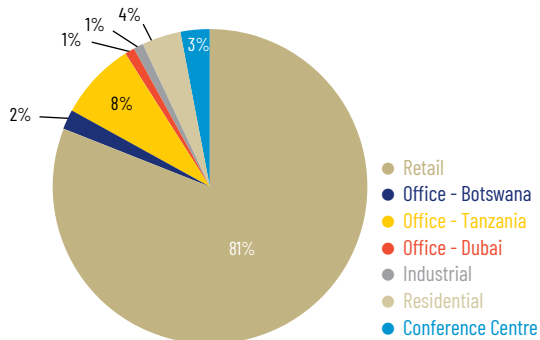
CONTRIBUTION TO REVENUE



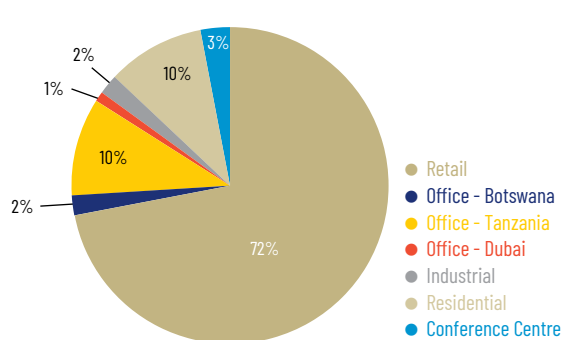
LEASE EXPIRY



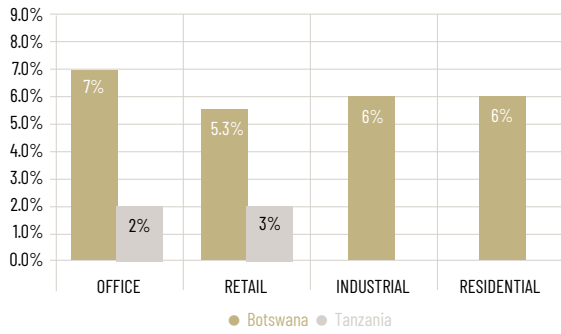
SECTORIAL SPREAD BY GLA



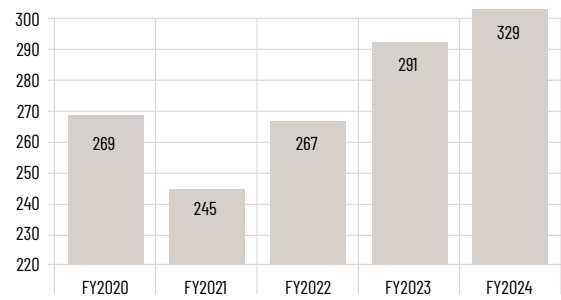
SECTORIAL SPREAD BY VALUE



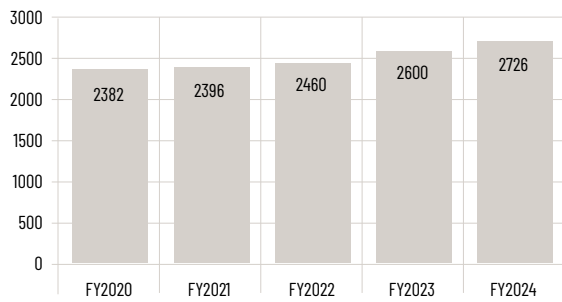
LEASE ESCALATIONS PROFILE



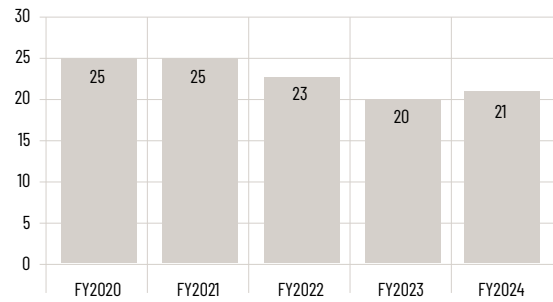
RENTAL INCOME



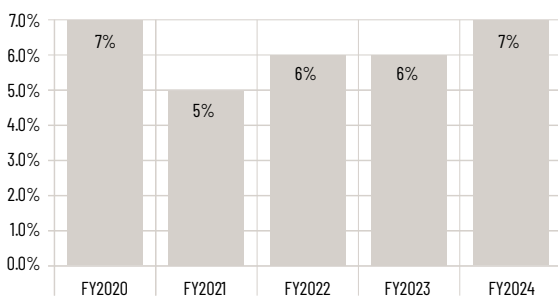
PROPERTY VALUES



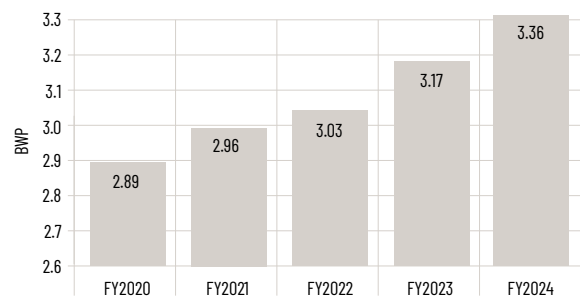
LOAN TO VALUE (LTV)



PROPERTY INCOME YIELD



NET ASSET VALUE



ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

	GROUP				
	31-Jan-24 Pula	31-Jan-23 Pula Restated	31-Jan-22 Pula Restated	31-Jan-21 Pula	31-Jan-20 Pula
Revenue					
Rental income	328,502,653	291,267,868	266,595,710	245,269,492	269,308,758
Other income	3,228,233	3,083,810	2,352,161	5,478,567	4,305,310
Operating expenses	(155,559,129)	(141,004,504)	(119,738,107)	(121,090,610)	(116,946,306)
Operating profit	176,171,757	153,347,174	149,209,764	129,657,449	156,667,762
Finance income	662,286	16,074	243,593	253,212	439,093
Finance cost	(38,785,285)	(30,903,614)	(21,280,321)	(25,849,802)	(33,338,910)
Profit before exchange difference and FV	138,048,758	122,459,634	128,173,036	104,060,859	123,767,945
Exchange gain	11,699,909	19,455,154	12,423,604	2,748,846	27,692,506
Exchange loss	(22,021,526)	(31,077,831)	(17,334,952)	(5,364,133)	(17,246,696)
Profit before fair value and impairment	127,727,141	110,836,957	123,261,689	101,445,572	134,213,755
Good will impairment	-	(29,864,906)	-	(12,402,710)	(14,803,307)
Fair value adjustments	49,781,650	31,184,126	(8,900,100)	(7,190,400)	(25,280,910)
Profit before tax	177,508,791	112,156,177	114,361,589	81,852,462	94,129,538
Taxation	(30,280,675)	7,608,618	(13,425,106)	(546,447)	22,113,234
Profit for the year	147,228,116	119,764,795	100,936,483	81,306,015	116,242,772
Other comprehensive income					
Exchange difference on translating foreign operations	48,385,918	74,510,636	40,437,771	16,044,562	31,207,559
Total comprehensive income for the year	195,614,034	194,275,431	141,374,254	97,350,577	147,450,331
Total comprehensive income attributable to:					
Owners of the parent company	195,614,034	194,275,431	141,374,254	97,350,577	147,450,331
	195,614,034	194,275,431	141,374,254	97,350,577	147,450,331
Basic earnings per linked unit (in thebe)	26	21	18	14	20
Diluted earnings per linked unit (in thebe)	26	21	18	14	20
Distribution per linked unit(in thebe)	20.00	18.00	18.00	19.00	9.00
Debenture interest per linked unit(in thebe)	15.13	15.23	15.39	11.94	8.25
Dividend per linked unit(in thebe)	4.87	2.77	2.61	7.06	0.75
NAV per unit (thebe)	3.36	3.21	3.03	2.96	2.89
Number of linked units	572,153,603	572,153,603	572,153,603	572,153,603	572,153,603

ABRIDGED STATEMENT OF FINANCIAL POSITION

	GROUP				
	31-Jan-24	31-Jan-23 Restated	31-Jan-22 Restated	31-Jan-21	31-Jan-20
ASSETS					
Non-Current Assets	2,749,773,629	2,616,747,755	2,504,744,338	2,442,082,718	2,451,941,816
Investment property	2,726,602,519	2,599,722,059	2,460,487,166	2,396,259,505	2,382,205,593
Plant and equipment	1,861,600	1,928,866	1,383,514	1,947,505	3,313,425
Goodwill	-	-	27,177,745	25,658,129	38,354,182
Lease asset	21,309,510	15,096,830	15,695,913	18,217,579	28,068,616
Current Assets	59,882,686	45,278,489	46,946,344	65,762,894	54,482,048
Lease asset	-	1,300,967	4,323,415	4,444,843	3,269,840
Cash and cash equivalent	27,098,773	9,542,151	14,208,533	24,185,916	13,092,960
Trade and other receivables	32,783,913	34,435,371	28,414,396	37,132,135	38,119,248
Total Assets	2,809,656,315	2,662,026,244	2,551,690,682	2,507,845,612	2,506,423,864
EQUITY AND LIABILITIES					
Stated Capital and Reserves	1,922,672,952	1,835,768,048	1,744,480,268	1,696,357,070	1,656,221,853
Stated capital	346,420,555	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	286,076,802
Fair value surplus	769,590,876	719,809,226	688,625,100	557,705,857	564,032,325
Retained earnings	163,311,191	180,295,337	194,702,319	317,936,135	339,012,836
Debenture interest and dividend reserves	57,215,306	51,493,824	51,493,824	51,493,824	-
Foreign currency translation reserve	300,058,222	251,672,304	177,161,668	136,723,897	120,679,335
Non-Current Liabilities	521,234,904	697,059,224	689,191,550	728,514,914	746,676,418
Borrowings	290,000,000	503,568,944	498,566,484	546,626,991	562,393,610
Deferred taxation	231,234,904	193,490,280	190,625,066	181,887,923	184,282,808
Current Liabilities	365,748,459	129,198,972	118,018,864	82,973,628	103,525,593
Trade and other payables	57,582,521	51,585,906	47,334,092	39,150,215	49,460,268
Borrowings	304,656,118	26,546,603	67,118,511	40,540,726	34,091,716
Unclaimed debenture interest and dividend	2,551,028	2,250,945	1,840,616	1,499,628	1,403,665
Current tax payable	-	-	1,575,294	1,575,294	1,191,260
Bank overdraft	958,792	48,815,518	150,351	207,765	17,378,684
Total Equity and Liabilities	2,809,656,315	2,662,026,244	2,551,690,682	2,507,845,612	2,506,423,864

PROPERTY MARKET

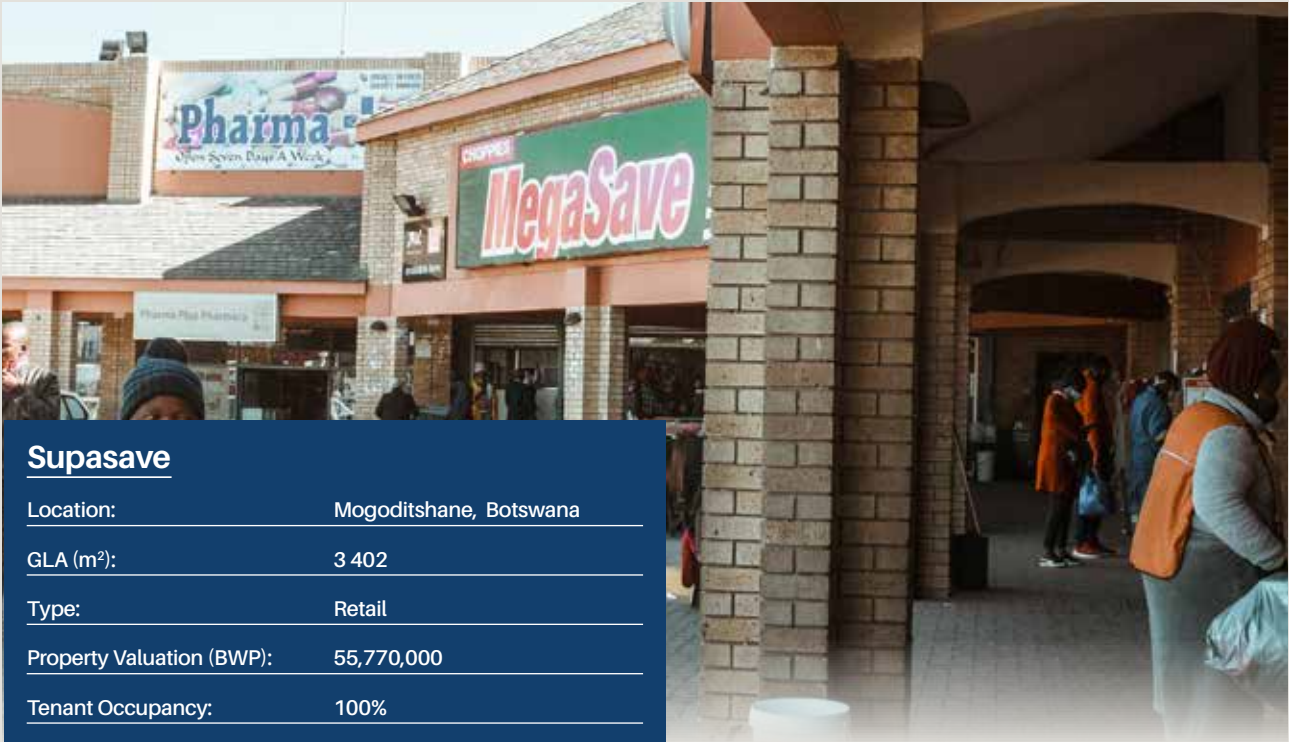
Game City

Location:	Gaborone, Botswana
GLA (m ²):	65 293
Type:	Retail
Property Valuation (BWP):	1,100,000,000
Tenant Occupancy:	98%



Nzano Mall

Location:	Francistown, Botswana
GLA (m ²):	12 654.78
Type:	Retail
Property Valuation (BWP):	190,000,000
Tenant Occupancy:	100%



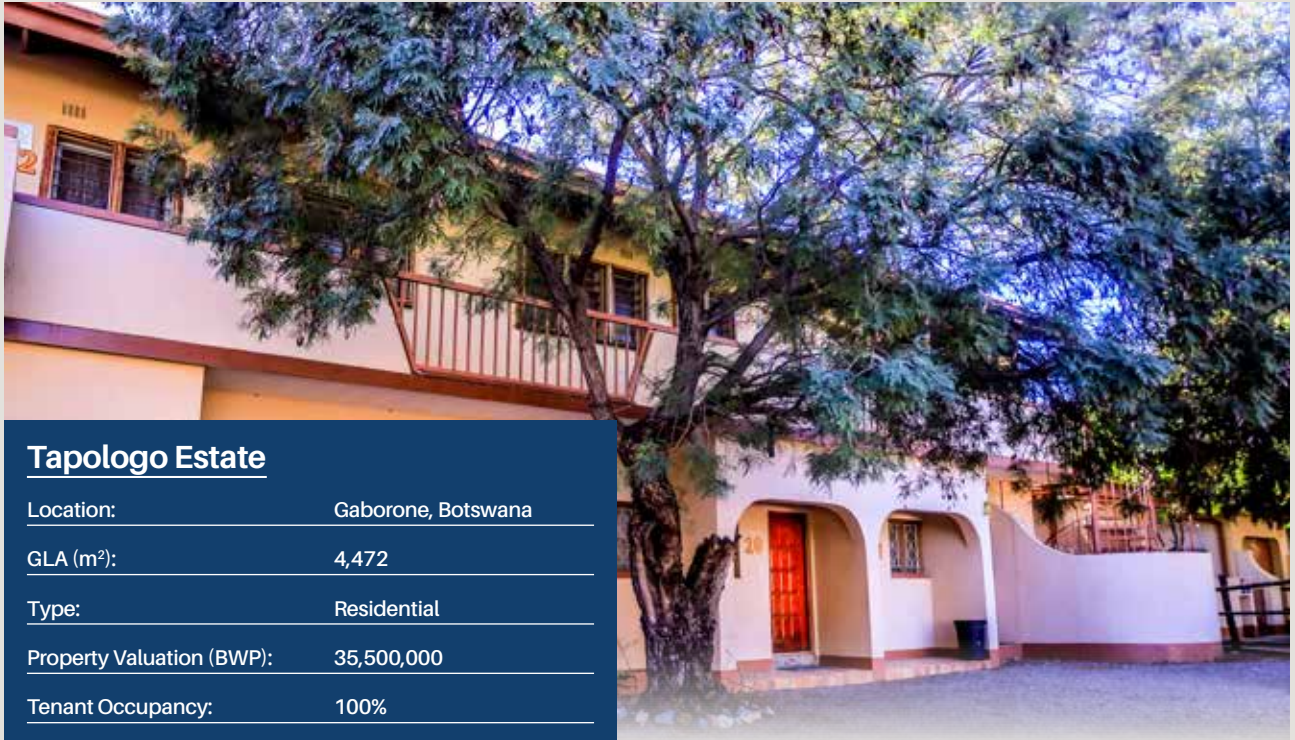
Supasave

Location:	Mogoditshane, Botswana
GLA (m ²):	3 402
Type:	Retail
Property Valuation (BWP):	55,770,000
Tenant Occupancy:	100%



Plot 63, Commerce Park

Location:	Gaborone, Botswana
GLA (m ²):	2,600
Type:	Light Industrial
Property Valuation (BWP):	19,200,000
Tenant Occupancy:	100%



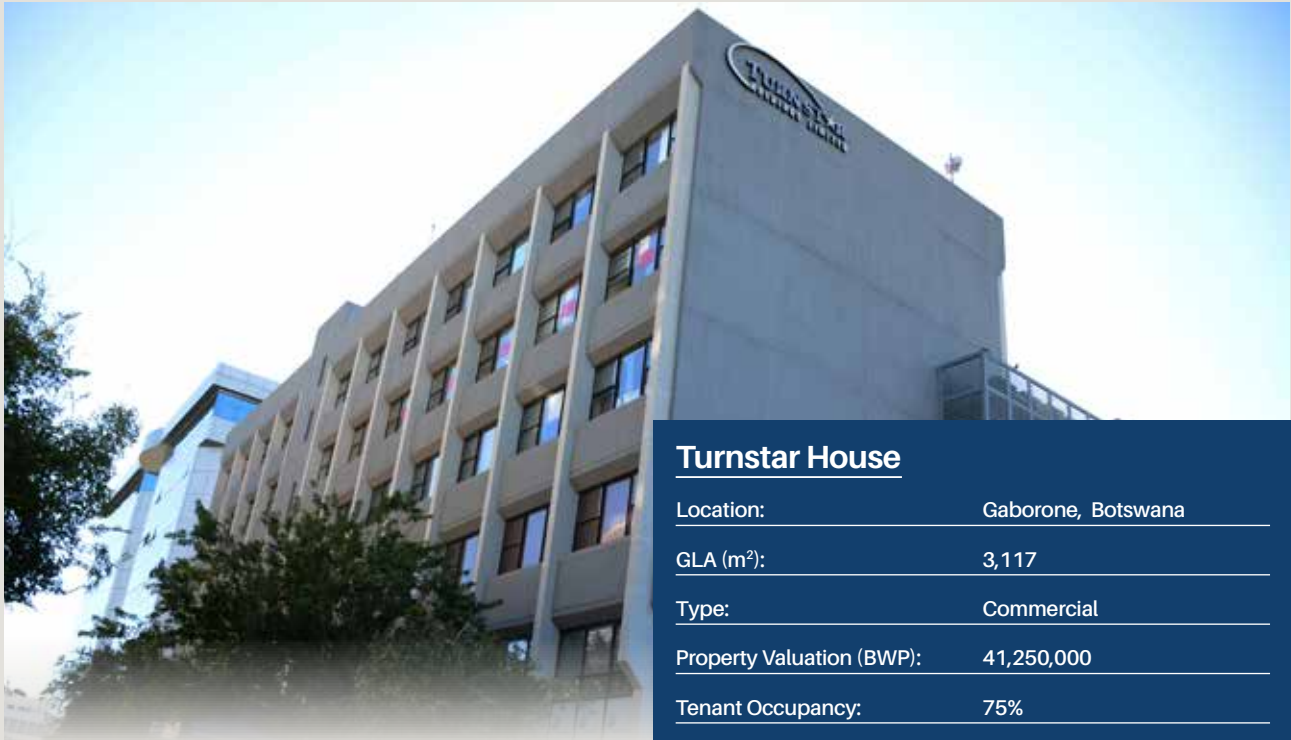
Tapologo Estate

Location:	Gaborone, Botswana
GLA (m ²):	4,472
Type:	Residential
Property Valuation (BWP):	35,500,000
Tenant Occupancy:	100%



Mogoditshane Townhouses

Location:	Mogoditshane, Botswana
GLA (m ²):	2,880
Type:	Residential
Property Valuation (BWP):	11,780,000
Tenant Occupancy:	100%



Turnstar House

Location:	Gaborone, Botswana
GLA (m ²):	3,117
Type:	Commercial
Property Valuation (BWP):	41,250,000
Tenant Occupancy:	75%

United Arab Emirates

Location:	Dubai
GLA (m ²):	1,242
Type:	Commercial
Property Valuation (USD):	2,063,000
Tenant Occupancy:	100%





Mlimani

Location:	Dar es Salaam, Tanzania
GLA (m ²):	27,645
Type:	Retail
Property Valuation (USD):	63,700,000
Tenant Occupancy:	100%



Mlimani

Location:	Dar es Salaam, Tanzania
GLA (m ²):	7,451
Type:	Residential
Property Valuation (USD):	4,800,000
Tenant Occupancy:	98%





Mlimani

Location:	Dar es Salaam, Tanzania
GLA (m ²):	15,017
Type:	Commercial
Property Valuation (USD):	16,100,000
Tenant Occupancy:	90%



Mlimani

Location:	Dar es Salaam, Tanzania
GLA (m ²):	5,295
Type:	Conference Centre
Property Valuation (USD):	6,900,000
Tenant Occupancy:	n/a

CORPORATE GOVERNANCE

Turnstar Holdings Limited maintains a high standard of Corporate Governance and is committed to the principles of transparency, accountability, and integrity. The Board has adopted charters for itself, the Audit and Risk Committee, the Investment Committee and the Remuneration and Nomination Committee (REMCO), based on the requirements of the Botswana Stock Exchange Listings Requirements, Companies Act, King Code on Corporate Governance and other applicable legislation and best practice. The Board's responsibilities encompass compliance with principles of good governance, accountability, arm's length dealings, and the applicable laws.





1. BOARD

Turnstar Holdings is directed by a Board of Directors, through a Board Charter approved by the Board on 09/12/2019. It has 7 Board members, comprising of 5 independent non-executive directors, and 2 executive directors, being the Managing Director and Chief Operating Officer.

2. BOARD EVALUATION

The Board performed self-evaluation of the Board, Committee, and individual directors in January 2024 done by the Board chairman, Mr Butler Phirie. The results showed that the Board is effective. Notwithstanding, the Board is committed to ongoing programmes on Board induction and training of directors. The Board has approved the induction of new directors and continuous training of all directors.

3. BOARD MEETINGS

The Board meets at least four times a year and is responsible for, among other things, reviewing and guiding corporate strategy, acquisitions, and performance. All non-executive Directors are subject to retirement by rotation and periodic re-election by shareholders under the Company's constitution.

4. RELATED PARTY TRANSACTIONS

The Board remains sensitive to related party transactions between the Company, its subsidiaries, and companies linked to its board members. During the year, there were no transactions with companies linked to board members.

5. DIRECTORS DEALINGS

The Company operates a policy prohibiting dealings by Directors and Management in periods preceding the announcement of its interim and year-end financial results and any period when the Company trades under a cautionary statement.

6. ETHICS MANAGEMENT

Ethics are an integral part of the way in which a company conducts its business.

Turnstar Holdings developed an Ethics Policy approved by the Board on 23/09/2023 which has a code of conduct for employees to cultivate a culture of ethical conduct and set values to which the company will adhere to. The policy was shared with staff.

Ethics risks are assessed throughout the business as part of the Turnstar Holdings' risk management assessment profile. Risk mitigation solutions are also identified, and employees are expected to comply. Employee's ethics are monitored regularly.

7. GENDER DIVERSITY

Turnstar subscribes to best practice in relation to gender diversity at board level, as well as across all its businesses. We have been exemplary by having more women holding directors' positions.

In the past year we have had 2 women representing 29% at board level and currently, we have 29 female staff members representing 41% of our workforce. The number of women on our board has reduced in the recent past, due to mandatory rotations that saw two retirements.

8. MEETING SECRETARY

A Grant Thornton Business Services representative, attends all annual and extraordinary general meetings. Grant Thornton Business Services further provides a meeting Secretary to take minutes at Board and Committee meetings.

9. INTERNAL AUDITORS

Grant Thornton Capital Advisors are the internal auditors of the Company and are responsible for providing independent assurance that the organisation's risk management, governance, and internal control processes are operating effectively.

10. EXTERNAL AUDITORS

Ernst and Young are the external auditors of the Company, responsible for the independent review and expressions of opinion on the reasonableness of the financial statements based on the audit

11. COMMITTEES

The Board has the following committees.

11.1 AUDIT AND RISK COMMITTEE

AUDIT

The Audit committee comprises of 3 independent non-executive directors including the Audit and Risk Committee chairperson. It is chaired by Ms Victoria Tebele, who was first appointed on the 19/04/2021 and re-elected on the 25/10/2022. It meets at least twice a year.

The Audit and Risk Committee of Turnstar Holdings Ltd. plays an important role in providing oversight of the Turnstar Holdings' governance, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices. During the year under review it performed the following major activities,



- It reviewed the audited financial statements for the year ended 31 January 2024 and ascertained that they represent a true and fair view, accounting practices are in accordance with IFRS and that the Internal financial controls are effective.
- Reviewed the accuracy and reliability of the Annual Financial Statements and that the Group will continue as a going concern for the ensuring year.
- It reviewed the Finance function expertise, resources and experience and were satisfied with the expertise, and performance of the finance function. The Chief Finance Officer was reviewed in his capacity as CFO and the Committee was satisfied with his expertise, experience, and performance in the current period.
- It recommended appointment of Ernst & Young (external auditors) for the year 2023-24 to the Board and shareholders.
- It reviewed the Independence of external auditor and concluded that it is independent and is satisfied with the quality and effectiveness of the external audit process.
- No reportable irregularities were identified and reported by the external auditor.
- It assessed the effectiveness of the Turnstar Holdings' system of internal controls and risk management.
- It reviewed the competence, qualifications and experience of the Company secretary and is satisfied with their performance in the current period.

RISK MANAGEMENT

Turnstar Holdings Audit and Risk Committee is also responsible to assist the Board in carrying out risk responsibilities.

It oversees the Turnstar Holdings' risk management framework, including significant programs, policies, and plans established by management to identify, assess, measure, monitor, and manage the risks, including compliance, operational, information security and financial risks.

During the current period the Board has performed the following,

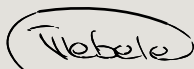
- The Board approved risk management policy, compliance policy, risk management and compliance plan for the period.
- It has approved risk appetite and tolerable levels.
- It receives compliance report at each Board meeting.
- The Board received the risk management process assurance from internal audit, and is satisfied that risk assessments, responses, and interventions are effective. Further there is no any undue, unexpected or unusual risks and any material losses.

ANTI MONEY LAUNDERING

Turnstar Holdings is strongly committed to preventing the use of its properties, services, resources, and technologies for the commission or perpetuation of financial crimes such as money laundering, terrorist financing, or the financing of proliferation. To this end, the Turnstar board has adopted several policies relating to Anti-Money Laundering, Counter-Financing of Terrorism, and Counter-Financing of Proliferation. This complies with the Financial Intelligence Act 2022 and international best practices.

ANNUAL REPORT

Following the committee's review of the Annual Financial Statements for the year ended 31 January 2024, we are of the view that the financial statements comply with the requirements of IFRS and fairly present the financial position of Turnstar Holdings and the Group, and the results of the operations and cash flows for the year then ended.



V Tebele

Chairperson, Audit and Risk Committee

11.2 REMUNERATION COMMITTEE

Turnstar Holdings has a Remuneration Committee. It has a charter approved by the Board on 09/12/2019. It comprises of two non-executive directors and meets at least twice a year.

The purpose of the committee is to assist the Board in managing the Board's composition, evaluating the competencies required of prospective directors (both non-executive and executive), identifying those prospective directors, establishing their degree of independence, developing succession plans for the Board, CEO, and other key management, and making recommendations to the Board accordingly.

The Committee is also responsible for recommending appropriate remuneration for Directors and key management, to the Board for approval.

SUCCESSION PLANNING

The Company has developed a succession plan for the Chairman of the Board, Managing Director, Chief Financial Officer, Chief Operating Officer and other senior management members.

BONUS POLICY

During the year, Turnstar adopted a collective bonus scheme to recognize staff performance on a collective basis. Individuals that qualify will receive a standard reward. Turnstar has designed a bonus policy linked to the distribution paid to shareholders. The policy includes a bonus of cash profit available after the targeted distribution is achieved. The guaranteed bonus on performance is limited to P 5 million; any amount above that will be at the Board's discretion.

11.3 INVESTMENT COMMITTEE

Turnstar Holdings has an Investment Committee. It has a charter approved by the Board on 25/10/2022.

The purpose of the Investment Committee is to evaluate and recommend all property acquisitions, developments, and disposals to the Board. The Investment Committee also evaluates the restructuring of the financial loans of the Company.

The Committee meets on an "ad hoc" basis when management proposes a property acquisition, development, or disposal or a financial restructure.

12. BOARD OF DIRECTORS AND COMMITTEE ATTENDANCE REGISTER

Key	
INED	Independent Non-Executive Director
NED (R)	Non-Executive Director (Related Party)
ED	Executive

BOARD MEMBERS MEETING ATTENDANCE

Directors	Status	Board Meetings	No of meeting attended	% attendance
1. Mr. Solomon Mantswe	INED	5	5	100
2. Mr. Butler Phirie	INED	5	5	100
3. Mrs Sethebe Manake	INED	5	5	100
4. Ms. Victoria Tebele	INED	5	5	100
5. Mr. Amaresh Chetty	INED	5	5	100
6. Mr. Gulaam Abdoola	ED	5	5	100
7. Mr. Shiran Puvimanasinghe	ED	5	5	100



BOARD COMMITTEE MEMBERS MEETING ATTENDANCE

Directors	Status	No of Committee meeting	Audit and Risk Attendance	Remuneration and Nomination attendance	Investment Committee Attendance	% attendance
1. Mr. Solomon Mantswe	INED	2	2	2		100
2. Mr. Butler Phirie	INED	2		2		100
3. Mrs Sethebe Manake	INED	2	2		2	100
4. Ms Victoria Tebele	INED	2	2			100
5. Mr Amaresh Chetty	INED	2			2	100
6. Mr Gulaam Abdoola	ED	2	2	2	2	100
7. Mr Shiran Puvimanasinghe	ED	2	2	2	2	100

REMUNERATION OF DIRECTORS AND PRESCRIBED OFFICERS

Directors	Status	Fees Retainer/ Salary	Salary for Executives	Fees per Board meeting	Bonus	Fees Committee	Total
1. Mr. Solomon Mantswe	INED	79,094.40		14,380.80		47,936.00	198,934.40
2. Mr. Butler Phirie	INED	83,888.00		14,380.80		23,968.00	179,760.00
3. Mrs Sethebe Manake	NED	67,110.40		14,380.80		47,936.00	186,950.40
4. Ms Victoria Tebele	INED	79,094.40		14,380.80		23,968.00	174,966.40
5. Mr Amaresh Chetty	INED	79,094.40		14,380.80		23,968.00	174,966.40
6. Mr Gulaam Abdoola	ED		3,965,400.00		660,900.00		4,626,300.00
7. Mr Shiran Puvimanasinghe	ED		1,738,400.00		322,795.46		2,061,195.46



KING III COMPLIANCE CHECKLIST - APPLY OR EXPLAIN BASIS

Turnstar Holdings has adopted the King III corporate governance code. The corporate governance report details the Turnstar Holdings' governance approach and practices aligned with King III. It includes a compliance check list and detailed information that need to be disclosed.

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CHAPTERS	COMMENTS	KEY
1	ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP	
1.1	The Board should provide effective leadership based on an ethical foundation. Turnstar Holdings is guided by the Turnstar Holdings' constitution, Board charter and code of ethics, company's act, and the King III code of Corporate governance. The entity's aim is to fully comply with King III code of governance and transition to King IV to ensure transparency, fairness, accountability, and responsibility in all decision making.	√
1.2	The Board should ensure that the company is and is seen to be a responsible corporate citizen. Turnstar Holdings has a Corporate Social Responsibility policy approved by the Board on 12/10/2020 to guide interaction with the society. The Entity is environment, social and economic concise and recognises the impact of these in the society. The Entity donated 1. Whispers of Botswana Pop Up Market, 30% of stall tickets sold were donated to Botswana Society for the Deaf. Venue sponsorship to the value of P3500 2. Marathon Activation Venue sponsorship to the value of P5700 3. Spring of Life –Fund Raising dinner for Mmopane Orphans Venue sponsorship to the value of P8500 4.Ditemae Tsa Rona 'Kids-Venue Sponsorship 5. Fundraising Event for Robotics Competition, for kids travelling to the US. Venue Sponsorship to the Value of P3500. The Entity has also assessed its environmental impact and produced a sustainability report (see 9.3 for details.)	√
1.3	The Board should ensure that the company's ethics are managed effectively. Turnstar Holdings has developed a code of conduct for employees to cultivate a culture of ethical conduct and set values to which the company will adhere to. Ethics are an integral part of the way in which a company conducts its business. The Ethics Policy was recently reviewed and approved at the Board meeting of the 13/09/2023 and has been in effect for less than a year. No assessments have been done to date	P
2	BOARD AND DIRECTORS	
2.1	The Board should act as the focal point for and custodian of corporate governance. The Turnstar Holdings developed a Board charter and has been revised and approved by the Board on 09/12/2019. This charter clearly states the directors' responsibility and conduct and is given to each new Board member when joining the Board.	√
2.2	The Board should appreciate that the strategy, risk, performance, and sustainability are inseparable Turnstar Holdings has corporate strategies in place which have been assessed for risks and opportunities and approved by the Board. They are being monitored regularly by the Board to ensure achievement of objectives and business sustainability. The 2023 - 2026 strategy was approved by the Board on the 27th April 2023.	√
2.3	The Board should provide effective leadership based on ethical foundation. Refer to principle 1.1. above.	√
2.4	The Board should ensure that the company is and seen to be a responsible citizen. Refer to principle 1.2. above.	√

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2.5	The Board should ensure that the company's ethics are managed effectively.	Refer to principle 1.3 above.	√
2.6	The Board should ensure that the company has an effective and independent audit committee.	Refer to principle 3 below	√
2.7	The Board should be responsible for governance risk.	Refer to principle 4 below	√
2.8	The Board should be responsible for information technology (IT) governance.	Refer to principle 5 below	√
2.9	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Refer to principle 6 below	√
2.10	The Board should ensure that there is an effective risk based internal audit.	Refer to principle 7 below	√
2.11	The Board should appreciate that stakeholders' perceptions affect the company's reputation.	Refer to principle 8 below	√
2.12	The Board ensure the integrity of the company's integrated annual report.	Refer to principle 9 below	√
2.13	The Board should report on the effectiveness of the company systems of internal control.	Refer to principle 7.3 below	√
2.14	The Board and its directors should act in the best in the best interests of the company.	Directors disclose conflicts of interest when joining Turnstar Holdings and during each Board and committee meeting. Directors are allowed to seek independent opinion/advise when necessary.	√
2.15	The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the act.	The Board assessed the Turnstar Holdings financial position at the Audit Committee meeting of 29th April 2024 to ensure financial health. The review covered capital adequacy ratio, advances, deposits, operating profit, net worth, and overall business. There was no business rescue needed in the current financial year.	√
2.16	The Board should elect a chairman of the Board who is an independent non-executive director.	The Board has elected Mr Butler Phirie as chairman, who is an independent non-executive director, on 1 July 2021, and has been annually re-appointed by the Board.	√
2.17	The Board should appoint the chief executive officer and establish a framework for the delegation of authority.	The Board has appointed Mr Gulaam Abdoola as Managing Director on 12 February 2001 and his contract has been renewed for three years from 14 June 2022 to 31 May 2025. Further a delegation of authority framework was developed and approved by the Board. The Managing Director's performance review for the previous period was done in January 2024, for the current period will be done by the Board in December 2024. Mr Shiran Puvimanasinghe was appointed as Chief Operating Officer and Mr Comfort Rankgomo was appointed as the Chief Finance Officer on 1/4/2023. There is succession planning for Senior Executives and the Board. This was approved by the Board on 12/12/2023.	√
2.18	The Board should comprise a balance a balance of power, with a majority of non-executive directors. The majority of non-executive directors must be independent.	There are seven Board members, five are non-executive members and five are independent. Further two executive members being Managing Director – Gulaam Abdoola and the Chief Operations Officer Mr Shiran Puvimanasinghe. Directors are appointed for a period of 3 years and rotated annually at the AGM. This current year, Butler Phirie and Amaresh Chetty, retired and were re-elected. The Board has adequate skill, experience, and diversity. It has Estate management, investment, risk management, finance, business administration, advocacy, policing, strategic management, corporate governance, public relations, and accounting and auditing skills. See page 22 for more details.	√

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2.19	Directors should be appointed through a formal process.	There is a Remuneration committee. Its charter was approved on 09/12/2019 by the Board. It is responsible for identifying suitable candidates through background and reference checks and recommendation of directors to the Board.	√
2.20	The induction of and ongoing training and development of directors should be conducted through a formal process.	An induction of the members of the Board was done during a strategy meeting which was held in Mlimani, Tanzania, in September 2022. There have not been any additions to the Board since.	√
2.21	The Board should be assisted by a competent, suitably qualified and experienced company secretary.	Grant Thornton Business Services (Pty) Ltd were appointed by the Board on 17/9/2020, as the Board secretaries. Grant Thornton Business Services is managed by Aparna Vijay. She has over 15 years' experience and she is the Board Secretary for a number of Listed Companies.	√
2.22	The evaluation of the Board, its committees, and the individual directors should be performed every year.	Performance evaluation of the Board for 2023/24 was performed by Butler Phirie, the Board chair in January 2024 and covered the Board, committee chairpersons, and individual directors.	√
2.23	The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	Board has established an Audit and Risk Committee, Investment Committee, and Remuneration committee and their charters revised annually and were approved by the Board. The Audit and Risk Committee and Remuneration Committee charters were approved on 9/12/2019 and the Investment Committee charter was approved on the 25/10/2022.	√
2.24	A governance framework should be agreed between the group and its subsidiary.	Turnstar Holdings has a governance framework covering all its subsidiaries. The Compliance Framework Policy was approved by the Board on 12th October 2020.	√
2.25	Companies should remunerate directors and executives fairly and responsibly.	The Remuneration Committee is responsible for remuneration of Directors and employees. There is a remuneration policy approved by the Board 27th July 2023	√
2.26	Companies should disclose the remuneration of each individual director and certain senior executives.	Disclosed in Annual Report (see page 23)	√
2.27	Shareholders should approve the company's remuneration policy.	The remuneration policy was approved by the REMCO, it was presented to the Board and shareholders at the AGM held on 27/7/2023.	√
3	AUDIT COMMITTEE		
3.1	The Board should ensure that the company has an effective and independent audit committee.	The Audit and Risk committee met at least twice, and all members were in attendance. For detailed duties performed, composition and attendance (see pages 20-21).	√
3.2	Audit committees' members should be suitably skilled and experienced independent non-executive directors.	All members of the Audit and Risk Committee are independence non-executive directors. The members have the following skills, accounting, auditing, risk management, corporate governance, investment, and financial management (see pages 20-21).	√
3.3	The Audit committee should be chaired by an independent non-executive director.	Ms Victoria Tebele is an independent non-executive director (for more details, see page 20). She was present at AGM on 27/07/2023. She does participate and agrees on Committee agenda.	√
3.4	The Audit committee should oversee integrated reporting.	Audit and Risk Committee reviewed audited financial Statements on 25/04/2024 and the AFS were approved by the Board on 29/04/2024 and approved preparation of the integrated report on 29/04/2024	√
3.5	The Audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	Audit and Risk Committee recommended approval of external auditors' appointment for 2023-24 to the Board and shareholders on 11/10/2023. It ensures that management and internal audit reports are appropriate and adequately addresses controls and mitigate risks.	√
3.6	The Audit Committee should satisfy itself of the expertise, resources, and experience of the company's finance section.	The Finance function expertise, resources and experience was reviewed by the Audit and Risk Committee at its meeting on 16/4/2024 and were satisfied with expertise, resources, and performance of the finance function. Further the Chief Finance Officer was reviewed in his capacity as CFO and the Committee was satisfied with his expertise, experience, and performance in the current period.	√

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3.7	The Audit committee should be responsible for overseeing of internal audit.	The Audit and Risk Committee reviewed the of Internal audit plan for the 2024 / 2025 financial year, on the 16th April 2024. The plan to carry out an internal audit of the Tanzanian Subsidiary Company was identified and approved.	√
3.8	The Audit committee should be an integral component of the risk management process.	Audit and Risk Committee is responsible for overall Turnstar Holdings' risk management process on financial reporting, internal financial controls and fraud, IT as they relate to financial reporting. The entity ensures effective communication and coordination of its oversight activities to ensure that the Audit and Risk Committee is informed of all significant actual or potential financial and non - financial risks (such as operational, strategic, regulatory risks) that may have implications on the integrated report.	√
3.9	The Audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	Audit and Risk Committee approved audit terms of engagement and remuneration for the external audit engagement and received audit findings and management comments and discussed the report with the External auditors on 16th April 2024.	√
3.10	The Audit committee should report to the Board and shareholders on how it has discharged its duties.	The Audit committee has reported to the Board on its statutory duties and composition (see page 21)	
4. THE GOVERNANCE OF RISK			
4.1	The Board should be responsible for the governance of risk.	The Board has ultimate responsibility for risk as stated in the Board charter approved.	√
4.2	The Board should determine the levels risk tolerance.	Risk tolerance level was reviewed and approved by Audit and Risk Management Committee. The Loan to Value ratio is capped at 30%. The Interest Rate risk is managed by continuously negotiating with our Bankers and restructuring our loans. Turnstar continuously engages consultants in country of operations to ascertain changes in law which affect the operations.	√
4.3	The Risk committee or Audit committee should assist the Board in carrying out its risk responsibilities.	There is Audit and Risk Management Committee and its charter approved by the Board on 09/12/2019 to assist the Board on risk responsibilities.	√
4.4	The Board should delegate to management the responsibility to design, implement, and monitor the risk management plan.	Management designs, implements and monitors the risk management plan. The risk management plan is monitored regularly, by the Audit & Risk Committee and the Board is updated regularly.	√
4.5	The Board should ensure that risk assessments are performed on a continual basis. Board and Audit committee are responsible for risks.	Risk assessments are performed annually by the CFO and the COO and reported to the Audit and Risk Committee and Board. Annual risk management plan is approved by the Board. The 2024/2025 plan will be approved in June/July this year.	√
4.6	The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating risks.	There is a risk management policy approved by the Board. It has a risk assessment methodology which prioritise and rank risks to focus the responses and interventions on those risks outside the Board's risk tolerance limits. It was done as part of the Internal Audit Plan and approved by the Board on the 10th December 2020.	√
4.7	The Board should ensure that management considers and implements appropriate risk responses.	The risks are identified, and appropriate responses implemented through annual risk management plans and regularly discussed at Audit and Risk management committee and Board meetings. Management to assess and prepares annual risk management plans to be approved by the Audit and Risk management committee and the Board.	√
4.8	The Board should ensure continual risk monitoring by management.	Refer 4.4 above	√
4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	Internal audit reports dated June 2021, November 2021 and December 2021 gave assurance on risk management process.	√

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4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate, and accessible risk disclosures to stakeholders.	The Board is satisfied that risk assessments, responses, and interventions are effective. Further there is no any undue, unexpected or unusual risks and any material losses. See page 15-16 for details	✓
5 THE GOVERNANCE OF INFORMATION TECHNOLOGY			
5.1	The Board should be responsible for the governance of IT.	The Board has approved IT Policy on 12/10/2020 with decision making structures, accountability framework, IT reporting. Turnstar Holdings has adopted ISO27001:2013 as their internal control framework.	✓
5.2	IT should be aligned with the performance and sustainability objectives of the company.	Turnstar Holdings has IT strategy 2020-2024 approved by the Board on 12/10/2020, to support and enables the business strategy, delivers value, and improves performance. It is integrated into the company's strategic and business processes and that IT adds value. For more information, see 5.4 below.	✓
5.3	The Board should delegate to management the responsibility for the implementation.	Turnstar Holdings has an Information Officer who is competent and has over 15 years of experience in Information Technology with an Hons. Degree in IT., who is responsible for implementing IT governance. IT reports are submitted to the Audit and Risk Committee and the Board for monitoring. For more specialised IT services, the entity outsources.	✓
5.4	The Board should monitor and evaluate significant IT investments and expenditures.	Board approved the IT budget and expenditure on IT projects, in December 2023. The Board approved Information security policy to ensure information and intellectual property contained in the information systems are protected. Independent IT governance controls supporting IT governance assurance was done in June 2021.	✓
5.5	It should form an integral part of the company's risk management.	IT risks are considered and assessed as part of risk management activities and covers IT legal risks, compliance to laws, rules, codes, and standards. Turnstar Holdings has a business disaster recovery plan approved by the Board on 12/10/2020 to ensure immediate recovery of critical services.	✓
5.6	The Board ensure that information assets are managed effectively.	Turnstar Holdings IT policy has information security approved by the Board in October 2020 to ensure confidentiality, integrity, availability of information and compliance with laws and regulations. Further there is password policy, printer policy, laptop policy.	✓
5.7	A Risk committee and Audit committee should assist the Board in carrying out its IT responsibilities.	Turnstar Holdings has an Audit and Risk committee to assist in carrying out its IT responsibilities. IT as it relates to financial reporting and the status of the company as a going concern is the responsibility of the Audit and Risk committee.	✓
6. COMPLIANCE WITH LAWS, CODES, RULES, AND STANDARDS			
6.1	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes, and standards.	The Board approved a compliance policy on 12/10/2020. Turnstar Holdings ensures compliance with all the laws, rules, and regulations, such as Company's act, Botswana Stock Exchange rules and regulations, FIA act and regulations, and Financial Reporting Act.	✓
6.2	The Board and its individual directors should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business.	Directors are provided with the Board charter, Turnstar Holdings constitution, Company's act etc when joining. There is formal induction for new directors which covers among other things, laws, rules, codes, and standard. An induction of the members of the Board was done during a strategy meeting which was held in Mlimani, Tanzania, in September 2022.	✓
6.3	Compliance risk should form an integral part of the company's risk management process.	Turnstar Holdings has an annual compliance plan, and the 2024/24 annual compliance plan will be reviewed by the Audit & Risk Committee at the next meeting.	✓
6.4	The Board should delegate to management the implementation of an effective compliance framework and processes.	There is competent compliance officer who is Fellow Certified Chartered Accountant who is responsible for compliance management through adherence to compliance policy. He develops and implements annual compliance plan and send progress report quarterly to Management risk committee and the Board as indicated in 6.3 above.	✓

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7. INTERNAL AUDIT			
7.1	The Board should ensure that there is an effective risk based internal audit.	Turnstar Holdings has outsourced an internal audit service to Grant Thornton Capital Advisors who report to the Audit and Risk Committee. They are responsible for providing independent assurance that the risk management, governance and internal control processes are operating effectively. The Internal Audit Plan was approved by the Board on 10 December 2020.	✓
7.2	The Board should follow a risk-based approach to its plan.	The Internal audit follows a risk based approach. The prior year's internal audit reports were scrutinized and the Audit & Risk Committee resolved to conduct an Internal Audit of the Tanzanian subsidiary.	✓
7.3	Internal audit should provide a written assessment of the effectiveness of the company's system of control and risk management.	The Internal audit reports have, assessed the effectiveness of the Turnstar Holdings' system of internal controls and risk management and gave assurance.	✓
7.4	The Audit committee should be responsible for overseeing internal audit.	Please see Principle 3.7	✓
7.5	Internal audit should be strategically positioned to achieve its objectives.	Please see Principle 3.7	✓
8. GOVERNING STAKEHOLDERS' RELATIONSHIP			
8.1	The Board should appreciate that stakeholders' perceptions affect a company's reputation.	Turnstar Holdings has Stakeholder Relationship Policy approved on 12/10/2020 by the Board. It has identified and grouped stakeholders stated ways to engage major stakeholders and it's a regular Board agenda. The stakeholders were discussed on the Board meeting of 12/12/2023.	✓
8.2	The Board should delegate to management to proactively deal with stakeholder relationships, stakeholder, and the outcomes of these dealings.	The Stakeholder relationship policy is implemented by management and who report to the Board on the outcomes of stakeholders' dealings. Update on compliance with regulations, customers and engagement with the community is a regular Board item.	✓
8.3	The Board should strive to achieve the appropriate balance between its various stakeholders' groupings, in the interests of the company.	Turnstar Holdings has identified all major stakeholders, their purpose, frequency, and ways on engagement with them. The Board has identified the following stakeholders- staff, customers, shareholders, regulators, communities, government, business partners and industry bodies, media, suppliers and contractors and unions. There is a mechanism to deal with each stakeholder.	✓
8.4	Companies should ensure the equitable treatment of shareholders.	Turnstar Holdings is guided by Botswana Stock Exchange rules and regulations and abide by them to ensure equitable treatment of shareholders.	✓
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	Stakeholder communication is in English and complete and accurate information is given as per stakeholders grouping mainly through one-on-one interactions. Call centre, social media, advertising etc. Any latest updates are given as soon as they are available. Investors communications is usually through Botswana Stock Exchange website, print media, letters, customers through cell phones notifications, letters etc. Regulators through letters and meetings.	✓
8.6	The Board should ensure that disputes are resolved as efficiently and expeditiously as possible.	Turnstar Holdings has a dispute resolution policy approved by the Board on 13/9/2023.	✓
9. INTEGRATED REPORTING AND DISCLOSURE			
9.1	The Board should ensure the integrity of the company's integrated report.	The Board approved financial statements for the year ended 31 January 2024 and approved the integrated report	✓
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting.	Turnstar Holdings as a property business deal with natural resources, It found it fit to review its impact on the environment, hence the production of a sustainability report is in progress.	U
9.3	Sustainability reporting and disclosure should be independently assured.	Please refer to Principle 9.2 above	U

CORPORATE SOCIAL RESPONSIBILITY

In our continued effort and as part of our Corporate value to give back to the community and provide positive social value, Turnstar undertook various Corporate Social Responsibility (CSR) initiatives aimed at empowering its community. We partnered with various Organizations to promote health and wellness, nurture local arts and culture talent, and support women empowerment initiatives amongst our mandate

VENUE SPONSORSHIPS

Whispers of Botswana Pop Up Market

A fund raising initiative in which 30% of stall tickets sold were donated to Botswana Society for the Deaf.

Night Marathon Activation

Over 2000 road runners came together at Game City Mall for the highly anticipated night marathon to encourage healthy living and the promotion of a safe and peaceful city. The marathon brought together runners from all walks of life and was divided into three running categories of 21km, 10km and 5km respectively.



Kenny Arts - Art Exhibition

Turnstar in partnership with Kenny Arts hosted a month long art exhibition which was hosted at Game City Urban View Venue, as part of the sponsorship the venue was repainted by the artist, and funds raised through the exhibition was donated to the Disability Society.



Ditemae Tsa Rona 'Kids

A Fundraising Event for kids Robotics Competition, assisting kids from different selected schools in raising Funds to travel to the US for the international Competition.

Spring of Life

An NGO which Provides care and support for the vulnerable in Society held a fundraising dinner at Game City Mall to help raise funds for Orphans in Mmopane.

Graced Pearls

A Christian support group for women which promotes unity through family. The group focuses on empowering women from all walks of life, specifically (married, divorced, widowed and engaged women) in building families through the 'Word'.

Woman Evolve

Women Evolve is an annual Women Empowerment Brunch event which empowers women from all walks of life to make their mark in the world and offers opportunities for networking and connection of shared services and ideas. The event is hosted by renowned female speakers and business owners.

Whispers Botswana

Whispers Botswana in Association with Turnstar Holdings Limited hosted a pop up market to raise funds for Cancer Awareness.

Dikgosigadi Art Exhibition

An art Exhibition encouraging women in the Arts.

MLIMANI CSR ACTIVITIES

Mlimani Holdings Limited actively engaged in a diverse range of Corporate Social Responsibility (CSR) initiatives aimed at making a meaningful impact in our community.

From organizing medical camps to spearheading health awareness programs, including those focused on Autism and Diabetic detection and prevention, we are committed to collaborating with esteemed institutions like Muhimbili National Hospital, Kairuki Hospital Tumai La Maisha, and Lukiza Autism Foundation.

HEALTH AWARENESS INITIATIVE PROGRAMS

Run for Autism Marathon - Certificate of Appreciation

Run for sight Marathon - Certificate of Appreciation

Our involvement extends beyond mere support; we actively facilitate promotion activities, awareness camps, and donation drives to ensure these initiatives reach as many people as possible.

Additionally, we are proud to partner with local government authorities in projects such as building a dumping yard, contributing to the improvement of public infrastructure for the betterment of our community.'

International Women’s Day (March 8) - ‘Inspire Inclusion’

Is a global day celebrating Women in the social, economic, cultural, and political sphere Our female team volunteered for the ‘Run for Women’ event which was successfully held in the mall.



MILESTONES

GAME CITY MALL 21ST BIRTHDAY

Game City Mall, a symbol of quality and outstanding retail experience turned 21 years in October 2023. As part of its celebrations Game City undertook a series of activities the highlight of which was the crowning of Miss Game City.



MISS GAME CITY BEAUTY PAGEANT- OCTOBER 20, 2023

The memorable event which had 16 participants, saw the winners being crowned at the end of the night. The winners were Utlwanang Mathibi (Queen), Kefitwe Gabonakemo (1st Princess), Obakeng Fekena Garefane (2nd Princess).



TURNSTAR LONG TERM SERVICE AWARDS CELEBRATIONS

In recognition and appreciation for services rendered to the Company through the years, Turnstar hosted a Long Term Service Appreciation Awards ceremony on the 12th of December 2023, recognizing employees who have been with the company for a period of ten years and above. The Board of Turnstar and the Managing Director embraced this event to acknowledge and commend the award recipients for their hard work and contribution towards the achievements of Turnstar Holdings.





CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2024

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Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

General Information

Country of incorporation and domicile	Botswana
Nature of business and principal activities	Property Investment
Directors	G H Abdoola (Managing Director) S Puvimanasinghe V Tebele B D Phirie A Chetty S S Mantswe S Manake
Registered office	Plot 50370 Fairgrounds Gaborone Botswana
Business address	Center Management Offices Game City Management Offices Game City Retail Center Kgale, Gaborone
Postal address	P O Box 26012 Game City Gaborone Botswana
Bankers	ABSA Bank of Botswana Limited Absa Bank Tanzania Limited Exim Bank Tanzania Limited First National Bank of Botswana Limited Mashreq Bank of United Emirates
Auditors	Ernst & Young Chartered Accountants
Secretary	Grant Thornton Business Services (Proprietary) Limited
Company registration number	BW00000973397
Functional currency	Botswana Pula
Transfer secretaries	Central Securities Depository Botswana

Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act (Cap 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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 consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

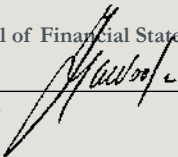
The directors have reviewed the group's cash flow forecast for the year to 31 January 2025 and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditors and their report is presented on pages 38 to 41.

The consolidated and separate annual financial statements set out on pages 42 to 103, which have been prepared on the going concern basis, were approved by the board of directors on 29 April 2024 and were signed on their behalf by:

Approval of Financial Statements

Director




Director

Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Turnstar Holdings Limited and the group for the year ended 31 January 2024.

1. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act (Cap 42:01). The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated consolidated and separate annual financial statements.

2. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

3. Secretary

The company secretary is Grant Thornton Business Services (Proprietary) Limited.



Firm of Chartered Accountants
2nd Floor
Plot 22, Khama Crescent
P O Box 41015
Gaborone, Botswana

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Fax: +267 397 4079
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Independent Auditor's Report

To the Shareholders of Turnstar Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Turnstar Holdings Limited and its subsidiaries ('the Group') and Company set out on pages 42 to 103, which comprise the consolidated and separate statements of financial position as at 31 January 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate annual financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Turnstar Holdings Limited as at 31 January 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01).

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 Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Botswana. We have fulfilled our ethical responsibilities in accordance with the IESBA Code, and in accordance with the other ethical requirements applicable to performing the audit of the Group and Company. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The key audit matter applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Investment Properties	
The Group's investment property portfolios are valued at BWP2,726,602,519 (2023: BWP 2,599,722,059) and the Company's investment	Our procedures included amongst others:



property portfolio is valued at BWP 1,439,670,285 (2023: BWP1,427,539,285) as at 31 January 2024. The Group's investment property portfolios comprise of investment properties held in three geographical regions. The Group's investment property portfolios comprised 97% (2023: 98%) of the Group's total assets at the reporting date. The Company's investment property portfolio comprised 66% (2023: 65%) of its total assets at the reporting date.

The fair values of these portfolios are determined using the discounted cash flow method which involves forecasting income and expenditure for each investment property for future years and discounting the forecasted future cash flows at a discount rate to calculate the fair value at the reporting date.

The valuation model used for forecasting the income and expenditure for each investment property is subjective in nature and involve various input assumptions distinctive to each geographical location regarding rental income and expenses, occupancy rates and discount rates. The estimation uncertainty is further compounded by the uncertain economic and market conditions in each geographical region due to volatile inflation and interest rates.

We have identified the valuation of the investment property portfolios to be a key audit matter due to valuation method being inherently judgmental because of the subjective inputs, across regions and the significance of the investment property portfolios to the Company and Group's total assets.

The disclosure associated with the valuation of investment properties is set out in the consolidated and separate annual financial statements in the following notes:

- Note 1.3 Fair value estimation
- Note 1.4 Investment property
- Note 3: Investment property
- Note 36: Fair value information

- We obtained an understanding of the valuation process and models used to determine the fair value of these investment property portfolios through discussion with the external independent valuation specialists and management.
- We evaluated the external valuation specialists' competence, capabilities, and objectivity with reference to their qualifications and industry experience.
- With the support of our internal valuation specialists, we:
 - Evaluated the appropriateness of the input data and assumptions used by the valuers, including current and projected rental income and expenses and occupancy rates by agreeing these to management's records, invoices received or other supporting documentation including:
 - key terms of lease agreements
 - rental income schedules
 - Independent macro-economic data
 - Evaluated the key assumptions used by the independent valuers against our own expectations using evidence from comparable market transactions, historical records, and approved budgets.
 - Assessed the appropriateness of the discount rates by evaluating these rates against risk free rates, adjustments for market and other risks in the different geographical areas, and rates applied by other entities in the same industry and geographical areas.
 - Considered the impact of volatile inflation and interest rates on the market related assumptions and inputs into the fair value models through discussion with both management and the valuation specialists.
- We assessed the adequacy of the disclosures included in the consolidated and separate financial statements relating to investment property and the fair value thereof against the requirements of IAS 40 – Investment Property and IFRS 13 Fair Value Measurement.



Other Information

The directors are responsible for the other information. The other information comprises the other information included in the 69-page document titled "Turnstar Holdings Limited Consolidated and Separate Annual Financial Statements for the year ended 31 January 2024" which includes the General Information, Directors' Responsibilities and Approval Statement and the Directors' Report, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01) and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group and Company's financial reporting processes.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

We communicate with the directors 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 directors 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, actions taken to eliminate threats or safeguards applied.

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

Ernst & Young
Firm of Certified Auditors
Practising member: Francois J Roos (CAP 0013 2024)

Gaborone

13 May 2024

Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

Statement of Financial Position as at 31 January 2024

Figures in Pula	Note(s)	Group			Company		
		2024	2023	2022	2024	2023	2022
			Restated *	Restated *		Restated *	Restated *
Assets							
Non-Current Assets							
Property, plant and equipment	4	1 861 600	1 928 866	1 383 514	265 357	268 782	265 277
Investment property	3	2 726 602 519	2 599 722 059	2 460 487 166	1 439 670 285	1 427 539 285	1 404 778 381
Goodwill	5	-	-	27 177 745	-	-	-
Investments in subsidiaries	6	-	-	-	541 529 229	541 529 229	541 529 229
Loans to group companies	7	-	-	-	173 439 532	190 863 452	210 790 566
Operating lease asset	9	21 309 510	15 096 830	15 695 913	13 829 715	10 939 748	12 597 000
		2 749 773 629	2 616 747 755	2 504 744 338	2 168 734 118	2 171 140 496	2 169 960 453
Current Assets							
Trade and other receivables	10	32 666 651	34 318 109	28 414 396	10 654 386	15 081 119	13 168 884
Operating lease asset	9	-	1 300 967	4 323 415	-	1 300 967	4 323 415
Current tax receivable		117 262	117 262	-	117 262	117 262	-
Cash and cash equivalents	11	27 098 773	9 542 151	14 208 533	17 344 362	3 892 636	9 388 408
		59 882 686	45 278 489	46 946 344	28 116 010	20 391 984	26 880 707
Total Assets		2 809 656 315	2 662 026 244	2 551 690 682	2 196 850 128	2 191 532 480	2 196 841 160
Equity and Liabilities							
Equity							
Stated capital and linked unit debentures	12	632 497 357	632 497 357	632 497 357	632 497 357	632 497 357	632 497 357
Foreign currency translation reserves		300 058 222	251 672 304	177 161 668	-	-	-
Retained income		990 117 373	951 598 387	934 821 243	911 728 260	919 150 106	908 132 054
		1 922 672 952	1 835 768 048	1 744 480 268	1 544 225 617	1 551 647 463	1 540 629 411
Liabilities							
Non-Current Liabilities							
Borrowings	13	290 000 000	503 568 944	498 566 484	290 000 000	503 568 944	498 566 484
Deferred tax	8	231 234 904	193 490 277	190 625 069	34 974 943	51 290 483	75 492 336
		521 234 904	697 059 221	689 191 553	324 974 943	554 859 427	574 058 820

Turnstar Holdings Limited

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Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

Statement of Financial Position as at 31 January 2024

Figures in Pula	Note(s)	Group				Company	
		2024	2023	2022	2024	2023	2022
			Restated *	Restated *		Restated *	Restated *
Current Liabilities							
Trade and other payables	14	57 582 521	51 585 909	47 334 089	19 483 630	7 412 524	11 468 157
Borrowings	13	304 656 118	26 546 603	67 118 511	304 656 118	26 546 603	67 118 511
Current tax payable		-	-	1 575 294	-	-	1 575 294
Unclaimed debenture interest and dividend		2 551 028	2 250 945	1 840 616	2 551 028	2 250 945	1 840 616
Bank overdraft	11	958 792	48 815 518	150 351	958 792	48 815 518	150 351
		365 748 459	129 198 975	118 018 861	327 649 568	85 025 590	82 152 929
Total Liabilities		886 983 363	826 258 196	807 210 414	652 624 511	639 885 017	656 211 749
Total Equity and Liabilities		2 809 656 315	2 662 026 244	2 551 690 682	2 196 850 128	2 191 532 480	2 196 841 160

Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

Statement of Profit or Loss and Other Comprehensive Income

Figures in Pula	Note(s)	Group		Company	
		2024	2023 Restated *	2024	2023 Restated *
Revenue	15	328 502 653	291 267 868	166 225 198	158 318 540
Other operating income	16	3 228 233	3 083 810	4 986 210	4 734 486
Other operating losses	17	(10 321 617)	(11 622 677)	(6 340 176)	(11 278 060)
Movement in credit loss allowances other receivables*	19	(7 778 447)	(4 136 575)	(10 592 833)	(1 169 972)
Goodwill impairment	5	-	(29 864 906)	-	-
Other operating expenses*	18	(147 780 682)	(136 867 929)	(85 208 990)	(80 684 140)
Dividend income	16	-	-	27 886 404	15 895 608
Operating profit	19	165 850 140	111 859 591	96 955 813	85 816 462
Finance income	20	662 286	16 074	20 582 677	17 018 901
Interest paid	22	(38 785 285)	(30 903 614)	(38 785 285)	(30 903 614)
Fair value adjustment	21	49 781 650	31 184 126	6 218 539	17 872 099
Profit before taxation		177 508 791	112 156 177	84 971 744	89 803 848
Taxation	23	(30 280 675)	7 608 618	16 315 540	24 201 853
Profit for the year		147 228 116	119 764 795	101 287 284	114 005 701
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		48 385 918	74 510 636	-	-
Other comprehensive income for the year net of taxation	24	48 385 918	74 510 636	-	-
Total comprehensive income for the year		195 614 034	194 275 431	101 287 284	114 005 701
Basic earnings per linked unit (in Pula)		0,26	0,21	0,18	0,20
Diluted earnings per linked unit (in Pula)		0,26	0,21	0,18	0,20

* In 2024 the movement in expected credit losses is presented as a separate line on the face. In 2023 this was included with "other operating expenses" as it was not previously material, 2023 has now been restated for comparability with 2024.

Turnstar Holdings Limited

(Registration number BW00000973397)
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

Statement of Changes in Equity

Figures in Pula	Share capital	Linked unit debentures	Total stated capital and linked unit debentures	Foreign currency translation reserve	Distribution to debenture holders	Fair value surplus*	Retained income *Restated	Total equity *Restated
Group								
Opening balance as previously reported	346 420 555	286 076 802	632 497 357	177 161 668	51 493 824	688 625 100	184 965 721	1 734 743 670
Adjustments	-	-	-	-	-	-	9 736 598	9 736 598
Prior period error	-	-	-	-	-	-	-	-
Restated* Balance at 01 February 2022	346 420 555	286 076 802	632 497 357	177 161 668	51 493 824	688 625 100	194 702 319	1 744 480 268
Profit for the year	-	-	-	-	-	-	119 764 795	119 764 795
Other comprehensive income	-	-	-	74 510 636	-	-	-	74 510 636
Total comprehensive income for the year	-	-	-	74 510 636	-	-	119 764 795	194 275 431
Fair value transferred (Turnstar Properties)	-	-	-	-	-	17 873 308	(17 873 308)	-
Fair value transferred (Mlimani Properties)	-	-	-	-	-	10 300 182	(10 300 182)	-
Fair value transferred (Palazzo Properties)	-	-	-	-	-	3 010 636	(3 010 636)	-
Final distribution to debenture holders 31 January 2022	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2022	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Proposed distribution to debenture holders	-	-	-	-	102 987 648	-	(102 987 648)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	31 184 126	(134 171 774)	(102 987 648)
Balance at 01 February 2023	346 420 555	286 076 802	632 497 357	251 672 304	51 493 824	719 809 226	180 295 337	1 835 768 048
Profit for the year	-	-	-	-	-	-	147 228 116	147 228 116
Other comprehensive income	-	-	-	48 385 918	-	-	-	48 385 918
Total comprehensive income for the year	-	-	-	48 385 918	-	-	147 228 116	195 614 034
Fair value transferred (Turnstar Properties)	-	-	-	-	-	6 218 539	(6 218 539)	-
Fair value transferred (Mlimani Properties)	-	-	-	-	-	42 602 573	(42 602 573)	-
Fair value transferred (Palazzo Properties)	-	-	-	-	-	960 538	(960 538)	-
Final distribution to debenture holders 31 January 2023	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2023	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Proposed distribution to debenture holders	-	-	-	-	114 430 612	-	(114 430 612)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	5 721 482	49 781 650	(164 212 262)	(108 709 130)
Balance at 31 January 2024	346 420 555	286 076 802	632 497 357	300 058 222	57 215 306	769 590 876	163 311 191	1 922 672 952
Note(s)	12	12	12	24	24		24	

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Statement of Changes in Equity

Figures in Pula	Share capital	Linked unit debentures	Total stated capital and linked unit debentures	Foreign currency translation reserve	Distribution to debenture holders	Fair value surplus*	Retained income *Restated	Total equity *Restated
Company								
Opening balance as previously reported	346 420 555	286 076 802	632 497 357	-	51 493 824	753 265 947	93 635 685	1 530 892 813
Adjustments	-	-	-	-	-	-	9 736 598	9 736 598
Prior period error	-	-	-	-	-	-	-	-
Restated* Balance at 01 February 2022	346 420 555	286 076 802	632 497 357	-	51 493 824	753 265 947	103 372 283	1 540 629 411
Profit for the year	-	-	-	-	-	-	114 005 701	114 005 701
Total comprehensive income for the year	-	-	-	-	-	-	114 005 701	114 005 701
Fair value surplus transferred	-	-	-	-	-	17 873 308	(17 873 308)	-
Final distribution to debenture holders 31 January 2022	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2022	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Proposed distribution to debenture holders	-	-	-	-	102 987 648	-	(102 987 648)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	17 873 308	(120 860 956)	(102 987 648)
Balance at 01 February 2023	346 420 555	286 076 802	632 497 357	-	51 493 824	771 139 255	96 517 027	1 551 647 463
Profit for the year	-	-	-	-	-	-	101 287 284	101 287 284
Total comprehensive income for the year	-	-	-	-	-	-	101 287 284	101 287 284
Fair value surplus transferred	-	-	-	-	-	6 218 539	(6 218 539)	-
Final distribution to debenture holders 31 January 2023	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2023	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Proposed distribution to debenture holders	-	-	-	-	114 430 612	-	(114 430 612)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	5 721 482	6 218 539	(120 649 151)	(108 709 130)
Balance at 31 January 2024	346 420 555	286 076 802	632 497 357	-	57 215 306	777 357 794	77 155 160	1 544 225 617
Note(s)	12	12	12	24	24		24	

*Fair value surplus is Non distributable reserve from valuation on investment properties, the reserve is created to separate fair value from retained earnings.

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Statement of Cash Flows

Figures in Pula	Note(s)	Group		Company	
		2024	2023	2024	2023
Cash flows from operating activities					
Cash (used in)/generated from operations	26	173 450 076	156 333 388	89 110 310	80 618 269
Interest income		662 286	16 074	20 582 677	17 018 901
Interest paid	22	(38 785 285)	(30 903 614)	(38 785 285)	(30 903 614)
Dividends paid	28	(108 709 130)	(102 987 648)	(108 709 130)	(102 987 648)
Tax paid	27	(3 115 818)	(3 467 744)	-	(1 692 556)
Net cash flows (used in)/generated from operating activities		23 502 129	18 990 456	(37 801 428)	(37 946 648)
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(291 937)	(931 961)	(103 509)	(102 124)
Purchase of investment property	3	(5 912 461)	(4 888 805)	(5 912 461)	(4 888 805)
Loans advanced to group companies - repayments received	7	-	-	29 123 829	39 382 269
Dividends received	16	-	-	27 886 404	15 895 608
Net cash flows (used in)/generated from investing activities		(6 204 398)	(5 820 766)	50 994 263	50 286 948
Cash flows from financing activities					
Proceeds from borrowings	13	60 174 271	-	60 174 271	-
Repayment of borrowings	13	(11 753 465)	(65 702 274)	(11 753 465)	(65 702 274)
Net cash flows (used in)/generated from financing activities		48 420 806	(65 702 274)	48 420 806	(65 702 274)
Total cash movement for the year		65 718 537	(52 532 584)	61 613 641	(53 361 974)
Cash at the beginning of the year		(39 273 367)	14 058 183	(44 922 882)	9 238 058
Effect of exchange rate movement on cash balances		(305 189)	(798 966)	(305 189)	(798 966)
Total cash at end of the year	11	26 139 981	(39 273 367)	16 385 570	(44 922 882)

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Accounting Policies

1. Significant accounting policies

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards. The consolidated and separate annual financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in the Group's functional currency, Botswana Pula.

These accounting policies are consistent with the previous period, except for the new standards and interpretations effective and adopted in the current year as set out in note 2.

1.1 Basis of preparation

The principal activities of the company and its subsidiaries include property investment spread across retail, commercial, residential and industrial sectors. The company is a Variable Loans Stock company listed on the Botswana Stock Exchange.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The Group financial statements consolidate those of the parent company and all of its subsidiaries as of 31 January 2024. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 January.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, if any, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Business combinations

The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not adjusted against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interest arising from a business combination is measured either at their share of the fair value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

In cases where the group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

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Accounting Policies

1.2 Consolidation (continued)

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the consolidated and separate annual financial statements, directors are required to make estimates and assumptions that affect the amounts represented in the consolidated and separate annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated and separate annual financial statements. Significant judgements include:

Trade receivables and other receivables

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

The Group assesses its Trade receivables and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for Trade receivables and other receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Fair value estimation

The carrying value less impairment provision of trade and other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The fair value of investment property is determined using discounted cash flow valuation and/or capitalisation approach (mainly on residential properties), using assumptions that are based on market conditions existing at the reporting date. The property's current retail rental rates are considered to be market related and it is assumed that the existing tenants will renew their leases on termination of the existing period. Key valuation parameters such as capitalisation rate, growth in market rental and discount rate are used to arrive at the fair value.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption by management may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and the assets.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and the assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including estimates, supply demand, together with economic factors such as exchange rates, inflation and interest rates.

Provisions

Provisions were raised and directors determine an estimate based on the information available.

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Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Contingent liabilities

Directors apply their judgement to facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. This judgement application is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

Useful life and residual value of plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in plant and equipment policy on the annual financial statements. These rates and residual lives of the assets are reviewed annually taking cognisance of the forecasted commercial and economic realities and through benchmarking of accounting treatments in the industry.

1.4 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Rental income and expenses from investment property are reported within revenue and operating expenses respectively, and are recognised in the statement of Profit and Loss and Other Comprehensive Income.

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Accounting Policies

1.4 Investment property (continued)

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

Investment property is a property held to earn rentals and/or for capital appreciation, and are subsequently accounted for using the fair value model.

Investment property is valued annually and are included in the statement of financial position at their open market values. These values are supported by market evidence and are determined by external professional valuers with sufficient experience with respect to both the location and the nature of the investment property.

If the fair value of investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

Any gain or loss resulting from either a change in the fair value or the sale of investment property is immediately recognised in profit or loss within change in the fair value of the investment property.

Fair value surplus

Fair value surplus recognised in the profit or loss statement are transferred from the retained income to the fair value surplus account, net of tax, within the equity, in order to monitor the fair value of each investment property. Any fair value deficit arising during the year which offsets previously recognised fair value surplus is transferred from the fair value surplus account to retained income, net of relevant tax. Upon derecognition of the asset the equity account gets cleared.

1.5 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate. Subsequently property, plant and equipment is measured at cost less accumulated depreciation and impairment.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Plant and machinery	Straight line	6-8 years
Furniture and fixtures	Straight line	8-10 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	8-10 years
IT equipment	Straight line	3-4 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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Accounting Policies

1.5 Property, plant and equipment (continued)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 Goodwill

Goodwill is initially measured at cost, being the excess of the cost of the business combination over Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Subsequently goodwill, acquired in a business combination is carried at cost less any accumulated impairment.

Goodwill is assessed at each reporting date for impairment.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is immediately recognised in the statement of Profit or loss and Other Comprehensive Income.

Internally generated goodwill is not recognised as an asset.

1.7 Investments in subsidiaries

In the company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company;

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

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Accounting Policies

1.8 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

Financial liabilities:

- Amortised cost

Note 35 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Loans receivable at amortised cost

Classification

Loans to group companies (note 7), are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the group becomes a party to the contractual provisions of the loan. The loans 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 loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss in finance income (note 20).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

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Accounting Policies

1.8 Financial instruments (continued)

Impairment

The group recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the group compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

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 counterparties 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.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the group has reasonable and supportable information that demonstrates otherwise.

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

The group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Definition of default

For purposes of internal credit risk management purposes, the group consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the group considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The group writes off a loan when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Loans written off may still be subject to enforcement activities under the group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

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Accounting Policies

1.8 Financial instruments (continued)

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and vice versa.

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through 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 19).

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the financial instruments and risk management (note 35).

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

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 (note 10).

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 on the principal outstanding, 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, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Pula equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in other operating gains (losses) (note 17).

Details of foreign currency risk exposure and the management thereof are provided in the trade and other receivables (note 10).

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 trade and other receivables 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.

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Accounting Policies

1.8 Financial instruments (continued)

Measurement and recognition of expected credit losses

The group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 10.

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 19).

Write off policy

The group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the group 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 trade and other receivables note (note 10) and the financial instruments and risk management note (note 35).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Borrowings and loans from related parties

Classification

Loans from group companies (note 7), are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the 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.

Interest expense, calculated on the effective interest method, is included in profit or loss in interest paid (note 22.)

Borrowings expose the group to liquidity risk and interest rate risk. Refer to note 35 for details of risk exposure and management thereof.

Loans denominated in foreign currencies

When borrowings are denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the Pula equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains (losses) (note 17).

Details of foreign currency risk exposure and the management thereof are provided in the specific loan notes and in the financial instruments and risk management (note 35).

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Accounting Policies

1.8 Financial instruments (continued)

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Trade and other payables

Classification

Trade and other payables (note 14), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

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 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.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in interest paid (note 22).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 35 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the Pula equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains (losses) (note 17).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management note (note 35).

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Any difference between the proceeds (net transaction cost) and settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with accounting policy for borrowing costs.

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Accounting Policies

1.8 Financial instruments (continued)

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 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.

Reclassification

Financial assets

The group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term. The difference between the amounts recognised as an income and the contractual receipts are recognised as an operating lease asset. This asset is not discounted.

Any contingent rent are recognised as and when it is determined and recognised on profit or loss.

Income for leases is disclosed under revenue in profit or loss.

Operating leases – lessee

Any contingent rents are expensed in the period they are incurred.

1.10 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

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Accounting Policies

1.10 Impairment of assets (continued)

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes, and is not larger than an operating segment as defined by paragraph 5 of IFRS 8 Operating Segments before aggregation.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation gain.

1.11 Stated capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.12 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.13 Revenue from agreements with customers and rental income

The group recognises revenue from the following major sources:

- Rental income recognised in terms of IFRS 16 from the investment properties and recoveries as per the terms of lease agreement.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

Interest income is recognised, in profit or loss, using the effective interest rate method. Services and recoveries are recognised in accounting period in which services are rendered.

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Notes to the Consolidated And Separate Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

International tax reform - Pillar two model rules - amendments to IAS 12

The amendments incorporate into IAS 12, taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. As an exception, deferred tax assets and liabilities shall not be recognised, nor information about them disclosed related to Pillar Two income taxes. Disclosures about applying this exception to deferred tax are required. Any current tax income or expense related to Pillar Two income taxes is required to be disclosed separately. In addition, where the legislation is enacted or substantively enacted, but not yet in effect, management are required to disclose known or reasonably estimable information of the entity's exposure to Pillar Two taxes arising from that legislation.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Initial application of IFRS 17 and IFRS 9 - Comparative information

A narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time. The amendment regards financial assets for which comparative information is presented on initial application of IFRS 17 and IFRS 9, but where this information has not been restated for IFRS 9. Under the amendment, an entity is permitted to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. The option is available on an instrument-by-instrument basis. In applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of IFRS 9.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction must not give rise to equal taxable and deductible temporary differences.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the consolidated and separate annual financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

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Notes to the Consolidated And Separate Annual Financial Statements

2. New Standards and Interpretations (continued)

Definition of accounting estimates: Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in consolidated and separate annual financial statements that are subject to measurement uncertainty."

The effective date of the amendment is for years beginning on or after 01 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Classification of Liabilities as Current or Non-Current - Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after 01 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

IFRS 17 Insurance Contracts

The IFRS establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

The effective date of the standard is for years beginning on or after 01 January 2023.

The group has adopted the amendment for the first time in the 2024 consolidated and separate annual financial statements.

The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 February 2024 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

The amendment will not have a material impact on the group's consolidated and separate annual financial statements.

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Notes to the Consolidated And Separate Annual Financial Statements

2. New Standards and Interpretations (continued)

Lack of exchangeability - amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendment is for years beginning on or after 01 January 2025.

The group expects to adopt the amendment for the first time in the 2026 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

Supplier finance arrangements - amendments to IAS 7 and IFRS 7

The amendment applies to circumstances where supplier finance arrangements exist. These are arrangements whereby finance providers pay the suppliers of the entity, thus providing the entity with extended payment terms or the suppliers with early payment terms. The entity then pays the finance providers based on their specific terms and conditions. The amendment requires the disclosure of information about supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows as well as on the entity's exposure to liquidity risk.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The group expects to adopt the amendment for the first time in the 2025 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

Non-current liabilities with covenants - amendments to IAS 1

The amendment applies to the classification of liabilities with loan covenants as current or non-current. If an entity has the right to defer settlement of a liability for at least twelve months after the reporting period, but subject to conditions, then the timing of the required conditions impacts whether the entity has a right to defer settlement. If the conditions must be complied with at or before the reporting date, then they affect whether the rights to defer settlement exists at reporting date. However, if the entity is only required to comply with the conditions after the reporting period, then the conditions do not affect whether the right to defer settlement exists at reporting date. If an entity classifies a liability as non-current when the conditions are only required to be met after the reporting period, then additional disclosures are required to enable the users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The group expects to adopt the amendment for the first time in the 2025 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The group expects to adopt the amendment for the first time in the 2025 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the group's consolidated and separate annual financial statements.

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Notes to the Consolidated And Separate Annual Financial Statements

3. Investment property

Group	2024	2023
	Cost / Valuation	Cost / Valuation
Investment property	2 726 602 519	2 599 722 059

Company	2024	2023
	Cost / Valuation	Cost / Valuation
Investment property	1 439 670 285	1 427 539 285

Reconciliation of investment property - Group - 2024

	Opening balance	Additions	Foreign exchange movements	Other changes, movements	Fair value adjustments	Total
Investment property	2 599 722 059	5 912 461	66 640 651	4 545 698	49 781 650	2 726 602 519

Reconciliation of investment property - Group - 2023

	Opening balance	Additions	Foreign exchange movements	Other changes, movements	Fair value adjustments	Total
Investment property	2 460 487 166	4 888 805	103 032 455	129 507	31 184 126	2 599 722 059

The group additions for both current year (P 5 912 461) and prior year (P 4 888 805) are made up of subsequent expenditures only.

Reconciliation of investment property - Company - 2024

	Opening balance	Additions	Fair value adjustments	Total
Investment property	1 427 539 285	5 912 461	6 218 539	1 439 670 285

Reconciliation of investment property - Company - 2023

	Opening balance	Additions	Fair value adjustments	Total
Investment property	1 404 778 381	4 888 805	17 872 099	1 427 539 285

The company additions for both current year (P 5 912 461) and prior year (P 4 888 805) are made up of subsequent expenditures only.

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Notes to the Consolidated And Separate Annual Financial Statements

Figures in Pula	Group		Company	
	2024	2023	2024	2023
3. Investment property (continued)				
Pledged as security				
Carrying value of assets pledged as security:				
Game City Shopping Centre, Portion 3 Forest farm	1 088 255 184	1 080 061 516	1 088 255 184	1 080 061 516
Nzano Shopping Centre, Lot 904 Francistown	188 544 836	188 461 431	188 544 836	188 461 431
Lot 6670, Supa Save Mall	55 486 213	52 963 780	55 486 213	52 963 780
Lot 1131-1137, Turnstar House, Main Mall Offices	41 029 550	40 508 830	41 029 550	40 508 830
Lot 13093 and 16398, Tapologo Estate, Gaborone	35 457 236	35 492 912	35 457 236	35 492 912
Lot 63 Commerce Park	19 125 957	18 415 926	19 125 957	18 415 926
Tribal Lot 1203, Mogoditshane Flats	11 771 310	11 634 890	11 771 310	11 634 890
	1 439 670 286	1 427 539 285	1 439 670 286	1 427 539 285

The property is pledged as security towards bank facilities as detailed in Note 13.

Details of property

Game City Shopping Centre

Forest Farm Hill LA 975 KO,
Notarial Lease with Roman Catholic Church
Lease from 1 April 2001 for 75 Years

- Cost of property	473 420 662	469 086 362	473 420 662	469 086 362
- Additions during the year	5 912 461	4 334 300	5 912 461	4 334 300
- Fair Value surplus (Net of straight lining adjustment)	608 922 061	606 640 854	608 922 061	606 640 854
	1 088 255 184	1 080 061 516	1 088 255 184	1 080 061 516

Nzano Shopping Centre

Lot 904, Francistown
Freehold

- Cost of property	43 064 398	42 509 893	43 064 398	42 509 893
- Additions since purchase or valuation	-	554 505	-	554 505
- Fair Value surplus (Net of straight lining adjustment)	145 480 438	145 397 033	145 480 438	145 397 033
	188 544 836	188 461 431	188 544 836	188 461 431

Supa Save Mall

Lot 6670, Mogoditshane
Leasehold
Lease from 12 January 1982 for 50 Years

- Cost of property	13 001 621	13 001 621	13 001 621	13 001 621
- Fair Value surplus (Net of straight lining adjustment)	42 484 592	39 962 159	42 484 592	39 962 159
	55 486 213	52 963 780	55 486 213	52 963 780

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Notes to the Consolidated And Separate Annual Financial Statements

Figures in Pula	Group		Company	
	2024	2023	2024	2023
3. Investment property (continued)				
Commerce Park				
Portion 63 Forest Hill, No. 9 KO				
Leasehold under a Notarial Deed of Cession and				
Delegation Lease from 04 February 1994 for 99				
Years				
- Cost of property	6 218 956	6 218 956	6 218 956	6 218 956
- Fair Value surplus (Net of straight lining adjustment)	12 907 001	12 196 970	12 907 001	12 196 970
	19 125 957	18 415 926	19 125 957	18 415 926
Turnstar House, Main Mall Offices				
Lot 1131-1137, Gaborone				
Fixed year state grant				
Lease from 15 December 1979 for 99 Years				
- Cost of property	36 006 666	36 006 666	36 006 666	36 006 666
- Fair Value adjustment (Net of straight lining adjustment)	5 022 884	4 502 164	5 022 884	4 502 164
	41 029 550	40 508 830	41 029 550	40 508 830
Tapologo Estates				
Lot 13093 and 16398, Gaborone Ext 40				
Fixed year state grant				
Lease from 1981 for 99 years				
- Cost of the property	9 466 456	9 466 456	9 466 456	9 466 456
- Fair Value surplus (Net of straight lining adjustment)	25 990 780	26 026 456	25 990 780	26 026 456
	35 457 236	35 492 912	35 457 236	35 492 912
Mogoditshane Town Houses				
Tribal Lot 1203, Mogoditshane				
Lease from 1990 for 99 years				
- Cost of the property	3 912 365	3 912 365	3 912 365	3 912 365
- Fair Value surplus (Net of straight lining adjustment)	7 858 945	7 722 525	7 858 945	7 722 525
	11 771 310	11 634 890	11 771 310	11 634 890
Properties not pledged as security				
Mlimani City				
Plot 2, Block L, situated in Ubungo, Dar es Salaam, Tanzania				
-Cost of property	1 128 574 075	1 059 085 465	-	-
- Fair Value surplus (Net of straight lining adjustment)	130 878 163	88 275 591	-	-
	1 259 452 238	1 147 361 056	-	-

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Figures in Pula	Group		Company	
	2024	2023	2024	2023
3. Investment property (continued)				
Palazzo Venezia Office Block				
Plot 8297, Suite 409, city tower . Al Majan, Wadi Al Safa 3 Dubai				
-Cost of property	96 275 730	94 577 992	-	-
- Fair Value loss (Net of straight lining adjustment) and including foreign exchange movements	(68 795 735)	(69 756 273)	-	-
	27 479 995	24 821 719	-	-

Turnstar Holdings Limited have occupied 650 sqm out of 63 670.74 sqm in Game City shopping complex, one of the properties for the purposes of centre management office and towards their administrative purposes. The owner occupied portion is not significant to the individual property or the portfolio of investments held by the Group and thus no transfer of the owner occupied portion has been made to property, plant and equipment.

Details of valuation

Turnstar Holdings Limited

The investment properties registered in the name of Turnstar Holdings Limited are as follows: Game City Shopping Centre (Portion 3 of Forest Farm), Nzano Shopping Centre (Lot 904 Francistown), Supa Save Mall (Lot 6670), Turnstar House (Lot 1131-1137, Main Mall offices), Tapologo Estate (Lot 13093 and 16398), Lot 63 Commerce Park, Mogoditshane Flats (Tribal Lot 1203). These properties were valued by an external valuer on 31 January 2024. The valuation was performed by valuer, Benedict Kgosilentswe of Riberry (Proprietary) Limited, [Benedict Kgosilentswe is a Registered member of Real Estate Institute of Botswana, Royal Institute of Chartered Surveyors and holds a BSc (Hons) in Estate Management] and has over 10 years of valuation experience. The management has assessed that these properties have been maintained in a reasonable state of repair and condition. The open market value of the properties has been arrived using discounted cash flow method which involved projecting income and expenditure for period of 5 years and discounting at a long term investment rate to arrive at net present value. The capitalisation rate used for the purposes of valuation varies from 7.75% to 9.5% for retail, commercial and residential properties. In view of the fact that the fair value of the asset was arrived at taking into account the present value of future revenues, the fair value gain was reduced by the operating lease asset amount in order to avoid over valuation.

Mlimani Holdings Limited

The Mlimani City (Plot 2, Block L, situated in Ubungo, Dar es Salaam, Tanzania) property is registered in the name of Mlimani Holdings Limited, a subsidiary company. The property was valued on 31 January 2024. The valuation was performed by valuer, Ms. Claire Everatt MRICS MIVSA Chartered Valuation Surveyor Eris Property Group, Claire Everatt is Registered member of Royal Institute of Chartered Surveyors and holds the appropriate qualifications and has more than 15 years of experience in the real estate sector. The management has assessed that these properties have been maintained in a reasonable state of repair and condition. The open market value of the properties has been arrived using discounted cash flow method which involved projecting income and expenditure for a period of 5 years and discounting at a long term investment rate to arrive at net present value. The capitalisation rate used for the purpose of valuation varies from 8.25% to 8.75% for retail, office park and conference centre.

Secured lease income was reflected with the underlying assumption that on expiry, a renewal would occur. However, on a vacancy occurring, there would be an interruption in the cash flow for that period to secure a new tenant. In view of the fact that the fair value of the asset was arrived at taking into account the present value of future revenues, the fair value was reduced by the operating lease asset amount in order to avoid over valuation.

Palazzo Venezia Holding Limited

The Palazzo Venezia Office Block property, registered in the name of Palazzo Venezia Holdings limited, subsidiary company was valued on 31 January 2024. The valuation was performed by Algem Hernandez, and has been reviewed by Jace Williams, head of valuations at CRC Valuations. The open market value of the properties has been arrived using discounted cash flow method which involved projecting income and expenditure for a period of 5 years and discounting at a long term investment rate to arrive at net present value. The capitalisation rate used for the purposes of valuation is 8% for the commercial property. In view of the fact that the fair value of the asset was arrived at taking into account the present value of future revenues, the fair value gain was reduced by the operating lease asset amount in order to avoid over valuation.

Valuations Assumptions:

The assumptions were based on current market conditions.

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	2024	2023	2024	2023

3. Investment property (continued)

A gain or loss arising from a change in fair value is included in the profit or loss for the period in which it arises.

Refer to note 36 for IFRS 13 disclosure for investment properties valued at fair value.

Amounts recognised in profit and loss for the year

Rental income from investment property	328 502 653	291 267 868	166 225 198	158 318 540
Direct operating expenses from rental generating property	(115 095 195)	(111 705 102)	(62 653 090)	(62 386 838)
	213 407 458	179 562 766	103 572 108	95 931 702

Adjusted valuations

The following valuations were adjusted for consolidated and separate annual financial statements purposes to avoid double counting:

Valuation as per financial statements

Fair value of investment property	2 747 912 028	2 616 119 856	1 453 500 000	1 439 780 000
Less: operating lease receivable	(21 309 509)	(16 397 797)	(13 829 715)	(12 240 716)
	2 726 602 519	2 599 722 059	1 439 670 285	1 427 539 284

4. Property, plant and equipment

Group	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Plant and machinery	7 484 124	(6 935 649)	548 475	6 962 051	(6 478 662)	483 389
Furniture and fixtures	6 413 438	(5 452 647)	960 791	6 018 240	(4 956 747)	1 061 493
Motor vehicles	231 835	(231 835)	-	231 835	(231 835)	-
Office equipment	162 239	(159 588)	2 651	154 350	(151 101)	3 249
IT equipment	3 963 613	(3 613 930)	349 683	3 801 799	(3 421 064)	380 735
Total	18 255 249	(16 393 649)	1 861 600	17 168 275	(15 239 409)	1 928 866

Company	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Plant and machinery	237 439	(237 439)	-	237 439	(237 439)	-
Furniture and fixtures	1 242 266	(1 118 413)	123 853	1 206 735	(1 096 340)	110 395
Motor vehicles	231 835	(231 835)	-	231 835	(231 835)	-
Office equipment	25 218	(22 568)	2 650	25 218	(21 969)	3 249
IT equipment	2 550 182	(2 411 328)	138 854	2 482 207	(2 327 069)	155 138
Total	4 286 940	(4 021 583)	265 357	4 183 434	(3 914 652)	268 782

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2024

	Opening balance	Additions	Foreign exchange movements	Depreciation	Total
Plant and machinery	483 389	111 273	29 529	(75 716)	548 475
Furniture and fixtures	1 061 493	99 460	64 274	(264 436)	960 791
Office equipment	3 249	13 227	-	(13 825)	2 651
IT equipment	380 735	67 977	13 799	(112 828)	349 683
	1 928 866	291 937	107 602	(466 805)	1 861 600

Reconciliation of property, plant and equipment - Group - 2023

	Opening balance	Additions	Foreign exchange movements	Depreciation	Total
Plant and machinery	88 263	519 399	8 927	(133 200)	483 389
Furniture and fixtures	1 080 481	142 599	93 655	(255 242)	1 061 493
Office equipment	6 370	-	249	(3 370)	3 249
IT equipment	208 400	269 963	6 283	(103 911)	380 735
	1 383 514	931 961	109 114	(495 723)	1 928 866

Reconciliation of property, plant and equipment - Company - 2024

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	110 395	35 532	(22 074)	123 853
Office equipment	3 249	-	(599)	2 650
IT equipment	155 138	67 977	(84 261)	138 854
	268 782	103 509	(106 934)	265 357

Reconciliation of property, plant and equipment - Company - 2023

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	133 256	-	(22 861)	110 395
Office equipment	3 849	-	(600)	3 249
IT equipment	128 172	102 124	(75 158)	155 138
	265 277	102 124	(98 619)	268 782

5. Goodwill

Group	2024			2023		
	Cost	Accumulated impairment	Carrying value	Cost	Accumulated impairment	Carrying value
Goodwill	-	-	-	29 864 906	(29 864 906)	-

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5. Goodwill (continued)

Reconciliation of goodwill - Group - 2023

	Opening balance	Foreign exchange movements	Impairment loss	Total
Goodwill	27 177 745	2 687 161	(29 864 906)	-

The goodwill of USD 6 146 170 (P 74 923 279) (2023: USD 6 146 170(P 70 001 170) arising from acquisition of subsidiary, is attributable to acquired investment property from combining the operations of the company with Island View (Proprietary) Limited and Mlimani Holdings Limited. Goodwill recognised is not expected to be deductible for income tax purposes. Goodwill has been converted to functional currency of the group at closing exchange rate prevailing at the end of reporting period, as per IAS 21.47.

Impairment assessment on carrying value of goodwill

The group has allocated the carrying value of goodwill reported at P29 864 906 (USD 2 386 206) to the subsidiary, Mlimani Holdings Limited. This subsidiary is the cash generating unit. For purposes of testing impairment on the carrying value of goodwill, the group has considered 5 year budgeted cash flow projections of the subsidiary's operations to determine the value in use. These future cash flow projections are prepared in functional currency of the subsidiary (United States Dollar). As a result of the assessment, management decided to recognise an impairment charge against the carrying amount of the entire goodwill in the entity, which was previously measured at P29 864 906. This was following management taking note that the goodwill that was in place was recognised when the underlying entity in Tanzania was acquired in 2012 and although the forecast cashflows shows improvement in operation high discount rates significantly reduces the underlying asset

The following are the key assumptions used in determining the value in use:

- Rental income has been assumed to grow at a rate of 2% per annum, based on the contracted lease agreements with the tenants.
- Operating expenses has been assumed to grow at 3-4%, based on the inflation rate
- The management has considered a pre-tax cost of capital rate of 11.5%. This discount rate is based on cost of capital for borrowings obtained by the company from its shareholders.

In the year ended 31 January 2023 Goodwill was impaired by 29,864,906 to a closing balance of zero. As at 31 January 2024 the group does not have any remaining Goodwill.

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	2024	2023	2024	2023

6. Investments in subsidiaries

Group

Name of the subsidiary	Country of incorporation and principal of business	Principal activity	Proportion of ownership interests held by the Group at year end 2022	Proportion of ownership interests held by the Group at year end 2021
Mlimani Holdings Limited	Tanzania	Property Investment	99.99%	99.99%
Palazzo Venezia Holdings Limited	Dubai	Property Investment	100%	100%
Turnstar Investment Limited	Dubai	Investment	100%	100%
Island View (Proprietary) Limited	Botswana	Investment	100%	100%

Company

Set out below are the details of the subsidiaries held directly by the company:

Name of company	Held by	Carrying amount 2024	Carrying amount 2023
Island View (Proprietary) Limited (Botswana)		521 713 944	521 713 944
Turnstar Investment Limited (Dubai)		19 815 285	19 815 285
		541 529 229	541 529 229

Turnstar Holdings Limited holds 100% shares in Island View (Proprietary) Limited. Island View (Proprietary) Limited holds 99.99% of Mlimani Holdings Limited with Turnstar Holdings Limited directly holding 0.01%.

Turnstar Holdings Limited holds 100% shares in Turnstar Investment Dubai which in turn holds 100% shares in Palazzo Venezia Holdings Limited.

7. Loans to group companies

Subsidiaries

Mlimani Holdings Limited	-	-	173 439 532	190 863 452
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The balance of the loan to Mlimani Holdings Limited as at 31st January 2024 was USD 12 713 118 (2023: USD 14 849 176). The company has signed a loan agreement with Mlimani to finance construction of phase II. The loan is unsecured, repayable by the subsidiary 12 months subsequent to the year end, in 60 equal monthly installments. Interest is payable each month at 5.5% per annum (and the benchmark is 3 months USD LIBOR) will be charged on loan outstanding balance. Loan repayment started in February 2021.

Libor is being phase out, the company has entered into negotiations with the bank to identify an alternative rate and preliminary discussions indicated that no significant change in the interest rate is expected as well as the expected date on which the negotiations will be concluded. Once the negotiations are concluded, the new rate will be used to replace Libor. The original loan amount was USD 25 million.

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8. Deferred tax

Deferred tax liability

	2024	Group 2023 restated*	2022 restated*	2024	Company 2023 restated*	2022 restated*
Deferred tax on asset/(liability) on capital allowances	(435 056 653)	(396 867 922)	(359 291 903)	(36 122 817)	(34 066 405)	(32 130 343)
Exchange rate	24 091 562	22 763 865	21 940 819	24 091 562	22 763 865	21 940 819
Retentions	112 096	113 312	111 582	112 096	113 312	111 582
Provision for bad and doubtful debts as per balance sheet	839 309	687 569	608 336	839 309	687 569	608 336
Lease smoothening	(3 175 557)	(2 692 957)	(3 722 491)	(3 175 557)	(2 692 957)	(3 722 491)
Loss on current year	219 877 588	232 087 915	216 713 062	17 203 713	11 486 192	4 684 235
Capital gains tax	(37 923 249)	(49 582 059)	(66 984 474)	(37 923 249)	(49 582 059)	(66 984 474)
Total net deferred tax liability	(231 234 904)	(193 490 277)	(190 625 069)	(34 974 943)	(51 290 483)	(75 492 336)

*Please refer to note 38 prior period error

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8. Deferred tax (continued)

Reconciliation of deferred tax asset / (liability)

	2024	Group 2023 restated*	2022 restated*	2024	Company 2023 restated*	2022 restated*
At beginning of year	(193 490 277)	(190 625 069)	(181 887 923)	(51 290 483)	(75 492 336)	(89 319 296)
Increases (decrease) in tax loss available for set off against future taxable income	15 851 162	8 801 956	10 545 376	5 717 521	6 801 956	3 776 144
Increases (decrease) in capital allowance	(66 250 220)	(31 003 123)	(31 147 182)	(2 056 412)	(1 936 062)	(1 813 844)
Taxable / (deductible) temporary difference in bad debts provision	151 740	1 029 534	(145 797)	151 740	1 029 534	145 797
Taxable / (deductible) temporary difference on lease smoothing	(482 599)	79 232	663 644	(482 599)	79 232	663 644
Taxable / (deductible) temporary difference on exchange gains (loss)	1 325 265	822 996	3 283 208	1 325 265	823 046	3 283 208
Taxable / (deductible) temporary difference movement capital gains	11 658 809	17 402 418	7 951 775	11 658 809	17 402 418	7 951 775
Taxable / (deductible) temporary difference retentions	1 216	1 779	115 882	1 216	1 729	115 582
	(231 234 904)	(193 490 277)	(190 625 069)	(34 974 943)	(51 290 483)	(75 492 336)

*Please refer to note 38 prior period error

Carry forward tax losses

No provision for current taxation has been made, the company has assessed carry forward tax losses. Turnstar Botswana is taxed at 22% and the loss relating to it is P 17 203 713 (2023: P 11 486 192) and Mlimani is taxed at 30% and the loss relating to that is P 141 678 892 (2023: P 22 507 644). The estimated tax loss available for set off against future taxable income as at 31 January 2024 was P 78 198 696 (2023: P 179 877 952) and this relate to Turnstar Botswana only.

Deferred tax on investment property held by Mlimani Holdings Limited is calculated based on the fair value of investment property at the year end, less the cost of investment property and the profits earned up to the year end as required by the Income Tax Act of Tanzania.

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	2024	2023	2024	2023
9. Lease asset (accrual)				
Non-current assets	21 309 510	15 096 830	13 829 715	10 939 748
Current assets	-	1 300 967	-	1 300 967
	21 309 510	16 397 797	13 829 715	12 240 715

Lease assets relate to the impact on straight lining of leases. This relates to the difference between the contractual rentals over the period of lease against the actual rentals charged during the year. The group leases investment properties, with average lease years between 1 to 5 years with exception of a few leases, which are between 10 to 25 years. Average annual escalation on these leases is 3%-8%.

10. Trade and other receivables

Financial instruments:				
Trade receivables	25 159 441	28 528 073	8 828 299	10 624 606
Accrued income	3 984 236	3 599 943	3 984 236	3 599 943
Loss allowance	(8 792 153)	(7 687 054)	(3 815 041)	(3 125 313)
Trade receivables at amortised cost	20 351 524	24 440 962	8 997 494	11 099 236
Deposits	1 777 949	1 675 589	-	-
Other receivables	441 051	509 422	730 445	3 283 064
Non-financial instruments:				
Tax receivable	7 180 340	4 701 033	-	-
Value Added Tax	1 514 929	1 749 177	-	-
Employee costs in advance	-	112 641	-	-
Prepayments	1 400 858	1 129 285	926 447	698 819
Total trade and other receivables	32 666 651	34 318 109	10 654 386	15 081 119

Included in Trade receivables for the Company are management fees of P3 265 873 (2024) P2 800 980 (2023)

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	29 750 864	31 327 006	9 727 939	14 382 300
Non-financial instruments	2 915 787	2 991 103	926 447	698 819
	32 666 651	34 318 109	10 654 386	15 081 119

Trade and other receivables pledged as security

Included under trade and other receivables are dues from tenants relating to Mlimani Holdings Limited and Game City Shopping Centre which have been pledged as security for borrowings from Barclays Bank Botswana Limited, refer to note 13.

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the group only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Trade receivables comprise of tenants from retail, commercial and residential properties. The tenants are spread across different properties with no specific significant concentration of credit risk to a group of tenants.

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	2024	2023	2024	2023

10. Trade and other receivables (continued)

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The expected credit loss as a percentage of gross carrying value of trade receivables increased from 2023 to 2024. Although the trade receivables balance reduced, credit losses provision increased slightly due to increase in value of the >120 days bracket. The loss allowance provision is determined as follows:

Group	2024	2024	2023	2023
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Less than 30 days past due:	8 183 999	164 245	8 854 542	11 569
31 - 60 days past due:	4 989 063	121 278	2 938 059	178 739
61 - 90 days past due:	2 764 267	109 936	3 478 452	772 823
91 - 120 days past due:	1 795 209	969 791	3 676 985	801 840
More than 120 days past due:	7 426 903	7 426 903	9 580 035	5 922 083
Total	25 159 441	8 792 153	28 528 073	7 687 054
Company	2024	2024	2023	2023
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Less than 30 days past due:	4 619 229	108 173	5 224 034	11 569
31 - 60 days past due:	366 195	56 333	1 078 497	17 408
61 - 90 days past due:	159 938	53 469	973 762	439 631
91 - 120 days past due:	203 580	117 709	328 747	314 858
More than 120 days past due:)	3 479 357	3 479 357	3 019 566	2 341 847
Total	8 828 299	3 815 041	10 624 606	3 125 313

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

Opening balance in accordance with IFRS 9	(7 687 054)	(7 494 193)	(3 125 313)	(2 317 361)
Provision raised on new trade receivables	(567 676)	(192 861)	(689 728)	(807 952)
Closing balance	(8 254 730)	(7 687 054)	(3 815 041)	(3 125 313)

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

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	2024	2023	2024	2023
11. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand	7 014	60 009	3 403	3 403
Bank balances	27 091 759	9 423 156	17 340 959	3 830 247
Short-term deposits	-	58 986	-	58 986
Bank overdraft	(958 792)	(48 815 518)	(958 792)	(48 815 518)
	26 139 981	(39 273 367)	16 385 570	(44 922 882)
Current assets	27 098 773	9 542 151	17 344 362	3 892 636
Current liabilities	(958 792)	(48 815 518)	(958 792)	(48 815 518)
	26 139 981	(39 273 367)	16 385 570	(44 922 882)

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recognised at fair value and subsequently measured at amortised cost.

Overdraft

The group has available overdraft facility of P 25 million (2023: P 55 million) at interest rate equal to bank's prime lending rate (currently at 6.51% per annum).

The above facility is secured by:

1) First covering mortgage bond of P250 million (Two Hundred and Fifty Million Pula) (plus 20% contingency costs) Lease Area 975-KO on Portion 3 of Farm Forest Hill No. 9-KO (Game City Mall) over the notarial executed land lease agreement with respect to Notarial Deed of Lease No. MA 225/03 dated 10th October 2003. The security also relate to borrowings.

2) Second covering mortgage bond of P40million (Forty Million Pula) (plus 20% contingency costs) over the notarially registered Lease Area 975-KO on Portion 3 of Farm Forest Hill No. 9-KO (Game City Mall) over the notarial executed land lease agreement with respect to Notarial Deed of Lease No. MA 225/03 dated 10th October 2003.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings or historical information about counterparty default rates: The banks in Botswana, Dubai and Tanzania are not rated, but are subsidiaries of rated banks in South Africa and the United Kingdom.

12. Share capital and linked unit debentures

Authorised				
572,153,603 Ordinary shares of no par value	572 153 603	572 153 606	572 153 603	572 153 603
Reconciliation of number of shares issued:				
Reported as at 01 February 2023	572 153 603	572 153 603	572 153 603	572 153 603
Issued				
Stated Capital - 572 153 603 (2023: 572 153 603)	349 185 538	349 185 538	349 185 538	349 185 538
Ordinary shares of no par value				
Share issue costs written off against stated capital	(2 764 983)	(2 764 983)	(2 764 983)	(2 764 983)
Linked unit debentures - 572 153 603 (2023: 572 153 603) Linked unit debentures of 50 thebe each	286 076 802	286 076 802	286 076 802	286 076 802
	632 497 357	632 497 357	632 497 357	632 497 357

The debentures carry interest at a rate which is linked to the dividend declared on the ordinary shares, and it becomes payable upon declaration of dividends on shares.

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	2024	2023	2024	2023
12. Share capital and linked unit debentures (continued)				
Linked unit debentures are redeemable subject to approval of shareholders by a special resolution and with written consent of the creditors of the company.				
For the purposes of IFRS classification, they are thus seen as being non-redeemables and thus classified as equity in their entity.				
13. Borrowings				
Held at amortised cost				
Secured				
First National Bank of Botswana Limited	290 000 000	241 579 194	290 000 000	241 579 194
The loan is approved for P 300 million, P 100 million towards refinancing the property, Game City Mall, and P 200 million for the redevelopment of Game City Mall, known as Phase 4 redevelopment. The loan is repayable in 120 months; 1 to 60 months interest only, 61 to 120 months interest plus principal and a final bullet payment of P 185 million. The Interest rate is set at prime less 1.8% per annum. The lender will review the bullet payment at the time in order to refinance the facility through an amortising debt facility for a further term				
. The security also relate to overdraft facility.				
Absa Bank	306 616 644	288 881 748	306 616 644	288 881 748
Terms and conditions				
Arrangement fees	(1 960 526)	(345 395)	(1 960 526)	(345 395)
Term loan with sanctioned amount of USD 35 million was restructured during the year ended 31 January 2019 and new loan agreement was entered for USD 31.5 million with interest set at 3 months USD LIBOR plus 3.75% calculated on a 365 day basis. The loan is repayable in 24 equal monthly capital installments of USD 125 000 with first payment schedule 31 October 2018 . 6 months capital moratorium from 1 April 2020 to 30 September 2020 . Thereafter, 24 equal monthly capital payments of USD 150 000 from 31 October 2020, once off capital payment of USD 2 million on 30 September 2022. Thereafter, 24 equal monthly capital payments of USD 175 000, and the final bullet payment of USD 18.45 million on 30 September 2024. In November 2022, the loan was re negotiated, The new terms of the loan are USD 22 475 000 loan with interest payment only until September 2024, when new new terms of the loan will be re- negotiated. The amended interest is Botswana prime (currently 6.51). Post year ended the loan is being renegotiated to an interest loan for 4 years. The new terms will be concluded by June 2024.				
Unsecured				
	594 656 118	530 115 547	594 656 118	530 115 547

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Figures in Pula	Group		Company	
	2024	2023	2024	2023

13. Borrowings (continued)

Reconciliation of borrowings - Group - 2024

	Opening balance	Additions	Repayments	Foreign exchange movements	Total
First National Bank of Botswana Limited	241 579 194	60 174 271	(11 753 465)	-	290 000 000
ABSA Bank Botswana Limited	288 536 353	-	-	16 119 765	304 656 118
	530 115 547	60 174 271	(11 753 465)	16 119 765	594 656 118

Reconciliation of borrowings - Group - 2023

	Opening balance	Repayments	Foreign exchange movements	Total
First National Bank of Botswana Limited	263 888 577	(22 309 383)	-	241 579 194
ABSA Bank Botswana Limited	301 796 418	(43 392 891)	30 132 826	288 536 353
	565 684 995	(65 702 274)	30 132 826	530 115 547

Reconciliation of borrowings - Company - 2024

	Opening balance	Additions	Repayments	Foreign exchange movements	Total
First National Bank of Botswana Limited	241 579 194	60 174 271	(11 753 465)	-	290 000 000
ABSA Bank Botswana Limited	288 536 353	-	-	16 119 765	304 656 118
	530 115 547	60 174 271	(11 753 465)	16 119 765	594 656 118

Reconciliation of borrowings - Company - 2023

	Opening balance	Repayments	Foreign exchange movements	Total
First National Bank of Botswana Limited	263 888 577	(22 309 383)	-	241 579 194
ABSA Bank Botswana Limited	301 796 418	(43 392 891)	30 132 826	288 536 353
	565 684 995	(65 702 274)	30 132 826	530 115 547

First National Bank Botswana Limited

Financial covenants that shall be maintained in accordance with the agreement with First National Bank Botswana Limited Loan facility for P 300 million

- Minimum interest cover ratio of 2 times for company
- A minimum debt Service ratio of 6 times for company
- A minimum loan to value ratio of 50% will apply to the secured property
- A maximum group borrowing gearing ratio of 55%
- Minimum group borrowings interest cover ratio of 3 times
- A minimum group borrower net asset value of P 600 million.

Security held by First National Bank Botswana Limited

- A first covering mortgage bond in favour of RMB over secured property (Game City) for a total of P 250 million plus an additional 20% towards the costs and contingencies
- Second covering mortgage bond in favour of RMB for P40m over the notarially registered land leases for a total of P250m plus an additional 20% provided thereon as a provision for costs and contingencies

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13. Borrowings (continued)

- Noting of the interest of First National Bank Limited as mortgage on the building insurance policy.
- Subordination of any shareholder loans and claims in the borrower.
- Subordination of debentures of Turnstar Holdings Limited.
- Cession of all leases, insurance policies and proceeds in respect of the secured property. The secured property is to be insured for its full replacement value (agreed by the Bank) and loss of rental insurance. The bank's interest to be noted in the insurance policy.
- A guarantee from Turnstar Holdings Limited and a guarantee from other subsidiaries of Turnstar Holdings Limited, for the obligations of the borrower, and
- Cession of bank accounts to be opened with First National Bank Botswana Limited

ABSA Bank Botswana Limited (Formerly was Barclays Bank of Botswana Limited)

Loan from ABSA Bank Botswana Limited

Financial Covenants:

The financial covenants that shall be maintained in accordance with the agreement are

- EBITDA of the borrower for each measurement period must exceed 1.2 times aggregate of capital repayments and net of financing costs for such measurement period on a rolling basis (Corporate Debt Service Cover Ratio)
- EBITDA of the borrower for each measurement period must exceed net financing costs for such measurement period on a rolling basis (Corporate Interest Cover Ratio) as follows;
Years 1 to 2 (31 January 2019 to 31 January 2020): 2.5X
Years 3 to 4 (31 January 2021 to 31 January 2022): 2.7X
Years 5 to 6 (31 January 2023 to 31 January 2024): 3.0X
- Net Interest bearing borrowings of the borrower at the end of each measurement period shall not at any time exceed 50% of the aggregate value of Investment Properties(Corporate Loan to Loan Value).
- EBITDA of the guarantor for each measurement period must exceed 2.5 times net financing costs of the facility for such measurement period on a rolling basis (transactional interest cover ratio) as follows;
Years 1 (31 January 2019) : 2.7X
Years 2 to 6 (31 January 2020 to 31 January 2024) :3.00X
- Net Asset Value of the borrower must exceed BWP 500 000 000 (Five Hundred Million Pula) for each measurement period (Corporate Minimum Net Asset Value).
- At any time, vacancies at Plot No. 2, Block L, Ubungu Area, Kinondoni Municipality, Dar Es Salaam Tanzania, otherwise known as Mlimani City will not exceed the following:
Retail Mall: 5% of the gross lettable area
Office Blocks: 69% of the gross lettable area
Residential Units: 17 Units
Conference Centre: Minimum Gross Annual Income of USD 500,000 (Five Hundred Thousand United States Dollars) (transactional vacancy cover ratio).
- Net interest bearing borrowings of the Borrower at the end of the measurement period shall not at any time exceed 50% of the aggregate value of Investment Properties.
- Net interest bearing borrowings of the Borrower in respect of the Facility at the end of each measurement period shall not exceed the aggregate values of the mortgaged properties by the following margins for such measurement periods.
- 31st January 2019: 140%
- 31st January 2020: 130%
- 31st January 2021: 125%
- 31st January 2022: 110%
- 31st January 2023: 106%
- 31st January 2024: 106%
- 30th September 2024: 106%

Special Conditions

Payment to the Bank of Rental income

The Borrower shall continue to maintain accounts with the Bank for the sole and dedicated purpose of receiving all rental income which may accrue to it in respect of Plot No. 2, Block L, Ubungu Area Kinondoni Municipality, Dar Es Salaam, Tanzania, otherwise known as Mlimani City.

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13. Borrowings (continued)

Security held

Part A - Existing Security

- 1st covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 1 514 285 (One Million Five Hundred and Fourteen Thousand and Two Hundred and Eighty Five United States Dollars) over portion 63, a portion of portion 35 (a portion of portion 3) of the Farm Forest Hill No 9-KO.
- 1st covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 2 171 428 (Two Million One Hundred and Seventy One Thousand Four Hundred and Twenty Eight United States Dollars) over Lot 13093 and 16398 Gaborone.
- 1st covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 971 428 (Nine Hundred and Seventy One Four Hundred and Twenty Eight United States Dollars) over Lot 1203 Mogoditshane.
- 1st covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 2 351 428 (Two Million Three Hundred and Fifty One Thousand Four Hundred and Twenty Eight United States Dollars) over Lot 6670 Mogoditshane.
- 1st covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 9 628 571 (Nine Million Six Hundred and Twenty Eight Thousand Five Hundred and Seventy One United States Dollars) over Lot 904 Francistown.
- Deed of Cession over Rentals in the AN Unlimited amount of Rentals of Plot 2 Block L Ubungu Area, Kinondini Municipality Dar Es Salaam Tanzania
- Corporate Guarantees from Mlimani Holdings Limited and Island View (Pty) Ltd for an Unlimited Amount in favour of the bank.
- Pledge of shares held in Mlimani Holdings Limited and Island View (Pty) Ltd in the name of the Borrower in an Unlimited Amount.
- Assignment of the Borrower's rights and interests under the debenture agreement dated 26 Aug 2011 (As amended, varied and restated from time to time) between the borrower and the Mlimani Holdings Limited.
- 2nd covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 3 460 937 (Three Million Four Hundred and Sixty Thousand Nine Hundred and Thirty Seven United States Dollars) over Plot Number 904 Francistown.
- 2nd covering mortgage bond passed by Turnstar Holdings Limited in favour of the bank in the amount of USD 824 702 (Eight Hundred and Twenty Four Thousand Seven Hundred and Two United States Dollars) over Plot Number 6670 Mogoditshane.

Part B - New Security

- First covering mortgage bond in the amount of USD 3 500 000 (Three million five hundred thousand United States Dollars) over Lot number 1131 to 1137 Gaborone

Exposure to currency risk

Pula amount

Borrowings USD 22,475,000 (2023: USD 22,475,000)	304 656 118	288 536 353	304 656 118	288 536 353
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Figures in Pula	Group		Company	
	2024	2023	2024	2023
14. Trade and other payables				
Financial instruments:				
Trade payables	8 464 563	11 036 898	5 295 636	(2 880 347)
Retention payable	10 619 840	10 038 487	509 528	515 053
Accrued leave pay	1 005 310	1 061 498	1 005 310	1 061 498
Other accrued expenses	2 996 341	2 459 924	2 655 832	2 021 787
Deposits received	15 843 642	15 939 035	5 088 084	4 753 938
Other payables	2 498 904	1 922 949	926 324	887 158
Non-financial instruments:				
Amounts received in advance	14 270 928	8 024 780	2 777 311	-
Withholding tax payable	781 338	175 849	123 950	126 948
Value added tax	1 101 655	926 489	1 101 655	926 489
	57 582 521	51 585 909	19 483 630	7 412 524

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

15. Revenue

Revenue from leases with customers

Rental income	264 636 945	241 308 089	136 979 670	134 985 777
Turnover rent	836 560	868 570	836 560	868 570
Straight line adjustments	4 695 579	(3 757 978)	1 589 000	(4 680 910)
Recoveries	58 333 569	52 849 187	26 819 968	27 145 103
	328 502 653	291 267 868	166 225 198	158 318 540

Rental income has been recognised in terms of IFRS 16 on a straight line basis:

Rental income ceded as security for loan availed from Absa Bank of Botswana Limited and First National Bank of Botswana Limited as stated in note 13.

The security is a deed of cession over rentals for an unlimited amount of all rentals which may accrue from any and all tenants of plot No. 2, Block I, Ubungo Area, Kinondoni Municipality, Dar es Salaam, Tanzania otherwise know as Mlimani City.

16. Other operating income

Administration and management fees received	-	-	3 265 873	2 800 980
Other rental income	107 983	-	-	-
Bad debts recovered	-	860	-	860
Other recoveries	1 720 337	1 932 646	1 720 337	1 932 646
Dividend income	-	-	27 886 404	15 895 608
Advertising & Promotions	1 399 913	1 150 304	-	-
	3 228 233	3 083 810	32 872 614	20 630 094

17. Other operating gains (losses)

Foreign exchange gains (losses)

Net foreign exchange gains/(losses)	3	(10 321 617)	(11 622 677)	(6 340 176)	(11 279 269)
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Figures in Pula	Group		Company	
	2024	2023	2024	2023
18. Other operating expenses				
Cleaning	7 414 368	6 880 827	2 689 135	2 650 136
Insurance	1 842 876	1 589 044	1 452 607	1 332 504
Rent paid	31 180 032	29 108 857	18 982 057	18 751 397
Repairs and maintenance	16 792 860	15 149 278	7 610 450	7 068 561
Security	6 731 296	6 252 276	3 177 005	2 817 388
Municipal expenses	39 158 238	39 046 282	24 038 720	25 257 280
Consulting and professional fees	4 741 123	10 534 041	3 008 391	3 029 590
Others	20 236 962	11 435 609	9 241 517	6 704 827
Employee costs	19 216 122	16 375 992	14 902 174	12 973 838
Property, plant and equipment	466 805	495 723	106 934	98 619
	147 780 682	136 867 929	85 208 990	80 684 140
19. Operating profit				
Operating profit for the year is stated after charging the following, amongst others:				
Auditor's remuneration - external				
Audit fees	1 052 653	671 299	829 350	483 000
Leases				
Contingent rentals on operating leases				
Contingent amounts	31 180 032	29 108 857	18 982 057	18 751 397
Impairment losses				
Goodwill	-	29 864 906	-	-
Movement in credit loss allowances				
Trade and other receivables	7 778 447	4 136 575	10 592 833	1 169 972
20. Finance income				
Interest income				
Investments in financial assets:				
Bank and other cash	32 858	19	32 858	19
Debentures	-	-	19 920 391	17 002 827
Interest on money market placements	629 428	16 055	629 428	16 055
Total interest income	662 286	16 074	20 582 677	17 018 901
Interest income is calculated using the effective interest rate method. Total interest income for the company amounted to P 20,582,677 (2024), P 17 018,901 (2023), for the group is P 662,286 (2024), P 16,074 (2023),				
21. Fair value adjustment				
Fair value gains (losses)				
Investment property	3	49 781 650	6 218 539	17 872 099

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Figures in Pula	Group		Company	
	2024	2023	2024	2023
22. Interest paid				
Interest paid to Absa Bank of Botswana Limited	21 416 991	20 010 370	21 416 991	20 010 370
Interest paid to First National Bank Botswana	17 368 294	10 893 244	17 368 294	10 893 244
Total finance costs	38 785 285	30 903 614	38 785 285	30 903 614
23. Taxation				
Major components of the tax expense (income)				
Current				
Foreign withholding tax - current period	3 115 818	1 775 188	-	-
Deferred				
Originating and reversing temporary differences	27 164 857	(9 383 806)	(16 315 540)	(24 201 853)
	30 280 675	(7 608 618)	(16 315 540)	(24 201 853)
Reconciliation of the tax expense				
Reconciliation between applicable tax rate and average effective tax rate.				
Applicable tax rate	22,00 %	22,00 %	22,00 %	22,00 %
Items exempt for income tax	(49,00)%	(71,00)%	(81,00)%	(87,00)%
Capital gains tax	28,00 %	28,00 %	7,00 %	20,00 %
Tax on foreign dividends	16,00 %	14,00 %	33,00 %	18,00 %
	17,00 %	(7,00)%	(19,00)%	(27,00)%

No provision for tax had been made as the group has no taxable income due to tax losses available for set off in Botswana as well as tax incentives that is available in Tanzania for Mlimani Holdings Limited, as stated below. The estimated tax losses available for the company in Botswana available for set off against future taxable income is P 78 198 696 (2023: P52 209 693).

Mlimani holdings Limited has been granted strategic investors' status by the Government of Tanzania under which, Mlimani Holdings Limited will start paying corporation tax after recovery of its investment. The tax incentives granted by the Government of Tanzania to the subsidiary has remained in force through the reporting period.

Turnstar Investments Limited based in Jebel Ali Free Zone, Dubai- United Arab Emirates was incorporated as an Offshore Company and is registered with Jebel Ali Free Zone Authority (JAFZA), Government of Dubai, Dubai - United Arab Emirates. The company is not subject to any corporate income taxes during its reporting period.

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Figures in Pula	Group		Company	
	2024	2023	2024	2023

24. Other comprehensive income

Components of other comprehensive income - Group - 2024

	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	48 385 918	-	48 385 918

Components of other comprehensive income - Group - 2023

	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	74 510 636	-	74 510 636

25. Operating lease arrangements

Operating leases as lessor

Property rental income earned during the year is set out in note 15. At the reporting date, the group had contracted with its tenants for the following future minimum contractual lease payments:-

Rental income				
Not more than one year	217 884 406	178 485 579	122 414 819	93 843 940
Later than one year and not later than five years	451 326 110	576 892 367	227 766 613	365 311 103
Later than five years	8 447 662	7 966 526	90 530	90 531
	677 658 178	763 344 472	350 271 962	459 245 574

Operating leases relate to various investment properties owned by the Group, average lease years between 1 to 5 years with the exception of a few leases, which are between 10 to 25 years. Average annual escalation on these leases are between 2 - 8%. Some of these leases have an option to renew for further years, at market related rates, at the time of such renewal. The lessees do not have an option to purchase the property at the expiry of the lease year.

Two of the leases have contingent rent option and accordingly an amount of P 836 560 (2023: P 868 570) is recognised in the Statement of Profit and Loss and Other Comprehensive Income as contingent rent income.

Operating leases as lessee

Turnstar Holdings Limited

One of the leases for a land is held under a 75 year lease commencing from 1 April 2001 expiring on 31 March 2076. Upon expiry of the lease period the property will revert to the Lessor with the development thereon. Consideration for this lease is payable at the rate of 10% of the gross rentals received from the property built on this land, net of operating expenses for the first 10 years. Thereafter, the rental increases by 2.5% of the gross rental (net of recoveries) every five years up to 30th year of lease. The lease rentals are held at 20% for 31st year to 50th year and thereafter at 25% from 51st year to the 75th year. These rental payments are recognised as contingent rent expenses.

With effect from 1 February 2013, the company's management has renegotiated the lease with the lessor (Roman Catholic Church). As per the addendum, rent will be calculated at an agreed percentage as mentioned above on gross rental income billed. This change in the rental calculation is prospective. During the year the company accounted for rental expenses of P 18 982 057 (2023: P 18 751 397).

Future leasing charges for the land are based at 17.5% of the gross rentals received, net of recoveries, which cannot be estimated reliably beyond one year. Estimated charges for the immediate following year would be P 20 589 276 (2023: P 20 589 276).

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	2024	2023	2024	2023
25. Operating lease arrangements (continued)				
Mlimani Holdings Limited				
<p>The lease of land is held under a 50 years ground lease from the University of Dar es Salaam commencing from 01 October 2004 expiring on 30 September 2054, subject to a further 35 years renewal. Consideration for the lease is payable at the rate of 10% of the gross rentals received from the property built on this land net of operating costs. These rental payments are recognised as contingent rent expenses during the year amounting to P 12 197 975 (2023: P 10 357 460).</p>				
<p>Future leasing charges for the land are based at 10% of the gross rentals received, net of recoveries, which cannot be estimated reliably beyond one year. Estimated charges for the immediate following year would be P 13 380 890 (2023: P 12 263 095).</p>				
26. Cash generated from operations				
Profit before taxation	177 508 791	112 156 177	84 971 744	89 803 848
Adjustments for:				
Depreciation and amortisation	466 805	495 723	106 934	98 619
Losses on foreign exchange	5 775 919	11 493 170	6 340 176	11 279 269
Finance income	(662 286)	(16 074)	(20 582 677)	(17 018 901)
Interest paid	38 785 285	30 903 614	38 785 285	30 903 614
Fair value gains	(49 781 650)	(31 184 126)	(6 218 539)	(17 873 308)
Goodwill impairments	-	29 864 906	-	-
Movements in operating lease assets and accruals	(4 911 713)	3 621 531	(1 589 000)	4 679 700
Dividend income	-	-	(27 886 404)	(15 895 608)
Impairment of receivables	-	-	8 898 113	-
Changes in working capital:				
Trade and other receivables	9 429 905	(1 724 482)	(2 776 650)	(741 059)
ECL movement on debtors	(7 778 447)	(4 136 575)	(1 694 725)	(1 169 972)
Prepayments - loan arrangement fees	(1 615 131)	197 368	(1 615 131)	197 368
Trade and other payables	5 932 515	4 251 827	12 071 101	(4 055 630)
Unclaimed debenture interest and dividend	300 083	410 329	300 083	410 329
	173 450 076	156 333 388	89 110 310	80 618 269
27. Tax paid				
Balance at beginning of the year	117 262	(1 575 294)	117 262	(1 575 294)
Current tax for the year recognised in profit or loss	(3 115 818)	(1 775 188)	-	-
Balance at end of the year	(117 262)	(117 262)	(117 262)	(117 262)
	(3 115 818)	(3 467 744)	-	(1 692 556)
28. Dividends and debenture interest paid				
Final distribution of prior year	(51 493 824)	(51 493 824)	(51 493 824)	(51 493 824)
Proposed dividends	(114 430 612)	(102 987 648)	(114 430 612)	(102 987 648)
Balance at end of the year	57 215 306	51 493 824	57 215 306	51 493 824
	(108 709 130)	(102 987 648)	(108 709 130)	(102 987 648)

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29. Basic and diluted earnings per linked unit				
Basic and diluted earnings per linked unit is calculated by dividing the earnings attributable to the Linked unit holders by the weighted average number of Linked unit holders in issue during the year.				
Basic and diluted earnings attributable to linked unit holders				
- from continued operations	147 228 116	119 764 795	101 287 284	114 005 701
Basic earnings per linked unit (in Pula)	0,26	0,21	0,18	0,20
Diluted earnings per linked unit (in Pula)	0,26	0,21	0,18	0,20
Weighted average number of linked units (as at year end)	572 153 603	572 153 603	572 153 603	572 153 603
Weighted average number of linked units (including issues after year end)	572 153 603	572 153 603	572 153 603	572 153 603
30. Directors linked unit holdings				
G. H Abdoola- Beneficial	80 148 355	80 148 355	80 148 355	80 148 355
S N Puvimanasinghe	10 000	10 000	10 000	10 000
	80 158 355	80 158 355	80 158 355	80 158 355
The Directors had the beneficial interest in Turnstar Holdings Limited as at year end.				
31. Linked unitholders information				
G H Group (Proprietary) Limited	80 148 355	80 148 355	80 148 355	80 148 355
Associated Investment and Development Corporation (Proprietary) Limited	59 083 407	59 083 407	59 083 407	59 083 407
SCBN (pty) LTD RE BPOPF Local equity portfolio Alan Gray	112 720 935	103 098 900	112 720 935	103 098 900
FNBB NOMINEES VUNANI BPOPF	23 388 850	61 766 631	23 388 850	61 766 631
Alan Gray Re Debswana Pension Fund	34 501 175	34 494 230	34 501 175	34 494 230
FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	102 150 550	78 761 701	102 150 550	78 761 701
Motor Vehicle Accident Fund	31 021 292	31 020 292	31 021 292	31 020 292
STANBIC NOMINEES BOTSWANA RE BIFM PLEF	15 332 045	14 362 915	15 332 045	14 362 915
STANBIC NOMINEES BOTSWANA RE BIFM MLF	14 139 678	10 094 916	14 139 678	10 094 916
STANBIC NOMINEES BOTSWANA RE BPOPF WT PRO PORT MC	9 698 847	9 595 044	9 698 847	9 595 044
	482 185 134	482 426 391	482 185 134	482 426 391
Public	72 %	72 %	72 %	72 %
Non-public	28 %	28 %	28 %	28 %
	100 %	100 %	100 %	100 %
32. Contingencies				
Litigation is in the process against the company by applicant relating to claims in respect in Mlimani City in Tanzania for P 5 164 324, with interest at prime lending rate plus 2% per annum calculated from the due date to the final repayment date. However the group has instituted counterclaim for P 3 818 750 with interest calculated at prime lending rate from date of service to final date of payment in respect of Mlimani City. The case is still ongoing.				

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	2024	2023	2024	2023

32. Contingencies (continued)

The Group issued a guarantee in favour of Botswana Power Corporation for P 584 000 (2023: P 584 000). Additional guarantee of P 600 000 was issued to Material Testing Services during the year.

The Group's subsidiary Mlimani Holdings Limited was issued with a demand notice dated 4 January 2016 from USDM for payment of rent to the tune of USD 309 458 (P 3 164 058) (2018: USD 309 458 (P 3 033 901)) being the difference between the amount actually paid to UDSM against the amount claimed by USDM for the period from 01 May 2006 to 30 June 2014. The said difference arises from bad debts and recoveries from conference rental, both of which were not included in calculating rent payable to UDSM. The matter is currently under negotiation and the directors believe that the amount will either significantly reduced or be completely waived.

Following submission of notice of objections against the WHT, VAT and employment taxes (P.A.Y.E & SDL) for the tax periods 2013-2016 in the year 2017, the company received determination letters from TRA during the year 2018. The WHT and VAT assessment were further appealed in the Tax Revenue Appeals Board. Appeal on VAT assessment was withdrawn during 2019 following amendments to the assessment in line with company's grounds of appeal and has since been cleared. A possible liability amount of TZS 2 706 925 505 might arise out of the appealed WHT assessments which is equivalent to USD 1 176 924 at the year end rate. Currently, receipt of appeals has been acknowledged by Tax Revenue Appeals Board with pending response on WHT on interest while the assessment on WHT on non residence services has been further appealed to the Tax Tribunal. Accordingly, no provision has been made in the financial statements. The company further issued a notice of objection following a notice of assessment on withholding tax for the years of income 2017 to 2019 that was served upon the company on 24th June 2022. The company further issued a notice of objection following a notice of assessment on withholding tax and unrelieved loss to be carried forward for the years of income 2017 to 2019 that was served upon the company on 24th June 2022 for the amount of TZS 3,082,513,782.34 and the latter being served upon the company on 24th June for year of income 2017, 2018 & 2019 where the amount of unrelieved loss assessed to be incorrectly carried forward was TZS 47,975,538,893.20, for the year of income 2018, TZS 52,566,511,828.20 for year of income 2018 and TZS 48,782,304,828.20 for year of income 2019.

Apart from the above, the directors are of the opinion that there are no other contingent liabilities as at the year end.

33. Related parties

Relationships

Subsidiaries

Related party (directors who have significant influence or shareholding)

Refer to note 6

A1 Filling Station (Proprietary) Limited
 Okavango Tobacco Company (Proprietary) Limited
 Sterling Management Services (Proprietary) Limited
 Seeds of Success (Proprietary) Limited
 AC Smart (Proprietary) Limited
 Azzurro (Proprietary) Limited
 Diamond Bourse Botswana (Proprietary) Limited
 CBD Filling Station (Proprietary) Limited
 Collectus (Proprietary) Limited
 Collectus South Africa (Proprietary) Limited
 Damstock (Proprietary) Limited
 Exponential Investments Limited
 FFND People Solutions (Proprietary) Limited
 G H Investments (Proprietary) Limited
 GH Group (Proprietary) Limited
 House of Giam (Proprietary) Limited
 Parano (Proprietary) Limited
 The Square Mart (Proprietary) Limited
 Zebuidenthout (Proprietary) Limited
 Mirrorlix (PTY) Limited

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	2024	2023	2024	2023
33. Related parties (continued)				
Related party balances				
Loan accounts - Owing (to) by related parties				
Mlimani Holdings Limited	-	-	173 439 532	190 863 452
Investment in Subsidiaries				
Mlimani Holdings Limited	-	-	5	5
Island View (Proprietary) Limited	-	-	521 713 939	521 713 939
Turnstar Investment Limited	-	-	19 815 285	19 815 285
	-	-	541 529 229	541 529 229
Amounts included in Trade receivable regarding related parties				
Mlimani Holdings Limited	-	-	3 295 907	2 617 681
Palazzo Venezia (Proprietary) Limited	-	-	-	8 832 659
	-	-	3 295 907	11 450 340
Related party transactions				
Directors fees				
S Manake	186 950	134 221	186 950	134 221
S S Mantsewe	198 934	118 642	198 934	118 642
P K Balopi	-	278 987	-	249 986
B D Phirie	179 760	461 051	179 760	461 051
V T Tebele	233 049	427 918	174 966	417 043
A Chetty	249 205	154 712	174 966	140 213
P J Bezuidenhout	-	294 584	-	258 854
	1 047 898	1 870 115	915 576	1 780 010
Amounts in other operating income relating to related parties				
Mlimani Holdings) Limited (management fees received)	-	-	3 265 873	2 685 020
Island View (Proprietary) Limited (management fees received)	-	-	187 908	115 960
	-	-	3 453 781	2 800 980
Dividend & interest received				
Mlimani Holdings Limited (dividend received)	-	-	(27 886 404)	(15 895 608)
Mlimani Holdings Limited (interest received)	-	-	(19 920 391)	(17 002 826)
	-	-	(47 806 795)	(32 898 434)
Compensation to directors and other key management				
G H Abdoola	4 626 300	4 137 183	4 626 300	4 137 183
S Puvimanasinghe	2 036 800	1 865 970	2 036 800	1 865 970
C Rankgomo	1 375 608	1 091 636	1 375 608	1 091 636
	8 038 708	7 094 789	8 038 708	7 094 789

Compensation to directors and other key management comprises of salaries paid.

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	2024	2023	2024	2023

34. Directors' emoluments

Executive

2024

	Emoluments	Total
G H Abdoola (Managing Director)	4 626 300	4 626 300
S Puvimanasinghe	2 036 800	2 036 800
	6 663 100	6 663 100

2023

	Emoluments	Total
G H Abdoola (Managing Director)	4 137 183	4 137 183
S Puvimanasinghe (Finance Director)	1 865 970	1 865 970
	6 003 153	6 003 153

* Directors emoluments is salaries paid to the executives.

Non-executive

2024

	Directors' fees	Committees fees	Directors' fees for services as directors' of subsidiaries	Retainers	Total
V Tebele	71 904	23 968	58 083	79 094	233 049
B D Phirie	71 904	23 968	-	83 888	179 760
A Chetty	71 904	23 968	74 239	79 094	249 205
S S Mantsewe	71 904	47 936	-	79 094	198 934
S Manake	71 904	47 936	-	67 110	186 950
	359 520	167 776	132 322	388 280	1 047 898

2023

	Directors' fees	Committees fees	Directors' fees for services as directors' of subsidiaries	Retainers	Total
P Balopi (Retired 05 July 2022)	208 042	-	29 001	41 944	278 987
P Bezuidenhout (Retired 1 June 2022)	213 315	11 984	35 730	33 555	294 584
V Tebele	313 981	23 968	10 875	79 094	427 918
B D Phirie	361 584	23 968	-	75 499	461 051
A Chetty (Appointed 01 June 2022)	100 666	-	14 500	39 547	154 713
S S Mantsewe (Appointed 01 June 2022)	55 126	23 968	-	39 547	118 641
S Manake (Appointed 01 September 2022)	88 682	11 984	-	33 555	134 221
	1 341 396	95 872	90 106	342 741	1 870 115

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35. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Lease asset	9	21 309 510	21 309 510	-
Trade and other receivables	10	29 750 864	29 750 864	29 750 864
Cash and cash equivalents	11	27 098 773	27 098 773	27 098 773
		78 159 147	78 159 147	56 849 637

Group - 2023

	Note(s)	Amortised cost	Total	Fair value
Lease asset	9	16 397 797	16 397 797	-
Trade and other receivables	10	31 327 006	31 327 006	31 327 006
Cash and cash equivalents	11	9 542 151	9 542 151	9 542 151
		57 266 954	57 266 954	40 869 157

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	7	173 439 532	173 439 532	-
Lease asset	9	13 829 715	13 829 715	-
Trade and other receivables	10	9 727 939	9 727 939	9 727 939
Cash and cash equivalents	11	17 344 362	17 344 362	17 344 362
		214 341 548	214 341 548	27 072 301

Company - 2023

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	7	190 863 452	190 863 452	-
Lease asset	9	12 240 715	12 240 715	-
Trade and other receivables	10	14 382 300	14 382 300	14 382 300
Cash and cash equivalents	11	3 892 636	3 892 636	3 892 636
		221 379 103	221 379 103	18 274 936

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35. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	14	42 209 937	42 209 937	-
Borrowings	13	594 656 118	594 656 118	-
		636 866 055	636 866 055	-

Group - 2023

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	14	42 634 642	42 634 642	-
Borrowings	13	530 115 547	530 115 547	-
Bank overdraft	11	44 985 271	44 985 271	44 985 271
		617 735 460	617 735 460	44 985 271

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	14	15 604 664	15 604 664	15 604 664
Borrowings	13	594 656 118	594 656 118	594 656 118
		610 260 782	610 260 782	610 260 782

Company - 2023

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	14	6 486 040	6 486 040	6 486 040
Borrowings	13	530 115 547	530 115 547	530 115 547
Bank overdraft	11	44 985 271	44 985 271	44 985 271
		581 586 858	581 586 858	581 586 858

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 13, cash and cash equivalents disclosed in note 11, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholder, issue new shares or sell assets to reduce debt.

The group management maintains the threshold of borrowing powers in line with the limits specified by the board of directors.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The Group's strategy is to maintain a gearing ratio of between 0% to 40%.

The group has availed credit facilities from Barclays Bank Botswana Limited, these credit facilities are attached with financial covenants as referred in note 13. The Group during the year has not breached any of the covenants referred to in that note.

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35. Financial instruments and risk management (continued)

There have been no changes to what the group manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The gearing ratio at 2024 and 2023 respectively were as follows:

Borrowings	13	594 656 118	530 115 547	594 656 118	530 115 547
(Cash and cash equivalents) bank overdraft	11	(26 139 981)	39 273 367	(16 385 570)	44 922 882
Net borrowings		568 516 137	569 388 914	578 270 548	575 038 429
Equity		(1 922 672 953)	(1 835 768 048)	1 544 225 617	1 551 647 462
Gearing ratio		(30)%	(31)%	37 %	38 %

Financial risk management

Overview

The Group's activities expose it to a variety of financial risks: market risk including currency risk and cash flow interest rate risk, credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by a Group finance department under policies approved by the board of directors. Group finance department identifies and evaluates financial risks in close co-operation with the Group's operating management. The board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Credit risk is the risk of financial loss to the Group if a tenant or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the lease of office space to tenants. The Group has addressed this risk by developing a credit policy, which guides on what steps to take when faced with such risk.

Trade debtors

Trade debtors mainly consists of tenants with outstanding rental balances at the reporting date.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

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 property 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.

Financial assets exposed to credit risk at year end were as follows:

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35. Financial instruments and risk management (continued)

Group	2024			2023			
	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	
Trade and other receivables	10	38 543 017	(8 792 153)	29 750 864	39 014 060	(7 687 054)	31 327 006
Cash and cash equivalents	11	27 098 773	-	27 098 773	9 542 151	-	9 542 151
		65 641 790	(8 792 153)	56 849 637	48 556 211	(7 687 054)	40 869 157

Company	2024			2023			
	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	
Loans to group companies	7	173 439 532	-	173 439 532	190 863 452	-	190 863 452
Trade and other receivables	10	13 542 980	(3 815 041)	9 727 939	17 507 613	(3 125 313)	14 382 300
Cash and cash equivalents	11	17 344 362	-	17 344 362	3 892 636	-	3 892 636
		204 326 874	(3 815 041)	200 511 833	212 263 701	(3 125 313)	209 138 388

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Executive Management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that operations cannot be funded and financial commitments cannot be met timeously and cost effectively. The risk arises from both the difference between the magnitude of assets and liabilities and the disproportion in their maturities. Liquidity risk management deals with the overall profile of the statement of financial position, the funding requirements of the company and cash flows. In quantifying the liquidity risk, future cash flow projections are simulated and necessary arrangements are put in place in order to ensure that all future cash flow commitments are met from the working capital generated by the company and also from available financial institutions' facilities.

The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group - 2024

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	13	-	339 150 948	339 150 948	290 000 000
Current liabilities					
Trade and other payables	14	42 634 642	-	42 634 642	42 209 937
Borrowings	13	338 590 485	-	338 590 485	304 656 118
Bank overdraft	11	958 792	-	958 792	958 792
		382 183 919	339 150 948	721 334 867	637 824 847

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35. Financial instruments and risk management (continued)

Group - 2023

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	13	-	520 336 444	520 336 444	503 568 944
Current liabilities					
Trade and other payables		42 634 642	-	42 634 642	42 634 642
Borrowings	13	48 751 903	-	48 751 903	26 546 603
Bank overdraft	11	48 815 518	-	48 815 518	48 815 518
		140 202 063	520 336 444	660 538 507	621 565 707

Company - 2024

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	13	-	339 150 948	339 150 948	290 000 000
Current liabilities					
Trade and other payables		15 604 664	-	15 604 664	15 604 664
Borrowings	13	338 590 485	-	338 590 485	304 656 118
Bank overdraft	11	958 792	-	958 792	958 792
		355 153 941	339 150 948	694 304 889	611 219 574
Non-current assets					
Loans to group companies		-	190 871 112	190 871 112	173 439 532
Current assets					
Loans to group companies		16 576 854	-	16 576 854	16 576 854
		16 576 854	190 871 112	207 447 966	190 016 386
		371 730 795	530 022 060	901 752 855	801 235 960

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35. Financial instruments and risk management (continued)

Company - 2023

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	13	-	520 568 944	520 568 944	503 568 944
Current liabilities					
Trade and other payables	14	6 486 040	-	6 486 040	6 486 040
Borrowings	13	48 715 903	-	48 715 903	26 546 603
Bank overdraft	11	48 815 518	-	48 815 518	48 815 518
		104 017 461	520 568 944	624 586 405	585 417 105
Non-current assets					
Loans to group companies		-	209 936 127	209 936 127	190 863 452
Current assets					
Loans to group companies		18 137 480	-	18 137 480	18 137 480
		18 137 480	209 936 127	228 073 607	209 000 932
		122 154 941	730 505 071	852 660 012	794 418 037

Foreign currency risk

The Group operates within Africa and Dubai region with exposure to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group owns subsidiary companies which holds investment properties in Tanzania and Dubai and is accordingly exposed to foreign exchange risk in respect of financial assets and liabilities that are not in the Group's functional currency which is the Botswana Pula. To mitigate the group's exposure to foreign currency risk, the management tries to balance the exposure between the long term borrowings and the loans receivable from the subsidiaries with similar currency.

Group

At 31 January 2024, if the currency had strengthened by 10% against the US dollar with all other variables held constant, pre-tax profit/impact on equity for the year would have been P 14 349 926 (2023: P 14 202 108) higher, mainly as a result of foreign exchange gains on translation of US dollar denominated financial assets and borrowings.

At 31 January 2024, if the currency had weakened by 10% against the US dollar with all other variables held constant, pre-tax profit/ impact on equity for the year would have been P 12 914 933 (2023: P 15 738 720) lower, mainly as a result of foreign exchange loss on translation of US dollar denominated financial assets and borrowings.

Company

At 31 January 2024, if the currency had strengthened by 10% against the US dollar with all other variables held constant, pre-tax profit/ impact on equity for the year would have been P 2 141 691 (2023: P 3 644 625) higher, mainly as a result of foreign exchange gains on translation of US dollar denominated financial assets and borrowings.

At 31 January 2024, if the currency had weakened by 10% against the US dollar with all other variables held constant, pre-tax profit/ impact on equity for the year would have been P 1 927 522 (2023: P 3 717 344) lower, mainly as a result of foreign exchange loss on translation of US dollar denominated financial assets and borrowings.

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35. Financial instruments and risk management (continued)

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

US Dollar exposure:

Non-current assets:

Loans receivable USD 12 713 118 (2023 USD 14 849 177)		-	-	173 439 532	190 863 452
Trade and other receivables	10	21 060 468	19 641 453	-	-

Current assets:

Cash and cash equivalents	11	24 576 985	5 649 515	14 228 005	1 749 016
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Non-current liabilities:

Borrowings	13	306 616 644	288 881 478	306 616 644	288 881 478
Trade and other payables	14	38 098 889	45 356 728	-	-

Net US Dollar exposure		390 352 986	359 529 174	494 284 181	481 493 946
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Interest rate risk

The Group has significant interest-bearing assets and significant interest-bearing borrowings. The group's income and operating cash flows are substantially affected by the changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. During 2024 and 2023, the group's borrowings at variable rate were denominated in Pula and US Dollar.

At 31 January 2024, if interest rates on Pula-denominated borrowings and interest bearing assets had been 10% higher/lower with all other variables held constant, Group pre-tax profit for the year would have been P 3 878 529 (2023: P 3 090 614) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

Group	Note	Average effective interest rate		Carrying amount	
		2024	2023	2024	2023
Assets					
Cash and cash equivalents	11	5,20 %	3,42 %	27 098 773	9 483 165
Short term deposits	11	- %	5,50 %	-	58 986
				27 098 773	9 542 151
Liabilities					
Bank overdraft	11	6,51 %	6,76 %	958 792	48 815 518
Borrowings in Botswana Pula at local rate	13	7,40 %	4,95 %	290 000 000	241 579 194
Borrowings in USD Libor	13	6,51 %	6,76 %	-	288 536 353
				290 958 792	578 931 065

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35. Financial instruments and risk management (continued)

Company	Note	Average effective interest rate		Carrying amount	
		2024	2023	2024	2023
Assets					
Loans to group companies	7	11,07 %	8,30 %	173 439 532	190 863 452
Cash and cash equivalents	11	5,20 %	3,42 %	17 344 362	3 833 650
Short term deposits		- %	5,50 %	-	58 986
				190 783 894	194 756 088
Liabilities					
Bank overdraft	11	6,51 %	6,76 %	958 792	48 815 518
Borrowings in Botswana Pula at local rate	13	7,40 %	4,95 %	290 000 000	241 579 194
Borrowings in USD Libor	13	6,51 %	6,76 %	-	288 536 353
				290 958 792	578 931 065

36. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 3

Recurring fair value measurements

Assets	Note(s)				
Investment property	3				
Investment property		2 726 602 519	2 599 722 059	1 439 670 285	1 427 539 285
Total		2 726 602 519	2 599 722 059	1 439 670 285	1 427 539 285

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	2024	2023	2024	2023

36. Fair value information (continued)

Reconciliation of assets and liabilities measured at level 3

	Note(s)	Opening balance	Gains/losses recognised in profit or loss	Additions	Foreign exchange movement	Other changes, movements	Closing balance
Group - 2024							
Assets							
Investment property							
Investment property		2 599 722 059	49 781 650	5 912 461	66 640 651	4 545 698	2 726 602 519
Total		2 599 722 059	49 781 650	5 912 461	66 640 651	4 545 698	2 726 602 519

Group - 2023

Assets							
	3						
Investment property							
Investment property		2 460 487 166	31 184 126	4 888 805	103 032 455	129 507	2 599 722 059
Total		2 460 487 166	31 184 126	4 888 805	103 032 455	129 507	2 599 722 059

Company - 2024

Assets							
	3						
Investment property							
Investment property		1 427 539 285	6 218 539	5 912 461	-	-	1 439 670 285
Total		1 427 539 285	6 218 539	5 912 461	-	-	1 439 670 285

Company - 2023

Assets							
	3						
Investment property							
Investment property		1 404 778 381	17 872 099	4 888 805	-	-	1 427 539 285
Total		1 404 778 381	17 872 099	4 888 805	-	-	1 427 539 285

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Notes to the Consolidated And Separate Annual Financial Statements

36. Fair value information (continued)

Information about valuation techniques and inputs used to derive level 3 fair values

Investment property - Retail segment Botswana

Retail segment comprises of the following properties Game City Shopping Centre, Nzano Shopping Centre and Super Save Mall. The fair values of these properties determined by independent valuers is P 1 345 770 000 (2023: 1 333 400 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the Company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants.

Investment property - Commercial segment Botswana

Commercial segment comprises of the following properties; Turnstar House and Plot 63 in Commerce Park. The fair values of these properties determined by independent valuers is P 60 450 000 (2023: 59 240 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants.

Investment property - Residential segment Botswana

Residential segment comprises of the following properties Mogoditshane Flats and Tapologo Apartments. The fair values of these properties are determined by independent valuers is P 47 280 000 (2023: 47 140 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants. For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

The most significant inputs, all of which are unobservable, are the discount rate, long term revenue growth rate, long term expenditure growth rate, estimated rental value, reversionary capitalisation rate and assumptions about vacancy levels. The estimated fair value increases if the estimated rental increases, long term revenue growth rate increases, long term expenditure rate reduces, rental escalation increases, discount rate and reversionary discount rate declines. The overall valuations are sensitive to all these assumptions. The valuation was done on 31 January 2024 and the inputs used in the valuations for the year ended 31 January 2024 were as follows:

Assumptions used for valuation of properties in Botswana - 2024	Retail	Commercial	Residential
Average discount rate	9.54-10.63%	8.74- 9.5%	8%
Average occupancy rate	99%	87%	100%
Long-term revenue Growth Rate - As per valuation	6%	5%	6%
Long-term expenditure Growth Rate - As per Valuation	5%	10%	8%
Average lease period	2 - 25 Yrs	3 - 5 Yrs	1 - 2 Yrs
Average Escalation/ Rental- From MDA	5-8%	5-10%	5-6%

Assumptions used for valuation of properties in Botswana - 2023	Retail	Commercial	Residential
Average discount rate	9.54-10.63%	8.74- 9.5%	8%
Average occupancy rate	99%	87%	100%
Long-term revenue Growth Rate - As per valuation	6%	5%	6%
Long-term expenditure Growth Rate - As per Valuation	5%	10%	8%
Average lease period	2 - 25 Yrs	3 - 5 Yrs	1 - 2 Yrs
Average Escalation/ Rental- From MDA	5-8%	5-10%	6-10%

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36. Fair value information (continued)

Palazzo Venezia Dubai property

Turnstar Investments Limited, a subsidiary company owns, Palazzo Venezia Holding property a commercial property valued at Pula 27 479 995 (USD 2 051 771), (2023 : 24 821 718, USD 1 980 928) The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the Director in the projected cash flows are within the range of future contractual rent agreed by the company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants. For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

Assumptions	2024	2023
	Commercial	Commercial
Income capitalisation rate	8,00%	8,00 %
Discount rate	9,00%	9,00 %
Long-term revenue Growth Rate - As per valuation	5,00%	5,00 %
Discounted cash flow period	5	5
Average lease period	1	1
Average Escalation/ Rental- From MDA	5,00%	5,00 %

Mlimani Holdings Limited properties consist of Retail, Office Park, Conference centre and Housing units

Mlimani Holdings Limited properties comprises of the following properties Retail, Office Park, Conference centre, Housing units and unutilised bulk land with their fair values determined by independent valuers at P 840 840 000 (USD 63 700 000), P 212 520 000 (USD 16 100 000), P 91 080 000 (USD 6 900 000), P 63 360 000 (USD 4 800 000) and P 51 480 000 (USD 3 900 000) respectively, (2023: P 770 646 000 (USD 61 800 000), P192 038 000(USD 15 400 000), P 78 561 000 (USD 6 300 000), P 57 362 000 (USD 4 600 000) and P 48 633 000 (USD 3 900 000)). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the subsidiary with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants. However for property where there is no income earned during the year, a comparable market approach was considered taking into account the location of the property. For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

Assumptions for the properties located in Tanzania and Dubai	2024		2023	
	Retail	Office Park	Retail	Office Park
Income capitalisation rate	8.25%	8.75%	8.25%	9%
Discount rate	12.5%	12.75%	12.5%	13%
Average occupancy rate	90-100%	90-100%	90-100%	90-100%
Long-term revenue Growth Rate - As per valuation	3%	3%	3%	3%
Long-term expenditure Growth Rate - As per Valuation	4.00%	4.00%	2.9%	2.9%
Discounted cash flow period	5 years	5 years	5 years	5 years
Average lease period	3 -5 years	3 - 5 years	3 - 5 years	3 - 5 years
Average Escalation/ Rental- From MDA	2 - 4%	2 - 4%	3 - 5 years	3 - 5 years

Valuation processes applied by the Group

The fair value of investment properties is determined by qualified property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being values. The valuation company provides the fair value of the Group's investment portfolio basis.

Sensitivity analysis for investment property carried at fair value

The best evidence of fair value is current prices in an active market for similar properties. In the absence of such information the company and group determines the estimated fair value internally.

The key assumptions underlying the investment method is capitalisation rate used.

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Notes to the Consolidated And Separate Annual Financial Statements

36. Fair value information (continued)

Capitalisation rate sensitivity

	Group		Company	
	2024	2023	2024	2023
Weighted average capitalisation rate	10.15	9.7%	8.62%	10.71%
1% upward shift	237M	240.4M	140M	120.8M
1% downward shift	290M	296.5M	174M	145.5M

Fair value of financial instruments measured at amortised cost

Following types of financial instruments which are measured at amortised cost for which the carrying amount disclosed in the respective notes are considered a reasonable approximation of fair value:

- trade and other receivables
- cash and cash equivalents
- trade and other payables
- borrowings

37. Events after the reporting period

The Russian/Ukraine conflict continues to have an impact on global markets, resulting in volatility in interest and inflation rates. Interest rates is a critical component in calculating the capitalisation rates and therefore fair value of the Group's property portfolio. The volatility in interest rates continuing into the following financial year is therefore expected to also have a continuing impact on the Group's property portfolio valuation.

The Board of Directors have resolved to acquire the Lotsane Mall in Palapye, subject to the statutory approvals from authorities. The proposed transaction will grow Turnstar's portfolio value to over P 2.850 billion and increase it's total portfolio size to approx 105,000 m2 of G.L.A . This will benefit the company and the shareholders through increased rental revenues.

38. Prior period errors

Statement of Financial Position as at 31 January 2023

	Group			Company		
	Previously reported	Adjustments	As restated	Previously reported	Adjustments	As restated
Equity						
Opening retained earnings	930 125 172	21 473 218	951 598 390	897 676 889	21 473 218	919 150 107
Liabilities						
Deferred tax	214 963 495	(21 473 218)	193 490 277	72 763 701	(21 473 218)	51 290 483

Statement of Profit or Loss for period ended 31 January 2023

Profit before taxation	112 156 177	-	112 156 177	89 803 848	-	89 803 848
Taxation	(4 128 002)	11 736 620	7 608 618	12 465 233	11 736 620	24 201 853
Profit for the year	108 028 175	11 736 620	119 764 795	102 269 081	11 736 620	114 005 701
Basic earnings per linked unit	0,19	0,02	0,21	0,18	0,02	0,20
Diluted earnings per linked unit	0,19	0,02	0,21	0,18	0,02	0,20

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Notes to the Consolidated And Separate Annual Financial Statements

38. Prior period errors (continued)

Statement of Financial Position as at 31 January 2022	Group			Company		
	Previously reported	Adjustments	As restated	Previously reported	Adjustments	As restated
Equity						
Opening retained earnings	925 084 645	9 736 598	934 821 243	898 395 456	9 736 598	908 132 054
Liabilities						
Deferred tax	200 361 667	(9 736 598)	190 625 069	85 228 934	(9 736 598)	75 492 336
Statement of Profit or Loss for period ended 31 January 2022						
Profit before taxation	114 361 578	-	114 361 578	78 290 784	-	78 290 784
Taxation	(13 425 106)	9 736 598	(3 688 508)	4 090 362	9 736 598	13 826 960
Profit for the year	100 936 472	9 736 598	110 673 070	82 381 146	9 736 598	92 117 744
Basic earnings per linked unit	0,18	0,01	0,19	0,14	0,01	0,15
Diluted earnings per linked unit	0,18	0,01	0,19	0,14	0,01	0,15

The Group's Deferred tax computation contained a formulae error in which the tax loss was included as a deferred tax liability, whereby it should be a deferred tax asset. The error has been consistently applied in the calculation of the Group's deferred taxation calculation since 2022.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors requires an entity to correct material prior period errors retrospectively in the first set of financial statements authorised for issue after their discovery by:

- (i) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- (ii) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

To correct the errors, the group has presented a third balance sheet as at 31 January 2022 because the errors date as far back as 2022. In addition, the financial statements for the year ending 31 January 2023 have been restated to correct the errors. A summary of the financial impact resulting from the correction of the errors is presented above.

The error discussed above had a material impact on the carrying amount of deferred tax liability as well as reported profits. The correction of the errors has resulted in material reduction in the carrying amount of deferred liability.

The impact as at 31 January 2023 is a decrease in the deferred tax liability of P21,473,218 and a corresponding decrease to the income tax expense in 2023 of P11,736,620 and a similar decrease of P9,736,598, which went through retained earnings on 01 February 2022.

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Notes to the Consolidated And Separate Annual Financial Statements

39. Segment report

Primary segment - Geographical segment	2024		2023	
	Botswana	Botswana	Tanzania	Tanzania
Revenues from external customers	166 225 198	158 318 710	160 219 104	131 180 451
Inter segment revenues				
Total segment revenues	166 225 198	158 318 710	160 219 104	131 180 451
Segment property direct and indirect expenses	66 475 322	62 386 838	57 551 410	47 842 250
Segment operating profit	99 749 876	95 931 872	102 667 694	83 338 201
Segment Assets	1 481 881 367	1 459 139 799	1 300 169 172	1 177 608 343
Segment assets include the following:				
Investment property	1 439 670 285	1 427 539 285	1 259 452 239	1 147 361 056
Property plant and equipment	265 357	268 782	1 596 243	1 660 084
Operating lease asset	13 829 715	12 240 715	7 479 795	4 157 082
Trade and other receivables	10 771 648	15 198 381	21 886 483	18 780 606
Cash and cash equivalents	17 344 362	3 892 636	9 754 411	5 649 515
Segment Liabilities	652 624 511	639 885 016	234 350 487	186 199 188
Segment liabilities include the following:				
Borrowings	594 656 118	530 115 547	-	-
Deferred tax	34 974 943	51 290 483	196 259 961	142 199 794
Trade and other payables	19 483 630	7 412 523	38 090 526	43 999 394
Current tax payable	-	-	-	-
Unclaimed debenture interest and dividend payable	2 551 028	2 250 945	-	-
Bank overdraft	958 792	48 815 518	-	-

Secondary segment- Operating segment	2024		2023	
	Botswana	Botswana	Tanzania	Tanzania
Revenues				
Rental income from external customers	155 163 505	147 316 710	115 537 478	105 242 185
Inter segmental revenues				
Total segment revenues	155 163 505	147 316 710	115 537 478	105 242 185
Segment expenses	61 336 406	58 180 503	43 526 038	39 815 163
Segment operating profit	93 827 099	89 136 207	72 011 440	65 427 023

	Figures in Pula 2024	Figures in Pula 2023
Reconciliation of group net profit before tax		
Total reporting segment operating profit	202 584 258	173 812 376
Salaries and wages	(19 216 122)	(16 375 993)
Loss on exchange difference	11 699 909	19 455 155
Profit on exchange differences	(22 021 526)	(31 077 832)
Sundry income	3 228 233	3 083 810
Corporate expenses	(10 424 612)	(7 173 018)
Goodwill impairment	-	(29 864 906)
Operating profit	165 850 140	111 859 591
Finance income	662 286	16 074
Finance costs	(38 785 285)	(30 903 614)
Fair value adjustments	49 781 650	31 184 126
Group profit before tax	177 508 791	112 156 177

Segment information is organised into two, geographical 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 Milmani shopping centres. The commercial segment incorporates office, residential, industrial properties in Botswana, Tanzania and Dubai.

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Notes to the Consolidated And Separate Annual Financial Statements

39. Segment report

2024		2023	
Dubai	Dubai	Consolidated	Consolidated
2 058 373	1 768 707	328 502 676	291 267 868
-	-	-	-
2 058 373	1 768 707	328 502 676	291 267 868
1 891 685	7 226 245	125 918 417	117 455 334
166 688	5 457 539	202 584 258	173 812 534
27 605 776	25 278 103	2 809 656 315	2 662 026 244
27 479 995	24 821 718	2 726 602 519	2 599 722 059
-	-	1 861 600	1 928 866
-	-	21 309 510	16 397 797
125 782	456 384	32 783 913	34 435 371
-	-	27 098 773	9 542 151
8 365	173 989	886 983 363	826 258 193
-	-	594 656 118	530 115 547
-	-	231 234 904	193 490 277
8 365	173 989	57 582 521	51 585 906
-	-	-	-
-	-	2 551 028	2 250 945
-	-	958 792	48 815 518

2024		2023		2024		2023	
Botswana	Botswana	Tanzania	Tanzania	Dubai	Dubai	Consolidated	Consolidated
11 061 693	11 002 001	44 681 626	25 938 265	2 058 373	1 768 549	328 502 676	291 267 710
11 061 693	11 002 001	44 681 626	25 938 265	2 058 373	1 768 549	328 502 676	291 267 710
5 138 916	4 206 336	14 025 371	8 027 087	1 891 685	7 226 245	125 918 417	117 455 334
5 922 777	6 795 665	30 656 255	17 911 178	166 688	-5 457 697	202 584 258	173 812 376

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NOTICE OF THE 2024 ANNUAL GENERAL MEETING

Notice is hereby given that the 2024 Annual General Meeting of TURNSTAR HOLDINGS LIMITED will be held at the Centre Management Offices, 1st Floor, Game City Retail Mall, Gaborone, Botswana at 1200 hours on Thursday, 25th July 2024 for transacting the following business agenda:

AGENDA:

1. To read the notice convening the meeting
2. Welcome and opening remarks by the Chairman

ORDINARY RESOLUTIONS

3. To receive, consider and adopt the Audited Financial Statements for the year ended 31 January 2024 together with the Auditors report to the Board
4. To approve the distribution of P 114,430,720 as recommended by the Board of Directors for the year ended 31 January 2024.
5. To re-elect the following Directors who retire by rotation in terms Article 63 of the Articles of Association of the company and being eligible, offer themselves for re-election:

i. Mr Amaresh Chetty
(B COM, PG DIP BUS Management, MBA)

Non-Executive Director since 1 July 2022

Mr Chetty is the Chief Investment Officer at Ngwenya Capital and has in excess of 20 years investment and commercial experience across various sectors including but not limited to real estate, healthcare, mining and financial services. He has served as a director at several companies in South Africa that include:

- ✓ Ascendis Health Limited (JSE main board) - Chair of Audit and Risk Committee, Chair of Human Resource Capital Committee and member of Social And Ethics committee
- ✓ Sunstone Capital Limited - Chairman and chair of the investment committee
- ✓ Pepper Club Hotel Investments Ltd - Director and chair of the investment committee
- ✓ WDB Growth Fund Pty Ltd - Director and chair of the investment committee
- ✓ Rencell Ltd - Director

ii. Mr. Solomon Seoketsi Mantswe

Non-Executive Director since 1 July 2022

Mr Solomon Seoketsi Mantswe has a career spanning over 35 years in the public service sector, with vast experience in the areas of Policing, Public Relations and Corporate Governance. He joined the Botswana Police Service (BPS) in October 1983, and held various key positions providing strategic leadership and management.

In April 2002 he was appointed Head of Botswana Police Public Relations Unit, and, in April 2012 was appointed Director- Department of Managerial Services.

Mr Mantswe was recently appointed Deputy Commissioner of Botswana Police Services in July 2021. His key responsibilities include the development and implementation of the organizational strategies, directing the Human Resource and Administration, Policy Direction and Stakeholder Relations.

He has extensive experience in corporate governance through his service as the Chairman of the Botswana Public Officers Pension Fund (BPOPF), a position he has held since 2017, and also from the various subcommittees of the same board.

He has served on numerous Boards, some of which included:

- a) **Chairman, Police XI Football Club**
- b) **Chairperson, Botswana Police Relief Fund**

He brings a wealth of applied knowledge and experience

6. To ratify the remuneration paid to the Non-Executive Directors for the year ended 31 January 2024
7. To ratify the remuneration paid to the auditors, Ernst & Young, for the year ended 31 January 2024
8. To appoint Ernst & Young as Auditors for the year ending 31 January 2025 and authorise the Directors to fix their remuneration.
9. Answering of questions raised by linked unit holders in relation to the affairs and the business of the Company by Directors and Management.
10. To close the meeting.

A member entitled to attend, and vote may appoint a proxy (who need not be a member of the company) to attend and vote for him/her on his/her behalf. The instrument appointing such a proxy must be lodged at or posted to the registered office of the company not less than 48 hours before the meeting.

By order of the Board

GRANT THORNTON BUSINESS SERVICES
(PROPRIETARY) LIMITED
Company Secretaries

Date: 15th May 2024

REGISTERED OFFICE:
Plot 50370, Acumen Park
Fairgrounds
P O Box 1157

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Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

PROXY FORM (to be completed by Holders of Linked Units)

Please read the notes overleaf before completing this form.

For use at the Annual General Meeting of Unit Holders of the company to be held at the Centre Management Offices, 1st Floor, Game City Retail Mall, Gaborone, Botswana at 1200 hours Thursday 25th July 2024.

I/We

(Name in block letters)

Of (address)

Hereby appoint

Or failing him/her

Or failing him/her, the Chairman of the meeting as my/our proxy to act for me/ us at the 2024 Annual General Meeting, 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 instruction.

NUMBER OF LINKED UNITS				
		For	Against	Abstain
Ordinary Resolution 1	Agenda No 3			
Ordinary Resolution 2	Agenda No 4			
Ordinary Resolution 3	Agenda No 5			
i. Amaresh Chetty				
ii. Solomon Mantswe				
Ordinary Resolution 4	Agenda No 6			
Ordinary Resolution 5	Agenda No 7			
Ordinary Resolution 6	Agenda No 8			

Signed at:

Date:

Signature:

Assisted by (where applicable)

Each unit holder who is entitled to attend and vote at a General Meeting is entitled to appoint one or more persons as proxy to attend, speak and vote in place of the Unit Holder at the Annual General Meeting and the proxy so appointed need not to be a member of the company.

Please read notes 1-7 on the reverse side hereof

Turnstar Holdings Limited

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Consolidated And Separate Annual Financial Statements for the year ended 31 January 2024

NOTES TO THE PROXY FORM

1. A Shareholder must insert the names of two alternative proxies of the Shareholders choice in the space provided with or without deleting "Chairman of the General Meeting". The person whose name appears first on the form of proxy and whose name has not been deleted shall be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate space provided. Failure to comply herewith will be deemed to authorize the proxy to vote at the General Meeting as he/she deems fit in respect of the Shareholders votes exercisable thereat, but where the proxy is the Chairman, failure to comply will be deemed to authorize the proxy to vote in favor of the resolution. A Shareholder or his/her proxy is obliged to use all the votes exercisable by the Shareholder or by his/her proxy.
3. The completion and lodging of this form will not preclude the relevant Shareholder from attending the General Meeting.
4. 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/she is satisfied as to the manner in which the Shareholder concerned wishes to vote.
5. An instrument of proxy shall be valid for the General Meeting as well as for any adjournment thereof, unless the contrary is stated thereon.
6. The authority of a person signing the form of proxy under power of attorney or on behalf of a company must be attached to the form of proxy.
7. Where Ordinary Shares are held jointly, all Shareholders must sign. A minor must be assisted by his/her guardian.

UNITHOLDER ANALYSIS

Unitholders by size of holdings:		Number of unitholders	Number of units held	% of units held
1	1-500	477	110,262	0.02
2	500-1000	194	147,564	0.03
3	1 001-5 000	299	716,900	0.13
4	5 001-10 000	80	577,844	0.10
5	10 001-100 000	277	9,253,061	1.62
6	Over 100 000	103	561,347,972	98.11
TOTAL		1430	572,153,603	100.00

Unitholders by classification:				
1	Body corporates/trust	75	410,071,737	71.67
2	Insurance companies, pension/equity funds	60	141,442,698	24.72
3	Individuals	1295	20,639,168	3.61
Total		1430	572,153,603	100.00
1	Public	1428	491,995,248	85.99
2	Non-public			
3	Directors interest(including associates)	2	80,158,355	14.01
Total		1430	572,153,603	100.00

Registered unitholders holding more than 5% at the respective year end:				
1	BOTSWANA PUBLIC OFFICERS PENSION FUND	1	112,720,935	19.70
2	FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ FNB	1	102,150,550	17.85
3	G. H. GROUP (PROPRIETARY) LTD	1	80,148,355	14.01
4	ASSOCIATED INVESTMENT AND DEVELOPMENT CORPORATION	1	59,083,407	10.33
5	DEBSWANA PENSION FUND	1	34,501,175	6.03
6	MOTOR VEHICLE FUND	1	31,021,292	5.42
Total			419,625,714	73.34

Top 10 Unitholders				
1	BOTSWANA PUBLIC OFFICERS PENSION FUND	1	112,720,935	19.70
2	FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ FNB	1	102,150,550	17.85
3	G. H. GROUP (PROPRIETARY) LTD	1	80,148,355	14.01
4	ASSOCIATED INVESTMENT AND DEVELOPMENT CORPORATION	1	59,083,407	10.33
5	DEBSWANA PENSION FUND	1	34,501,175	6.03
6	MOTOR VEHICLE FUND	1	31,021,292	5.42
7	BOTSWANA PUBLIC PENSION FUND VUNANI	1	23,388,850	4.09
8	STANBIC NOMINEES BOTSWANA RE BIFM PLEF	1	15,332,045	2.68
9	SCBN(PTY) LTD RE: AG 028922700004	1	11,298,847	1.97
10	STANBIC NOMINEES BOTSWANA RE BIFM MLF	1	7,707,106	1.35
Total			477,352,562	83.43



www.turnstar.co.bw