TURNSTAR HOLDINGS LIMITED

ANNUAL REPORT 2023

21st ANNIVERSARY

game city

Positive results
despite challenging operating environment and competitive market

PROPERTY ASSET VALUE INCREASED TO
P2.6bn

GROUP DISTRIBUTED FOR THE YEAR
P103 m

RENTAL REVENUE
P291

OCCUPANCY IN BOTSWANA
99%

OCCUPANCY IN DUBAI
100%

OCCUPANCY IN TANZANIA POST YEAR END
90%

FULL YEAR DISTRIBUTION PER LINKED UNIT IS
18 thebe

NET ASSET VALUE PER LINKED UNIT
P3.17

LOAN TO VALUE RATIO
20%

INTERNAL CAP
30%

IN THIS REPORT

Executive Board.

MR BUTLER PHIRIE - CHAIRMAN OF THE BOARD

Appointed 1 July 2021

Mr. Phirie is a fellow member of the Botswana Institute of Chartered Accountants and the Association of Chartered Certified Accountants (UK). He brings with him a wealth of experience, having served at Pricewaterhouse Coopers for 27 years, 13 years of which he was the Managing Partner. He has also served the Botswana Development Corporation as General Manager Finance for 4 years.

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, diamond supply, wholesale and retail, hospitality and automotiveparts.

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.

MR SHIRAN PUVIMANASINGHE - 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.

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 in a number of boards in the country. 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) -Chair 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
- WDB Growth Fund Pty Ltd - Director and chair of the investment committee
- Rencell Ltd - Director

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 of 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.

SOLOMOM SEOKETSI MANTSWE

Appointed 1 July 2022

Mr Solomon Seoketsi Mantswe has a career spanning over 35 years' in the public service sector, with vast experience in 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 organisational 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.

Solid Foundation for Long Term Growth.

Mr Goolam Abdullah

Dear Valued Stakeholders,

First and foremost, it is imperative for us to begin by paying homage to our staff, shareholders, stakeholders, business partners, and the wider collective in our Turnstar ecosystem.

While appreciation is typically left to the end of my report, it would be remiss of me not to begin by recognizing those central to our efforts.

Ours is a proudly Botswana-born business that has fast grown in both reach and impact well beyond our borders. Botswana will always remain our home, as we are grounded in her values, heritage and culture and embody the principles of her people. It is this great cultural identity nurtured with a global mindset that will cultivate even greater opportunities going forward. This balance has been and will always be a delicate albeit sacred one to us. Our focus is to ensure we operate responsibly and ambitiously, and yet strategically. This is how we deliver on our purpose to ***invest, manage and grow properties that bring about real returns for communities and investors.***

The year under review was no exception. We worked in this period to advance on previously set foundations. Thus, if I were to characterise this period, it has been one of *strengthening foundations to secure an even stronger future.* We remain committed to being the largest listed property company in terms of asset value, based on a solid foundation, great assets, low debt gearing ratio and providing dividends to our shareholders consistently.

Doing this means recognizing we not only have a responsibility to deliver on, but a passion to deliver that we can and must continue to fuel. I am pleased to say that despite any economic headwinds experienced in the period under review – and we certainly experienced these in the post Covid-19 environment as the entire nation sought to stabilize and rebuild amid rising costs of living – we pressed on.

NOTABLE MILESTONES AND EFFORTS IN THIS PERIOD INCLUDE:

THE OFFICE MARKET IN TANZANIA HAS SHOWN GROWTH AND WE ARE HAPPY TO REPORT THAT OUR OFFICE TENANCY HAS INCREASED BY

7,800 sq.m,

THIS YEAR. THIS WILL HAVE A POSITIVE IMPACT ON OUR BOTTOM-LINE PROFITS IN THE FUTURE.

OVERALL, THE GROUP HAS ONLY A

3%

VACANCY RATIO.

FINANCIAL HIGHLIGHTS OF THE YEAR UNDER REVIEW ARE:

INVESTMENT PROPERTY VALUE GREW BY OVER
P100 million,
BRINGING OUR ASSET VALUE TO
P2.6 billion

GROUP REVENUE GREW BY 9% TO
P294 million,
WITH TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO SHAREHOLDERS GROWING TO
P183 million,
AN INCREASE OF P42 MILLION COMPARED TO THE PRIOR YEAR

NET ASSET VALUE (NAV) PER SHARE OF
P3.17
AND SIGNIFICANT GEARING CAPACITY, WITH A LOAN-TO-VALUE (LTV) RATIO OF
20%

The business is of the view that these financial results could have been significantly better, but as indicated in the financial statements, the increase in bank interest rates has had an impact on profits. Notably, this increase in interest rates is a global phenomenon and not only experienced in Botswana. This, in turn, has seen an impact on business across the world. Our performance is to be viewed against this backdrop, for we do not exist nor operate in a vacuum. There are several socio-economic factors to be cognizant of.

SOCIO-ECONOMIC CLIMATE

The macro and micro factors in which we operate against must be taken into consideration.

There are notable challenges that affect the property market in which we operate. Competition is high and demand is limited due to the small national population. Unemployment remains a challenge (albeit moving from 26% in the post-Covid-19 peak to 25.4% in Q4 2022, per Statistics Botswana data released in January 2023 and referenced by the Minister of Trade and Industry, Honourable Peggy Serame, in the 2023 Budget Speech). This, with rising inflation, has had a strong and negative impact on the disposable income of families, as high prices erode the value of wages and savings. Interest rates, too, are oftentimes higher than returns on property.

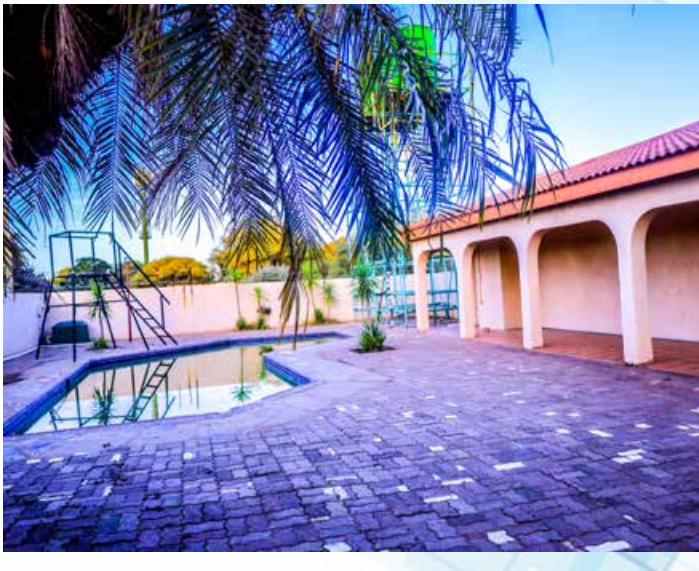
The post Covid-19 outcomes and those from the Russia-Ukraine conflict have both had a huge impact on the price of raw materials in the property space. This has raised development costs tremendously, and yet rentals in Botswana remain relatively low. This paradox is not without impact on the business. The inherent challenge for us is how to match property costs and yet still maintain a decent return on investment for our shareholders.

We remain alive to these factors, and rather than allowing them to deter us from our growth plans, they inspire and propel us to actively work to navigate and mitigate them. We have a robust risk management strategy and appetite to create long-term socio-economic stakeholder and shareholder value. **The team we have in place, supported by an incredible caliber of Board, remains focused on these as we work to deliver on our strategy in the short-, medium- and long-term.**

Embedded in our strategy is a firm focus on environment, social and governance (ESG), and this supports our value creation approach. It is central to how we are *strengthening foundations to secure an even stronger future,* engineered to ensure not simply best practice, but best outcomes and sustained impact. This is how we safeguard and grow the future of the business and how it can contribute to the community, country, continent and beyond.

We anticipate a stronger year ahead. And have geared ourselves accordingly to seize key opportunities as we continue to *invest, manage and grow properties that bring about real returns for communities and investors.* There is a truly unique aspect of this business that comes through the intersection of people, strategy and processes which helps shape our past successes and our future reality. We will continue to lean on this and invest in protecting and enhancing it, taking a long-term view.

Our future is bold, ambitious and bright. Turnstar has been operating for 23 years to date, and we have every intention of doubling, tripling and indeed going beyond this. This year, we commemorate 23 years. Our flagship property, Game City, will celebrate its 21st Anniversary this year - "21 years and still growing stronger." These are not simply milestones, but precursors of great things yet to come too.



OUTLOOK

We remain bullish about growing Turnstar to reach a target of P3 billion in asset value. Indeed, this remains a personal target close to my heart and that of our executive team.

Operationally, and indeed supporting our wider strategic appetite for growth, Turnstar has recruited additional staff in key areas to support operational efforts. They carry the Turnstar ethos and have the full support of the executive team to deliver progress.

In addition, exploration, feasibility study and due diligence on new property opportunities are underway. These will be presented to the Investment Committee for consideration before going to the Board. We are cautiously optimistic and yet ambitiously hopeful about the value these will add to our growth plans.

APPRECIATION

I end where I began and wish to once again thank all in our stakeholder ecosystem of Turnstar.

Thank you to our Chairman and to the wider Board of Directors for the input and guidance, to our Management team for making progress real each and every day.

Thank you moreover to our financiers and banking partners, business partners and all our other stakeholders.

Let us all continue to shape a strong future and stronger outcomes for all. Tackling any challenges we may face, together. Unlocking opportunities for all, as we build back better.

Increase in Rental Revenue.

THE GROUP POSTED IMPROVED RESULTS, RENTAL REVENUE INCREASED BY **9% to P 291 million,** WHILE EXPENSES WERE MAINTAINED AT **P141 million.**

THE GROUP'S PROPERTY ASSETS WERE VALUED AT **P 2.6 billion,** AS AT BALANCE SHEET DATE.

THE GROUP EARNINGS PER LINKED UNIT WAS **19 thebe.**

THE OPERATIONAL PROFIT OF THE GROUP FOR THE YEAR ENDED 31ST JANUARY 2023, REMAINS IN LINE WITH THAT FOR THE CORRESPONDING YEAR ENDED 31ST JANUARY 2022.

THERE WAS SUBSTANTIAL FAIR VALUE APPRECIATION OF THE BOTSWANA, TANZANIA AND DUBAI PROPERTIES DURING THE CURRENT YEAR.

FINANCE COSTS

The Finance costs relate to loans held with First National Bank Botswana and ABSA bank Botswana. Increase in the interest rates and the appreciation of the US Dollar over the Botswana Pula resulted in finance costs increased to P 30.9m for the year ended 31st January 2023, compared to P 21.3m for the corresponding year ended 31st January 2022. During the year prime rate in Botswana increase by 2% while the USD libor increase from 0,25 % to 4.74%. In order to mitigate that the company started negotiations with both bank to restructure the loans.

FAIR VALUE

There was substantial fair value appreciation of the Botswana, Tanzania and Dubai properties during the current year.

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. There was substantial appreciation of USD against the Pula during the current year resulting in a higher gain compared to prior year.

LOAN TO VALUE RATIO (LTV)

The loan to value ratio (borrowing as a percentage of investment property) is a very conservative 20% compared to 23% of prior year. Company has set internal gearing ratio of 30%.

GOODWILL IMPAIRMENT

The group had allocated the carrying value of goodwill reported at P29 864 906 to the subsidiary, Mlimani Holdings Limited.

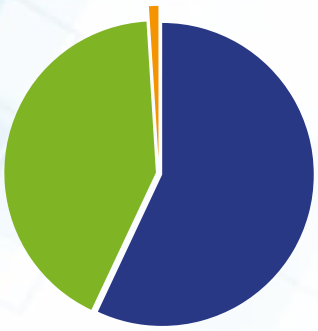
Assessment of Goodwill was carried out. The cost of capital increased substantially during the year and as a result the discount rate applicable in the calculating Goodwill increased considerably. Hence the remaining Goodwill of P 29.90m, relating to the purchase of the Tanzanian subsidiary brought forward from previous years, was entirely impaired during the year.

DISTRIBUTION TO SHAREHOLDERS

The company continues to pay good distribution despite tough economic challenges, total distribution of 18 thebe per linked unit.

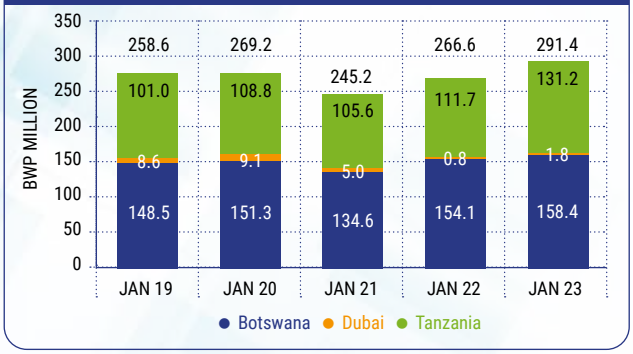
Turnstar Group Geographical Analysis

PROPERTY VALUE	GLA (SQUARE METER)	SECTOR FOCUS
P2.6 billion	149 805	85% Retail

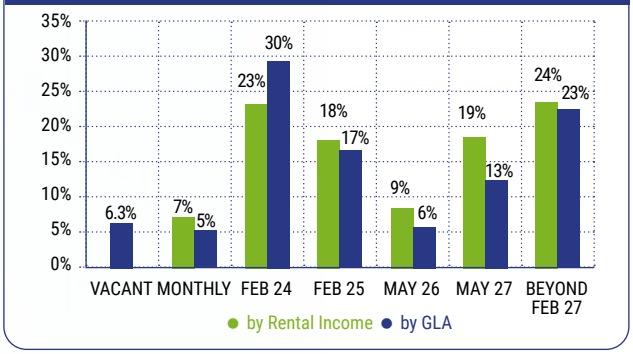


	TANZANIA	DUBAI	BOTSWANA
	43%	1%	57%
PROPERTY VALUE	P1.1 billion	P25 million	P1.4 billion
NO. OF PROPERTIES	4	1	7
GLA (m²)	370	1 245	92 290

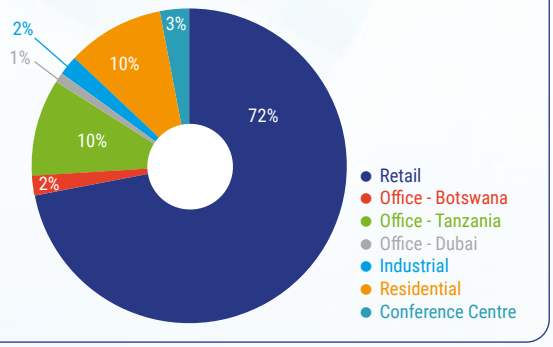
CONTRIBUTION TO REVENUE



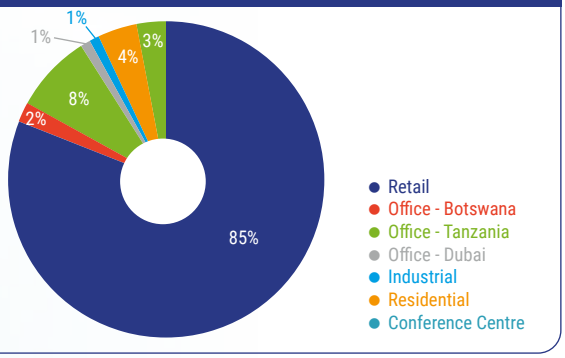
LEASE EXPIRY



SECTORIAL SPREAD BY GLA



SECTORIAL SPREAD BY VALUE



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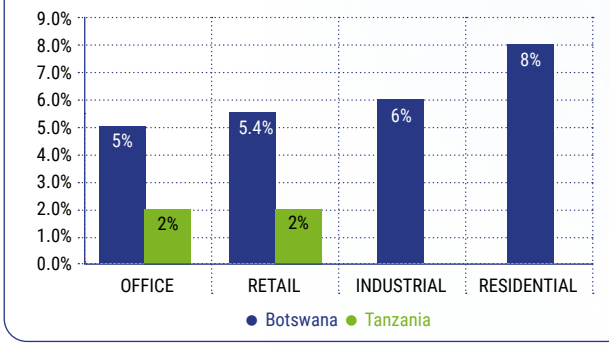
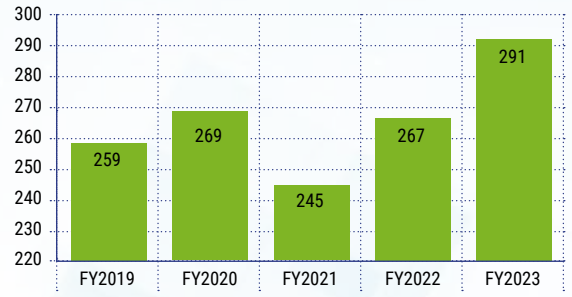
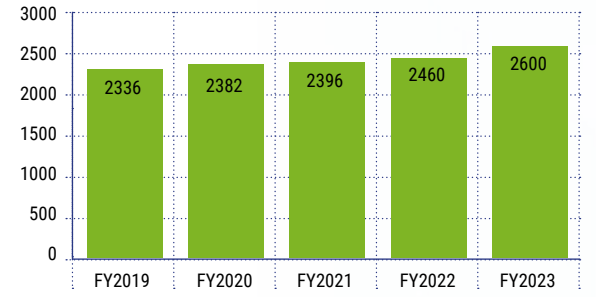


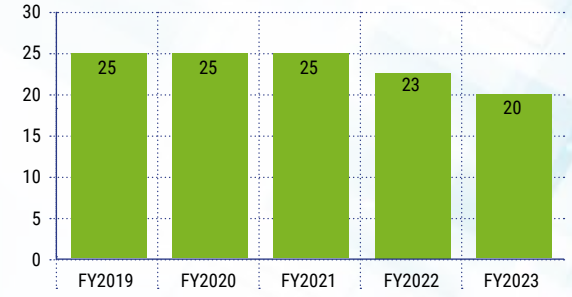
RENTAL INCOME



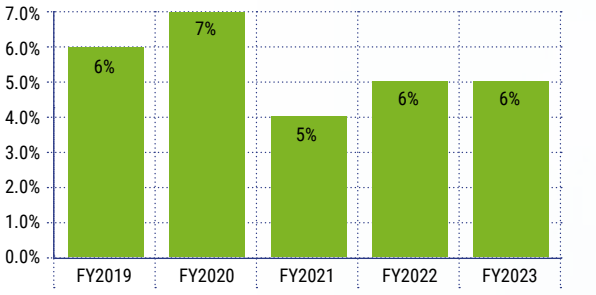
PROPERTY VALUES



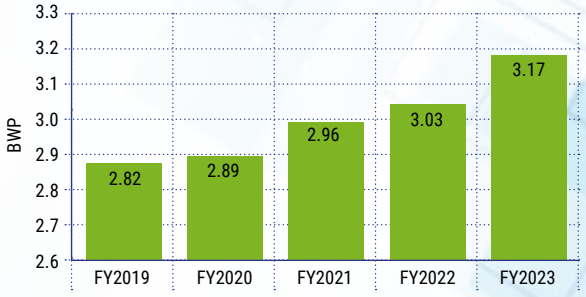
LOAN TO VALUE (LTV)



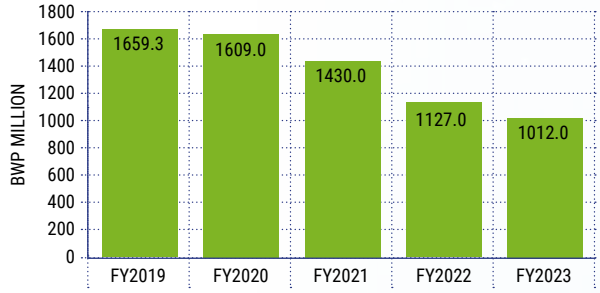
PROPERTY INCOME YIELD



NET ASSET VALUE



AVERAGE MARKET CAP



Abridged Statement of Comprehensive Income

	GROUP		COMPANY	
	31 Jan 23 Pula	31 Jan 22 Pula	31 Jan 23 Pula	31 Jan 22 Pula
Revenue				
Rental income	291,267,868	266,595,710	158,318,540	154,076,022
Other income	3,083,810	2,352,161	4,734,486	4,108,434
Operating expenses	(141,004,504)	(119,738,107)	(81,854,112)	(75,812,628)
Dividend income from subsidiary	-	-	15,865,608	14,946,873
Operating profit	**153,347,174**	**149,209,764**	**97,064,522**	**97,318,701**
Finance income	16,074	243,593	17,018,901	12,760,195
Finance cost	(30,903,614)	(21,280,321)	(30,903,614)	(21,280,321)
Profit before exchange difference and FV	**122,459,634**	**128,173,036**	**83,179,809**	**88,798,575**
Exchange gain	19,455,154	12,423,604	19,455,154	12,423,604
Exchange loss	(31,077,831)	(17,334,952)	(30,733,214)	(17,291,609)
Profit before fair value and impairment	**110,836,957**	**123,261,689**	**71,901,749**	**83,930,571**
Good will impairment	(29,864,906)	-	-	-
Impairment in Investment in subsidiary	-	-	-	(65,083,782)
Fair value adjustments	31,184,126	(8,900,100)	17,872,099	59,443,996
Profit before tax	**112,156,177**	**114,361,589**	**89,773,848**	**78,290,785**
Taxation	(4,128,002)	(13,425,106)	12,465,233	4,090,362
Profit for the year	**108,028,175**	**100,936,483**	**102,239,081**	**82,381,147**
Other comprehensive income				
Exchange difference on translating foreign operations	74,510,636	40,437,771	-	-
Total comprehensive income for the year	**182,538,811**	**141,374,254**	**102,239,081**	**82,381,147**
Total comprehensive income attributable to:				
Owners of the parent company	182,538,811	141,374,254	102,239,081	82,381,147
	-	-	-	-
	182,538,811	**141,374,254**	**102,239,081**	**82,381,147**
Basic earnings per linked unit (in thebe)	19	18	17.87	14.40
Diluted earnings per linked unit (in thebe)	19	18	17.87	14.40
Distribution per linked unit(in thebe)	18.00	18.00	18.00	18.00
Debenture interest per linked unit(in thebe)	15.23	15.39	15.23	15.39
Dividend per linked unit(in thebe)	2.77	2.61	2.77	2.61
NAV per unit (thebe)	3.17	3.03	2.67	2.68
Number of linked units	572,153,603	572,153,603	572,153,603	572,153,603

Abridged Statement of Financial Position

	GROUP		COMPANY	
	31 Jan 23	31 Jan 22	31 Jan 23	31 Jan 22
ASSETS				
Non-Current Assets	**2,616,747,755**	**2,504,744,338**	**2,171,140,496**	**2,169,960,453**
Investment property	2,599,722,059	2,460,487,166	1,427,539,285	1,404,778,381
Plant and equipment	1,928,866	1,383,514	268,782	265,277
Goodwill	-	27,177,745	-	-
Investment in subsidiaries	-	-	541,529,229	541,529,229
Loan to related compamy	-	-	190,863,452	210,790,566
Lease asset	15,096,830	15,695,913	10,939,748	12,597,000
Current Assets	**45,278,489**	**46,946,344**	**20,391,984**	**26,880,707**
Lease asset	1,300,967	4,323,415	1,300,967	4,323,415
Cash and cash equivalent	9,542,151	14,208,533	3,892,636	9,388,408
Trade and other receivables	34,435,371	28,414,396	15,198,381	13,168,884
Total Assets	**2,662,026,244**	**2,551,690,682**	**2,191,532,480**	**2,196,841,160**
EQUITY AND LIABILITIES				
Stated Capital and Reserves	**1,814,294,833**	**1,734,743,667**	**1,530,174,246**	**1,530,892,813**
Stated capital	346,420,555	346,420,555	346,420,555	346,420,555
Linked unit debentures	286,076,802	286,076,802	286,076,802	286,076,802
Fair value surplus	719,809,226	688,625,100	771,139,255	753,265,947
Retained earnings	158,822,122	184,965,718	75,043,810	93,635,685
Debenture interest and dividend reserves	51,493,824	51,493,824	51,493,824	51,493,824
Foreign currency translation reserve	251,672,304	177,161,668	-	-
Non- Current Liabilities	**718,532,439**	**698,928,151**	**576,332,645**	**583,795,418**
Borrowings	503,568,944	498,566,484	503,568,944	498,566,484
Deferred taxation	214,963,495	200,361,667	72,763,701	85,228,934
Current Liabilities	**129,198,972**	**118,018,864**	**85,025,589**	**82,152,929**
Trade and other payables	51,585,906	47,334,092	7,412,523	11,468,157
Borrowings	26,546,603	67,118,511	26,546,603	67,118,511
Unclaimed debenture interest and dividend	2,250,945	1,840,616	2,250,945	1,840,616
Current tax payable	-	1,575,294	-	1,575,294
Bank overdraft	48,815,518	150,351	48,815,518	150,351
Total Equity and Liabilities	**2,662,026,244**	**2,551,690,682**	**2,191,532,480**	**2,196,841,160**

Mall Occupancy Positive.

MLIMANI CITY PROJECT - OVERVIEW

Mlimani City is a business Complex located in along Sam Nujoma Road in Mwenge, Dar es Salaam, Tanzania. The business complex was opened in November 2006 with Tanzania's first indoor air-conditioned Mall comprising several stores, restaurants and a movie theatre, Century Cinemax, which has the biggest screen in East Africa.

It has the largest mall in the country, with a lettable area of 29,500 Sq. m (295,000 Sq ft). It houses some international brands such as Mr. Price, and Woolworths. A number of telecommunication companies such as TTCL, Airtel, Vodacom and Tigo have also opened their outlets in this mall. The anchor Tenants are Mr. Discount and Shoppers Supermarket. All Major banks in Tanzania such as CRDB Bank, NMB Bank, KCB Bank, Exim Bank, Twiga Bank, Diamond Trust and TIB Development Bank have opened their offices and installed ATMs at Mlimani City. Other quality stores are Splash, Baby Shop, Red Tag Samsung, LG and LC Waikiki as well as boutiques and furniture stores: Restaurants are

Marry Brown, Pizza Hut, KFC, Subways, Samaki Samaki, these being popular franchises in Dar es Salaam.

The retail mall enjoyed 100% occupancy during the year.

The mall is an element of Mlimani Holdings and is connected to Mlimani City Office Park, Mlimani Meadow Villas and Mlimani City Conference Center.

Mlimani City is more than just a shopping mall, it is a multi-business area - a shopping Center with lettable space of about 29,500 square meters, Office park consisting of Six double story comprising of 2,600 sqm each. A grade building with a lettable space of plus or minus 15,600 square meters, The Office Park buildings have ample, and secure parking space with each building comprising of 90 parking slots. The Office Park is currently led to TIB Development Bank forming its headquarters, Ison Xperiences Tanzania, Benjamin Mkapa Foundation, and HJFMRI (Walter Reed Program Tanzania). A new addition to the Office Park is a kind of China Mall Concept trading as "Home city". This concept opened its doors in May this year and has already shown a good influx of customers to the Complex. It occupies a space of 2,600 sqm. Also, new tenants have leased spaces at the offices Park including Multichoice Tanzania Limited, Assemble Insurance Limited, Room to Read Tanzania and IBI International. The Current occupancy rate of the office Park is 85%

The main target audience for Mlimani City is anyone who is looking for a sophisticated life style of shopping, office address, conference/entertainment center and residential address. In order to keep the development as exclusive as possible Mlimani City seek higher end and quality tenants. The daily traffic flow to Mlimani averages 16,000 daily making it a landmark for shoppers and visitors.

Mlimani City Complex is a highly sought-after address for retail, Office, Conference activities and Residence and this is due to the quality of the buildings, services provided, location and accessibility.

Mlimani City is within a good location, and has good visibility and signage in all the entrances into the complex. Additionally; they have ample secure well-designed parking area which is regarded as being one of the best features for the City.

The conference center with a full range of facilities and amenities played a host to the African leg of the World Economic Forum (WEF). The Conference Center internal area is one open plan hall and can be subdivided to six halls. It is a 5,000 sq.m space and is designed to cater for 2,300 people in theater style and 1,600people in conference or banquet seating. It is the best and largest indoor function venue in Dar es Salaam and with a full range of conference facilities and amenities.

The bookings suffered due to the covid pandemic, but has shown a pleasing return to normalcy over the past year.

Mlimani City Meadow Villas with world class facilities all in one convenient location.

The residential housing estate with 50 units became fully operational in 2008.

The residential estate comprises of 50 single story housing units. The units have a mix of 1, 2- and 3-bedroom units and all come with a well fitted and spacious kitchen, a lounge/dining area linked fitted wardrobes to the bedroom(s) with en suite bathroom, with a 2nd bathroom to the 2 and 3 bed units, a guest toilet, external veranda and a carport.

ACHIEVEMENTS

Mlimani City has won the admiration of customers and the industry around the world since its inception and specifically, they are proud of:-

Mlimani City opened in 2006 - with the completion of construction works at Mlimani City complex, the agreement to complete the upgrading of Sum Nujoma Road to a dual way came to a completion.

Hosting of MO Ibrahim Foundation Awards in 2009, World Forum Conference 2010, CBC Forum in 2011 and the Famous Swahili International Tourism Expo (S!TE) where our conference center housed world class leaders.

Mlimani City Mall was the first of its kind in the sense of a shopping mall/center experience and is the first 'indoor' shopping center in Tanzania.

The Tanzanian population is increasing in wealth and sophistication, leading to demand for quality produce and services. Also, exposure of other countries has led to brand awareness.

The current trend of investors wanting to lease spaces away from the City Centre is benefiting Mlimani City in terms of Office space leasing.

GAME CITY

Game City opened its doors to its patrons in 2002. It proudly celebrates its 21st Anniversary, this year.

With an area of approximately 70 000qm under roof, Game City is the first indoor mall built in Botswana that allows patrons to shop comfortably and securely. This shopping haven offers a variety of outlets. The shops, 140 in all, comprise trendy clothing stores, boutiques, shoe outlets, jewellers, perfumes, and gift hubs. There are also restaurants and takeaways, coffee shops, grocery stores, banking, and foreign exchange facilities, furniture outlets, homeware shops, hair and beauty parlours, bookstores, sports shops, pharmacies, and the main flagship store, Game. There is an IT hub and a food court on the second floor.

The mall offers two event venues on the first floor to host corporate events, weddings, parties, and exhibitions. The shopping centre provides covered parking, aspiring to continue serving as an all- rounded mall that offers patrons all they need conveniently under one roof.

Game City enjoyed 98% occupancy during the year.

The facilities are being upgraded, the Fire prevention and security equipment were upgraded during the year. The water proofing and re guttering of the roof is ongoing.

NZANO MALL

One of the first malls to be built in Francistown 23 years ago, Nzano is approximately 14,342 sq m. It has two anchor shops - Game stores and Super Spar, and 21 other outlets.

Nzano has always proved to be a popular destination for its customers, with a range of clothing, restaurant, furniture, grocery, IT, and pharmacy stores. It also has a banking outlets and a petrol station.

The property underwent a facelift during the year.

Its tenant occupancy has always been at 100% over the past years.

SUPASAVE MALL – MOGODITSHANE

This high-traffic mall has nine retail units. There is an ongoing demand for space in this mall, which has had 100% tenant occupancy for the past years. The anchor tenants are Supa Save and Chicken Licken. The mall also has a Petrol Garage.

PLOT 63 G.I.C.P

The property is in Gaborone International Commerce Park - a building comprising 12 units of different industrial categories with offices and warehouses.

The property has had full occupancy over the past years.

RESIDENTIAL ACCOMMODATION - TAPOLOGO ESTATE

This prestigious housing estate, located in Broadhurst Gaborone, is fully let.

It is an attractive asset with 50 units of 1, 2, and 3-bedroomed apartments, with enclosed garages, maintained gardens, a communal pool, and 24 hour security.

RESIDENTIAL ACCOMMODATION – MOGODITSHANE APARTMENTS

The property consists of three blocks of 3 and 4 bedroomed apartments, a total of 14 Townhouses. Each has a closed garage, staff accommodation, communal pool and 24-hour security.

The property is fully let.

TURNSTAR HOUSE – MAIN MALL

Turnstar House is the only commercial property in the Botswana portfolio. This property has three retail stores on the ground floor and 12 commercial office units on the five floors.

It has ample underground parking bays.

DUBAI

This building named *Palazzo Venezia*, located in Majan, Dubai, consists of three retail shops on the ground floor and eight commercial offices located on the four upper floors.

The property is fully occupied, and market rentals are being obtained. The property is managed and maintained by reputable and professional property and facilities managers and is in good condition.

Confidence Maintained.

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), by adopting 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, arms' length dealings, and the applicable laws.

With diversification in mind, the board continues to review various property investment opportunities locally and regionally.

The board has newly established an investment committee, to evaluate and recommend to the board, all property acquisitions, developments and disposals.

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.

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.

COMPANY AND MEETING SECRETARY

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

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.

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.

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 (ML), terrorist financing (TF), or the financing of proliferation (PF). To this end, the Turnstar board has adopted several policies relating to Anti-Money Laundering (AML), Counter-Financing of Terrorism (CFT), and Counter-Financing of Proliferation. This complies with the Financial Intelligence Act 2022 and international best practices.

COVID -19

Turnstar Holdings Limited implemented precautions to protect employees, tenants, customers, and other stakeholders from COVID-19.

PORTFOLIO RISK

Notwithstanding global instability due to the pandemic, wars and armed conflicts, and the effects of global warming, the directors remain confident with the business as a going concern. With diversification in mind, the Board reviews various property investment opportunities locally and regionally.

BOARD OF DIRECTORS

During the year under review, the Board consisted of seven Directors, five of whom were independent non- executive Directors.

Mr Patrick Balopi retired as a director and the Chairman of the Company on the 5th June 2022. Mr Butler Phirie, a non-executive director, was appointed as the Chairman at the AGM held on 28th July 2022.

Three new independent non-executive Directors joined the Board in 2022. Mr Amaresh Chetty and Mr Solomon Mantswe joined the Board on the 1st June 2022, followed by Ms Sethebe Manake on 1st September 2022.

Mr Pierre Bezuidenhout, an independent non-executive Director, retired from the Board on the 1st June 2022.

The Directors bring a wealth of expertise and experience from their broad fields of operation and ensure that dialogue on strategy, policy, business development, and performance is robust, informed, and constructive.

In compliance with the King 111 code of best practice recommendations and the Botswana Stock Exchange requirements, Mr. Pierre Bezuidenhout retired from the Board on 1st June 2022, after serving nine years.

GENDER DIVERSITY

Turnstar subscribes to best practice in relation to gender diversity at board level, as well as across all it's businesses. We have been exemplary by having more women holding directors' positions. In the past few years we have had 3 women representing 37.5% at board level and currently, we have 17 female staff members representing 50% of our workforce. The number of women on our board has reduced in the recent past, due to mandatory rotations that saw two retirements.

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. A Board Charter is in place.

The Board conducts periodic assessments on the non executive directors and appoints independent professional consultants for this purpose.

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.

The number of Board Meetings held, and the gross fees paid to the non- executive Directors is as follows:

BOARD REMUNERATION		
	Fees	Number
P Bezuidenhout	246 870.40	16
P K Balopi	249 986.24	16
V Tebele	393 075.20	24
B Phirie	437 083.20	24
A Chetty	140 212.80	8
S Mantswe	94 673.60	4
S Manake	122 236.80	7
	1 ,684 138.24	

AUDIT & RISK COMMITTEE REPORT

The Board has established an Audit and Risk Committee comprising three non-executive Directors. The Committee meets independently at least twice a year. External auditors and Executive Directors attend by invitation.

The Committee reviews the audit plan for the statutory annual audit and mid-year review. Annual Financial Statements are also reviewed with recommendations for approval to the Board before publication. A direct report from the external auditors on the results and findings of the audit process is submitted.

The Committee also reviews the Company's Finance, IT, Internal Audit, and Risk functions.

The Terms of Reference for the Committee are in place.

GEARING POLICY

To avoid excess borrowings, the Company adopted a gearing policy. Gearing for the Company is now capped at 30%.

Attendance by Audit Committee members at meetings held during this financial year is summarised below.

	Fees	Number
P Bezuidenhout	11 984	1
V Tebele	23 968	2
B Phirie	11 984	1
S Mantswe	11 984	1
S Manake	11 984	1
	71 904	

The primary responsibilities of the Audit Committee are to provide the Board with the following:

- Additional assurance regarding the accuracy and reliability of the Annual Financial statements;
- Satisfaction that appropriate financial and operating controls are in place;
- Monitor the Corporate Risk assessment process and assess management. design, implementation, responses and monitoring of risks;
- Confirmation of compliance by the company with legal and regulatory requirements, including BSE listing requirements, Companies Act, King Code on Corporate Governance and other applicable legislation;
- Review of the independence and performance of the company's external auditors.

GOING CONCERN

The Audit & Risk Committee has concluded that the Group will continue as a going concern for the ensuing year by:

- A review of the cash flow projections and budgets for the year ending January 2024 to ensure the adequacy of cash.
- There are no other circumstances that we are aware of that will materially change the cash flow projection or budgets.
- There are no capital commitments that require additional financing at this stage. Any decision to incur capital expenditure will be approved together with the relevant funding.
- There are no legal issues pending which would impact the Group's ability to continue as a going concern.
- All necessary provisions have been made for potentially unrecoverable debts and assets.

ASSESSMENTS

The committee has reviewed reporting to the Board, and shareholders. The committee has also reviewed the external Auditors' report to unit-holders and received their comments post the Annual Audit. The committee is satisfied with the expertise and experience of the Managing Director, the Chief Financial Officer, the Finance Manager, and the finance function.

Company Secretaries act as the Secretary of the Board and attend all Board and Shareholder meetings. The Board has considered their competence, qualifications, and experience. The Board is also satisfied that they operate on an arms-length basis.

All Directors have unlimited access to the Company Secretaries' services, ensuring compliance with applicable procedures and legislation.

All Directors are entitled to seek independent professional advice concerning the company's affairs at the company's expense.

ANNUAL REPORT

Following the committee's review of the Annual Financial Statements for the year ended 31 January 2023, 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

NOMINATIONS AND REMUNERATION COMMITTEE (REMCO)

The Board revived the Nominations and Remuneration Committee during the year. The committee comprises two non-executive Directorsand meets at least twice a year. Executive Directors and senior management, including the Human Resources Manager, attend by invitation.

The Human Resources Committee is responsible for reviewing the Company's remuneration policies for approval by the Board. The committee is responsible for ensuring that the Company's executive management is rewarded equitably, and recommends remuneration for non-executive Directors to the Board for approval. The committee is responsible for ensuring the Board is represented by members with the requisite skills. Prospective additions to the Board must be vetted and recommended by the committee. The table below shows the number of meetings attended by each member and gross fees paid.

	Fees	Number
S Mantswe	11 984	1
B Phirie	11 984	1
	23 968	

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.

INVESTMENT COMMITTEE

The Board has newly established an Investment Committee 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.

KING III COMPLIANCE CHECKLIST

Key:

✔ = Compliant
U = Under review
N = Non-compliant
P = Partially compliant
N/A = Not applicable

CHAPTER 1: ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP			
		Comments	**Key**
1.1	The board should provide effective leadership based on an ethical foundation.	The Board has adopted the requirements of King III and considers best Corporate Governance Practices to be critical in delivering sustainable growth. The Company also has an Ethics policy in place.	✔
1.2	The board should ensure that the company is and is seen to be a responsible corporate citizen.	The Board ensures that the Company complies with the requirements of the BSEL, BAOA, the Companies Act, IFRS and the applicable law. The Company also has a Corporate Social Responsibility policy.	✔
1.3	The board should ensure that the company's ethics are managed effectively.	A formal policy regarding the effective management of ethics is in place. The effectiveness of the policy is being assessed from time to time.	✔
CHAPTER 2 : BOARDS AND DIRECTORS			
2.1	The board should act as the focal point for and custodian of corporate governance	Refer to 1.1 & 1.2 above	✔
2.2	The board should appreciate that the strategy , risk performance and sustainability are inseparable	A strategic plan, risk analysis and sustainability policy is in place.	✔
2.3	The board should provide effective leadership based on ethical foundation	Refer to 1.1 above	✔
2.4	The board should ensure that the company is and is seen to be a responsible corporate citizen	Refer to 1.2 above	✔
2.5	The board should ensure that the company s ethics are managed effectively	Refer to 1.3 above	✔
2.6	The board should ensure that the company has an effective and independent audit committee	The Audit & Risk Committee comprises of 3 independent Directors, one of whom is the Chairman. The executive Directors attend by invitation. The external auditors also attend by invitation. The Audit & Risk Committee meet at least twice a year.	
2.7	The board should be responsible for the governance risk	The Audit and Risk Committee monitors the adequacy and effectiveness of the Risk Management process, and reports to the Board.	✔
2.8	The board should be responsible for information technology (IT) governance	The Audit and Risk Committee monitors the adequacy and effectiveness of IT governance, and reports to the Board.	✔
2.9	The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards	The Company has a compliance officer who manages the compliance aspects to applicable laws and legislations. The Company has codes of conducts and standards which are applicable to all stakeholders and compliance to the same is ensured. The Audit and Risk Committee monitors the effectiveness of same and will report any instances of non-compliance, to the Board	✔
2.10	The board should ensure that there is an effective risk –based internal audit	The internal audit function has been outsourced and the company has appointed qualified Internal Auditors. The Audit and Risk Committee assesses the internal audit function and reports any issues to the board.	✔
2.11	The board should appreciate that stakeholders perceptions affect the company's reputation	Please refer to principles 1.1, 1.2 and 1.3 above. The Company has also adopted a stakeholder relationship policy.	
2.12	The board should ensure the integrity of the company's integrated annual report	An integrated Annual Report is being produced.	✔
2.13	The board should report on the effectiveness of the company's system of internal controls	The Internal and External Auditors together with the executive Directors report on the adequacy and effectiveness of the Internal controls to the Audit & Risk Committee. The Audit & Risk Committee in turn, briefs the Board.	✔
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 is aware of the requirement.	✔
2.16	The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfil the role of chairman of the board	The Chairman of the Board is a non-executive director. The CEO is an executive director and is not the Chairman.	✔

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2.17	The board should appoint the chief executive officer and establish a framework for the delegation of authority	The Board has appointed a CEO whose delegated authority is in place.	✔
2.18	The board should compromise a balance of power, with a majority of non-executive directors. The majority of non- executive directors should be independent	The Board comprises of seven Directors, five of who are non- executives.	✔
2.19	Directors should be appointed through a formal process	The process is stipulated in the Board Charter	✔
2.20	The induction of and ongoing training and development of directors should be conducted through formal processes	Induction and ongoing training and development of Directors, is stipulated in the Board Charter.	✔
2.21	The board should be assisted by a competent, suitably qualified and experienced company secretary	A competent, suitably qualified and experienced Company Secretary has been appointed by the Board.	✔
2.22	The evaluation of the board, its committees and the individual directors should be performed every year	A formal evaluation process has been performed.	✔
2.23	The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities	The Audit & Risk committee and Remunerations and Nominations Committee report directly to the Board and work within their stipulated frame work as detailed in the respective Charters.	✔
2.24	A governance framework should be agreed between the group and its subsidiary boards	Covered in the Board Charter	✔
2.25	Companies should remunerate directors and executives fairly and responsibly	The Remunerations and Nominations Committee advises the Board.	✔
2.26	Companies should disclose the remuneration of each individual director and certain senior executives	Disclosed in the Annual Report.	✔
2.27	Shareholders should approve the company's remuneration policy	The remuneration policy has been approved by Remco. It will be presented to the Board for approval, and subsequently, to the AGM in 2023 for shareholders' approval.	**U**
CHAPTER 3: AUDIT COMMITTEES			
3.1	The board should ensure that the company has an effective and independent audit committee	An Audit & Risk committee is in place and operational.	✔
3.2	Audit committee members should be suitably skilled and experienced independent non-executive directors	The committee comprises of 3 non-executive directors.	✔
3.3	The Audit committee should be chaired by an independent non-executive director	The Chair is an independent non-executive director.	✔
3.4	The audit committee should oversee integrated reporting	The Audit & Risk committee overseas integrated reporting.	✔
3.5	The audit committee should ensure that a combined assurance model is applied to provide a co-ordinated approach to all assurance activities	The Internal and External auditors report directly to the Audit & Risk committee	✔
3.6	The audit committee should satisfy itself of the expertise, resources and experience of the company's finance function	In addition to principle 3.5 above the senior management also attend the Audit & Risk committee meetings by invitation, and present reports and answer queries raised.	✔
3.7	The audit committee should be responsible for overseeing of internal audit	The Audit & Risk committee oversee the Internal Audit process.	✔
3.8	The audit committee should be an integral component of the risk management process	The Audit & Risk committee oversee the risk management process.	✔
3.9	The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	The Audit and Risk Committee recommend the appointment of the external auditors, to the Board. The external auditors attend and report to the Audit & Risk Committee.	✔
3.10	The audit committee should report to the board and shareholders on how it has discharged its duties	The Audit & Risk Committee reports to the Board. It also reports to the shareholders through the Annual Report and at the AGM.	✔

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CHAPTER 4: THE GOVERNANCE OF RISK			
4.1	The board should be responsible for the governance risk	Please refer principle 2.7 and 3.8 above	✔
4.2	The board should determine the levels of risk tolerance	Please refer principle 2.7 and 3.8 above	✔
4.3	The risk committee or audit committee should assist the board in carrying out its risk responsibilities	Please refer principle 2.7 and 3.8 above	✔
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 Audit & Risk committee evaluates the risk analysis performed and advice the Board.	✔
4.5	The board should ensure that risk assessments are performed on a continual basis. Board and Audit committee are responsible for risks	Please refer principle 4.4 above.	✔
4.6	The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating risks	Please refer principle 4.4 above	✔
4.7	The board should ensure that management considers and implements appropriate risk responses	Please refer principle 4.4 above	✔
4.8	The board should ensure continual risk monitoring by management	Please refer principle 4.4 above	✔
4.9	The board should receive assurance regarding the effectiveness of the risk management process	Please refer principle 4.4 above	✔
4.10	The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	The Annual Report contains a brief review of the Company's risks	✔
CHAPTER 5: THE GOVERNANCE OF INFORMATION TECHNOLOGY			
5.1	The board should be responsible for IT governance	Please refer principle 2.8 above	✔
5.2	IT should be aligned with the performance and sustainability objectives of the company	IT policy in place	✔
5.3	The board should delegate to management the responsibility for the implementation	IT policy in place	✔
5.4	The board should monitor and evaluate significant IT investments and expenditure	IT policy in place	✔
5.5	IT should form an integral part of the company's risk management	IT policy in place	✔
5.6	The board should ensure that information assets are managed effectively	IT policy in place	✔
5.7	A risk committee and audit committee should assist the board in carrying out its IT responsibilities	The Audit & Risk committee oversees the IT governance and reports to Board	✔

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CHAPTER 6: COMPLIANCE WITH LAWS, RULES, CODES 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	Please refer principle 1.2 and 2.9	✔
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	The Board comprises of suitably qualified and experienced individuals. The Board also consults with the Company Secretary, legal and other independent consultants where needed.	✔
6.3	Compliance risk should form an integral part of the company's risk management process	Please refer to principle 3.5. Process in place.	✔
6.4	The board should delegate to management the implementation of an effective compliance framework and processes	Please refer principle 4.6 & 4.7. Process in place.	✔
CHAPTER 7: INTERNAL AUDIT			
7.1	The board should ensure that there is an effective risk-based internal audit	Please refer to principle 2.10.	✔
7.2	The board should follow a risk-based approach to its plan	Please refer to principle 2.10	✔
7.3	Internal audit should provide a written assessment of the effectiveness of the company's system of control and risk management	A risk assessment has been performed.	✔
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	✔
CHAPTER 8: GOVERNING STAKEHOLDR RELATIONSHIPS			
8.1	The board should appreciate that stakeholders perceptions affect a company's reputation	Please refer to principle 1.2, 2.1, 2.2, 2.3 and 2.4.Stakeholder relationship policy has been adopted and implemented.	✔
8.2	The board should delegate to management to proactively deal with stakeholder relationships, stakeholders and the outcomes of these dealings	Please refer to principle 1.1 & 1.3. Stakeholder relationship policy has been adopted and implemented.	✔
8.3	The board should strive to achieve the appropriate balance between its various stakeholders groupings, in the interests of the company (Fund)	Please refer to principle 2.11 & 2.14. Stakeholder relationship policy has been adopted and implemented.	✔
8.4	Companies should ensure the equitable treatment of shareholders	Please refer to principle 2.1, 2.3, 2.4 and 2.5. Stakeholder relationship policy has been adopted and implemented.	✔
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence	Please refer to principle 1.2, Stakeholder relationship policy has been adopted and implemented.	✔
8.6	The board should ensure that disputes are resolved as efficiently and expeditiously as possible	The Board is kept informed of any disputes and ensure expeditious resolution.	✔
CHAPTER 9: INTEGRATED REPORTING AND DISCLOSURE			
9.1	The board should ensure the integrity of the company's integrated annual report	The Board, through the Audit & Risk Committee ensures the integrity and development of the Integrated Annual Report	✔
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting	In place	✔
9.3	Sustainability reporting and disclosure should be independently assured	In place and being further developed.	✔

Building Communities.

GAME CITY

In us striving to ramp up our up our social responsibility efforts, we partnered with projects, ventures and events that were taking lead and venturing into humanitarian projects and supporting local communities. businesses should operate in a way that benefits society. Some of the entities that benefitted from this were:

- Sister Hood Retreat
- Care for Humanity
- Women Evolve
- Women Retreat
- Spring of Life

MLIMANI

Mlimani City embarked on numerous charity events aimed at giving back to the society and also focused on supporting initiatives that generated funds to support various segments of the society.

GRADUATION CEREMONY

Mlimani Conference Centre hosted about 2500 graduates from the University of Dar Es Salaam, as part of their 52nd Graduation Ceremony.

DEVELOPMENT SEGMENT: KIMBIA NA MAMA MARATHON

A Fundraising event aimed at supporting the Government's efforts to develop office laboratories for Secondary schools. Also aimed at Celebrating the First Female President in Tanzania.

HEALTH AND WELLNESS: MLIMANI CITY FAMILY FESTIVAL

The event was launched on the 03 rd of July 2022 where both partners AfroPreneurs, Muhimbili orthopedic Institute (MOI) and Mlimani Holdings Limited launched the event by inviting media such as Channel ten, Clouds media, ITV and Global publishers

This was a fundraising event for children with Hydrocephalus from Muhimbili hospital, organized by by AfroPreneurs a non-governmental organization working in empowering youth, women and children in entrepreneurship, health and education in partnership with Mlimani Holdings Limited.

The event centered in a family fun activity, empowerment session in Digital, financial literacy, insurance, mental health and career guidance, networking. The families and participants encouraged children to help other children in need from Muhimbili hospital. The event was focused on entertainment for all family members to enjoy the ultimate service and products found at Mlimani city mall and learn from different expertise, collaborate and network, and engage in one on one consultation with school, organization and businesses while supporting a cause. The fun activities suitable for the whole families as it comprises of different activities such as entertainment, exhibition from tenants, educational seminars and kids' games and activities.

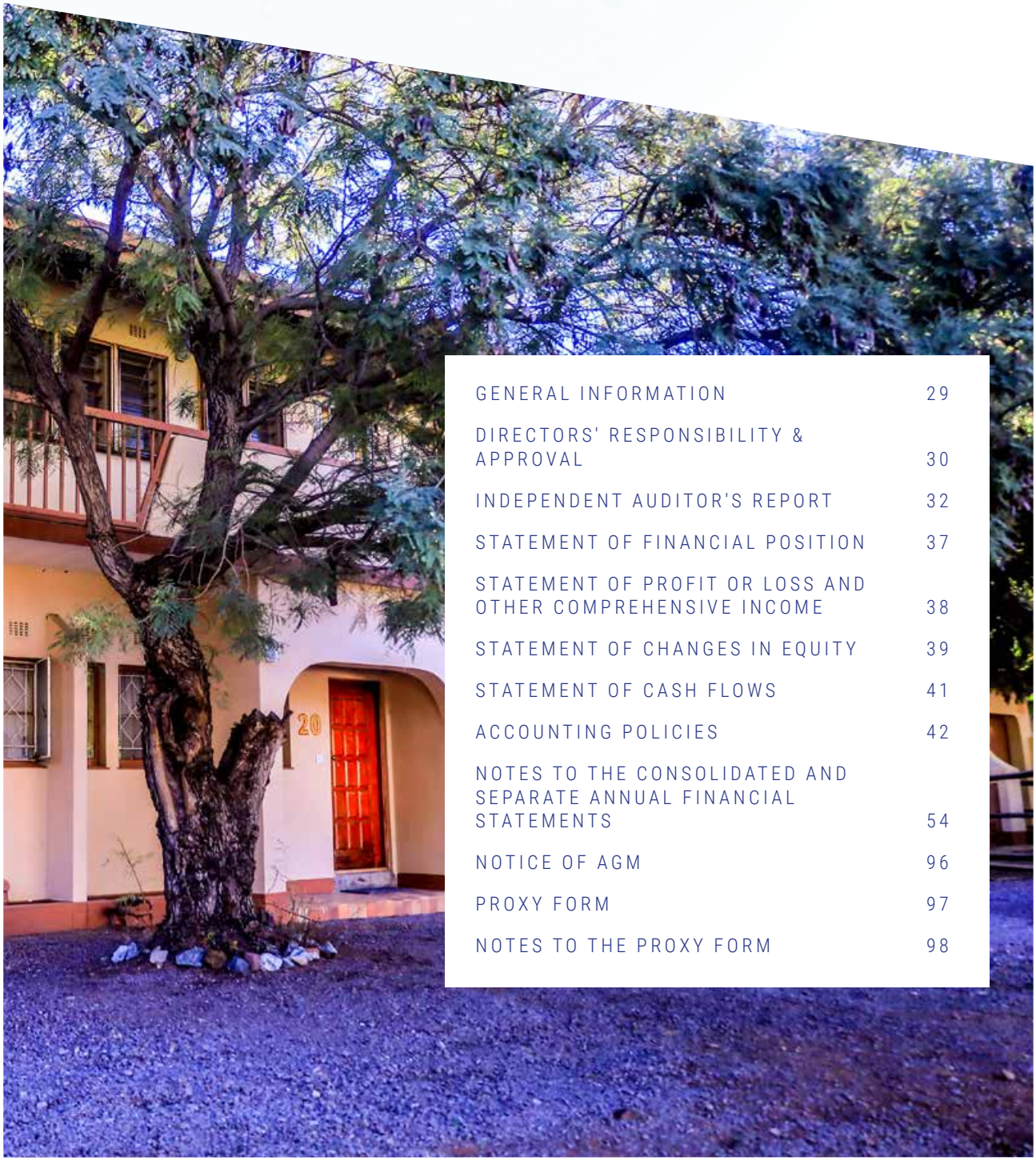
COUNSELING/MENTAL HEALTH THERAPEUTIC SERVICES

DONE IN Partnership with Hubert Kairuki Memorial University. The main objective of the campaign was to explore efforts in combating the mental health-related issues that appear to be on the rise in Tanzania.

MARATHONS

Registration desks for various Marathons were given to organizers at thereby providing equal opportunity to live a full, active and healthy Lifestyle through sports art Entertainment and recreation.

Consolidated Annual Financial Statements for the year ended 31 January 2023



General Information

Country of incorporation and domicile	Botswana
Nature of business and principal activities	Property Investment
Directors	P Balopi(Chairman Retired 05 July 2022) G H Abdoola (Managing Director) P Bezuidenhout(Retired 1 June 2022) S Puvimanasinghe V Tebele B D Phirie A Chetty (Appointed 1 June 2022) S S Mantswe (Apointed 1 June 2022) S Manake (Appointed 1 September 2022)
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	Leo Business Services (Proprietary) Limited
Company registration number	BW00000973397
Functional currency	Botswana Pula
Transfer secretaries	Grant Thorton Business Services (Proprietary) Limited

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 2024 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 32 to 36.

The consolidated and separate annual financial statements set out on pages 37 to 95, which have been prepared on the going concern basis, were approved by the board of directors on 27 April 2023 and were signed on their behalf by:

Approval of Financial Statements

Director **Director**

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 2023.

1. Review of financial results and activities

The consolidated 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 Leo Business Services (Proprietary) Limited.

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

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Partnership registered in Botswana
Registration No: 10829
VAT No: P03625401112
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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 37 to 95, which comprise the consolidated and separate statements of financial position as at 31 January 2023, 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 a summary of significant accounting policies.

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 2023, 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 Propert ies	
The Group's investment property port folios are valued at BWP 2,599,722,059 (2022: BWP 2,460,487,166) and the Company's investment property portfolio is valued at BWP 1,427,539,285 (2022: BWP 1,404,778,381) as at 31 January 2023. The Group's investment property portfolios comprise of investment properties held in three geographical regions. The fair values of these portfolios are determined using the discounted cash flow method which involves projecting income and expenditure for each investment property for future years and discounting the projected future cash flows at a discount rate to calculate the current fair value. 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. This is further compounded by the uncertain economic and market conditions in each geographical region due to rising 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	Our procedures included amongst others : • 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 them back to management's records, invoices received or other supporting documentation including: ○ key terms of lease agreements ○ rental income schedules ○ Independent macro-economic data ▪ We evaluated the key assumptions used by the independent valuers against our own expectations using evidence from comparable market transactions, historical records, and approved budgets. ▪ We 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. ▪ We considered the impact of rising 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.

The key audit matter applies only to the consolidated financial statements.

Key Audit Matter	How the matter was addressed in the audit
Goodwill impairment assessment	
Goodwill of BWP 27,177,745 million was carried forward from the prior financial year and adjusted to P29,864,906 in the current year due to exchange rate movements between the Botswana Pula and US Dollar. The goodwill arose from the Group's historic acquisition of its Tanzanian operations. Management performs an annual goodwill impairment assessment as required by IAS 36 (Impairment of Assets) and applies judgement in determining the inputs to calculate the recoverable amount for the cash generating unit (Tanzanian operations). The goodwill impairment assessment is based on the five-year budgeted cash flow projections for the Tanzanian operations and applying a discount rate to the cash flow projections. The discount rate is based on the cost of capital and borrowings obtained by the Tanzanian operations from the shareholder. Rising inflation and interest rates in the geographical regions in which the Group operates, including Tanzania, have put pressure in the Group's cash flow projections and discount rates. As a result, the Group recognised an impairment against the full carrying amount of the goodwill of P29 864 906 in the current year. Key inputs which required significant auditor attention, and necessitated the involvement of our internal valuation specialists' team, were: • The growth rates applied to rental income and operating expenses • The discount rate used We have considered the goodwill impairment assessment to be a key audit matter in our audit of the consolidated financial statements due to the judgmental nature of the assumptions included in the impairment assessment. The disclosures associated with the impairment assessment of goodwill are disclosed in:	Our audit of goodwill included the following procedures, amongst others: • With the involvement of our internal valuation specialists' team, we evaluated whether the methodology applied by management in their goodwill assessment is in line with IAS 36. • We performed tress testing to calculate the sensitivity of the headroom/impairment of the cash generating unit considering the Tanzanian operations' historic performance. This included stress testing the growth rates applied to rental income and operation expenses as well as the discount rate. • We evaluated, in conjunction with our internal valuation specialists' team, the estimates applied by management in determining the revenue and operating expenses growth rates and the discount rate by comparing these to historical performance and to independent external forward-looking data. • We considered the impact of rising inflation and interest rates on the growth rate applied to operating expenses and the discount rate through discussion with both management and comparing these to independent external forward-looking data. • We assessed the appropriateness of the discount rate applied to the cash flow projections by evaluating the rate against risk free rates, adjustments for market and other risks and comparing the rate to rates applied by other entities operating in the same industry and geographical region. • We assessed the adequacy of the disclosure included in the Group's financial statements in terms of the requirements of IAS 36.

• Note 1.3 Impairment testing • Note 1.6 Goodwill • Note 1.10 Impairment of assets • Note 5 Goodwill	

Other Information

The directors are responsible for the other information. The other information comprises the other information included in the 66-page document titled "Turnstar Holdings Limited Consolidated and Separate Annual Financial Statements for the year ended 31 January 2023" 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 ishigher than for

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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

Ernst & Young
Practising member: Francois J Roos
Partner
Membership number: CAP 0013 2023
Certified Auditor
Gaborone
Date: 28 April 2023

Turnstar Holdings Limited

(Registration number BW00000973397)
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2023

Statement of Financial Position as at 31 January 2023

		Group		Company	
Figures in Pula	**Note(s)**	**2023**	**2022**	**2023**	**2022**
Assets					
Non-Current Assets					
Property, plant and equipment	4	1 928 866	1 383 514	268 782	265 277
Investment property	3	2 599 722 059	2 460 487 166	1 427 539 285	1 404 778 381
Goodwill	5	-	27 177 745	-	-
Investments in subsidiaries	6	-	-	541 529 229	541 529 229
Loans to group companies	7	-	-	190 863 452	210 790 566
Operating lease asset	9	15 096 830	15 695 913	10 939 748	12 597 000
		2 616 747 755	**2 504 744 338**	**2 171 140 496**	**2 169 960 453**
Current Assets					
Trade and other receivables	10	34 318 109	28 414 396	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	-
Cash and cash equivalents	11	9 542 151	14 208 533	3 892 636	9 388 408
		45 278 489	**46 946 344**	**20 391 984**	**26 880 707**
Total Assets		**2 662 026 244**	**2 551 690 682**	**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
Foreign currency translation reserves		251 672 304	177 161 668	-	-
Retained income		930 125 172	925 084 645	897 676 889	898 395 456
		1 814 294 833	**1 734 743 670**	**1 530 174 246**	**1 530 892 813**
Liabilities					
Non-Current Liabilities					
Borrowings	13	503 568 944	498 566 484	503 568 944	498 566 484
Deferred tax	8	214 963 495	200 361 667	72 763 701	85 228 934
		718 532 439	**698 928 151**	**576 332 645**	**583 795 418**
Current Liabilities					
Trade and other payables	14	51 585 906	47 334 089	7 412 523	11 468 157
Borrowings	13	26 546 603	67 118 511	26 546 603	67 118 511
Current tax payable		-	1 575 294	-	1 575 294
Unclaimed debenture interest and dividend		2 250 945	1 840 616	2 250 945	1 840 616
Bank overdraft	11	48 815 518	150 351	48 815 518	150 351
		129 198 972	**118 018 861**	**85 025 589**	**82 152 929**
Total Liabilities		**847 731 411**	**816 947 012**	**661 358 234**	**665 948 347**
Total Equity and Liabilities		**2 662 026 244**	**2 551 690 682**	**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 2023

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
Figures in Pula	**Note(s)**	**2023**	**2022**	**2023**	**2022**
Revenue	15	291 267 868	266 595 710	158 318 540	154 076 022
Other operating income	16	3 083 810	2 352 161	4 734 486	4 108 434
Other operating gains (losses)	17	(11 622 677)	(4 911 348)	(11 278 060)	(4 868 005)
Goodwill impairment		(29 864 906)	-	-	-
Impairment of investment in subsidiary		-	-	-	(65 083 782)
Other operating expenses	18	(141 004 504)	(119 738 107)	(81 854 112)	(75 812 628)
Dividend income		-	-	15 895 608	14 946 873
Operating profit	19	**111 859 591**	**144 298 416**	**85 816 462**	**27 366 914**
Investment income	20	16 074	243 593	17 018 901	12 760 195
Finance costs	22	(30 903 614)	(21 280 321)	(30 903 614)	(21 280 321)
Fair value adjustment	21	31 184 126	(8 900 110)	17 872 099	59 443 996
Profit before taxation		**112 156 177**	**114 361 578**	**89 803 848**	**78 290 784**
Taxation	23	(4 128 002)	(13 425 106)	12 465 233	4 090 362
Profit for the year		**108 028 175**	**100 936 472**	**102 269 081**	**82 381 146**
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		74 510 636	40 437 771	-	-
Other comprehensive income for the year net of taxation	24	**74 510 636**	**40 437 771**	**-**	**-**
Total comprehensive income for the year		**182 538 811**	**141 374 243**	**102 269 081**	**82 381 146**

Turnstar Holdings Limited

(Registration number BW00000973397)
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2023

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	Total equity
Group								
Balance at 01 February 2021	**346 420 555**	**286 076 802**	**632 497 357**	**136 723 897**	**51 493 824**	**624 651 188**	**250 990 806**	**1 696 357 072**
Profit for the year	-	-	-	-	-	-	100 936 472	100 936 472
Other comprehensive income	-	-	-	40 437 771	-	-	-	40 437 771
Total comprehensive income for the year	**-**	**-**	**-**	**40 437 771**	**-**	**-**	**100 936 472**	**141 374 243**
Fair value transfered (Turnstar Properties)	-	-	-	-	-	59 443 996	(59 443 996)	-
Fair value transfered (Mlimani Properties)	-	-	-	-	-	4 529 916	(4 529 916)	-
Final distribution to debenture holders 31 January 2021	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2021	-	-	-	-	(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	**-**	**-**	**-**	**-**	**-**	**63 973 912**	**(166 961 560)**	**(102 987 648)**
Balance at 01 February 2022	**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**
Profit for the year	-	-	-	-	-	-	108 028 175	108 028 175
Other comprehensive income	-	-	-	74 510 636	-	-	-	74 510 636
Total comprehensive income for the year	**-**	**-**	**-**	**74 510 636**	**-**	**-**	**108 028 175**	**182 538 811**
Fair value transfered (Turnstar Properties)	-	-	-	-	-	17 873 308	(17 873 308)	-
Fair value transfered (Mlimani Properties)	-	-	-	-	-	10 300 182	(10 300 182)	-
Fair value transfered (Palazzo Properties)	-	-	-	-	-	3 010 636	(3 010 636)	-
Other 1	-	-	-	-	(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 31 January 2023	**346 420 555**	**286 076 802**	**632 497 357**	**251 672 304**	**51 493 824**	**719 809 226**	**158 822 122**	**1 814 294 833**
Note(s)	12	12	12	24	24		24	

*Fair value surplus is Non distributable reserve from valaution on investment properties, the reserveis created to separate fair value from retained earnings, In 2022 Palazzo was revalued for the first time and it was impaired, since there was no carried forward value in fair value reserve the entire impairment loss of P 72 766 909 was taken to retained earnings. Refer to note 3 and 21

Turnstar Holdings Limited

(Registration number BW00000973397)
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2023

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	Total equity
Company								
Balance at 01 February 2021	**346 420 555**	**286 076 802**	**632 497 357**	**-**	**51 493 824**	**693 821 951**	**173 686 183**	**1 551 499 315**
Profit for the year	-	-	-	-	-	-	82 381 146	82 381 146
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**82 381 146**	**82 381 146**
Fair value surplus transfered	-	-	-	-	-	59 443 996	(59 443 996)	-
Final distribution to debenture holders31 January 2021	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2021	-	-	-	-	(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	**-**	**-**	**-**	**-**	**-**	**59 443 996**	**(162 431 644)**	**(102 987 648)**
Balance at 01 February 2022	**346 420 555**	**286 076 802**	**632 497 357**	**-**	**51 493 824**	**753 265 947**	**93 635 685**	**1 530 892 813**
Profit for the year	-	-	-	-	-	-	102 269 081	102 269 081
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**102 269 081**	**102 269 081**
Fair value surplus transfered	-	-	-	-	-	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 31 January 2023	**346 420 555**	**286 076 802**	**632 497 357**	**-**	**51 493 824**	**771 139 255**	**75 043 810**	**1 530 174 246**
Note(s)	12	12	12	24	24		24	

Turnstar Holdings Limited

(Registration number BW00000973397)
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2023

Statement of Cash Flows

		Group		Company	
Figures in Pula	**Note(s)**	**2023**	**2022**	**2023**	**2022**
Cash flows from operating activities					
Cash (used in)/generated from operations	26	156 136 020	164 324 337	80 420 901	94 219 986
Interest income		16 074	243 593	17 018 901	12 760 195
Finance costs		(30 903 614)	(21 280 321)	(30 903 614)	(21 280 321)
Dividends		(102 987 648)	(102 987 648)	(102 987 648)	(102 987 648)
Tax paid	27	(3 467 744)	(1 660 764)	(1 692 556)	-
Net cash from operating activities		**18 793 088**	**38 639 197**	**(38 144 016)**	**(17 287 788)**
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(931 961)	(381 903)	(102 124)	-
Sale of property, plant and equipment	4	-	50 612	-	44 847
Purchase of investment property	3	(4 888 805)	(9 563 776)	(4 888 805)	(9 563 776)
Loans advanced to group companies - repayments received		-	-	39 382 269	42 513 322
Dividends received		-	-	15 895 608	14 946 873
Net cash from investing activities		**(5 820 766)**	**(9 895 067)**	**50 286 948**	**47 941 266**
Cash flows from financing activities					
Repayment of borrowings		(65 504 906)	(38 774 331)	(65 504 906)	(38 774 331)
Net cash from financing activities		**(65 504 906)**	**(38 774 331)**	**(65 504 906)**	**(38 774 331)**
Total cash movement for the year		**(52 532 584)**	**(10 030 201)**	**(53 361 974)**	**(8 120 853)**
Cash at the beginning of the year		14 058 183	23 978 151	9 238 058	17 248 678
Effect of exchange rate movement on cash balances		(798 966)	110 232	(798 966)	110 232
Total cash at end of the year	11	**(39 273 367)**	**14 058 182**	**(44 922 882)**	**9 238 057**

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 2023. 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.

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.

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.

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 equity account get 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 acculated 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.

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 and loss an 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.

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 equity instruments:
- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

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; or

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.

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.

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 visa 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.

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 finance costs (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).

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 finance costs (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.

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.

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.

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:

Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1

A subsidiary that uses the cumulative translation differences exemption, may elect in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The effective date of the group is for years beginning on or after 01 January 2022.

The group has adopted the amendment for the first time in the 2023 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Reference to the Conceptual Framework: Amendments to IFRS 3

The amendment makes reference to the Conceptual Framework for Financial Reporting issued in 2018 rather than to the IASC's Framework for the Preparation and Presentation of Financial Statements. The amendment specifically points to the treatment of liabilities and contingent liabilities acquired as part of a business combination, and which are in the scope of IAS 37 Provisions, Continent Liabilities and Contingent Assets or IFRIC 21 Levies. It clarifies that the requirements of IAS 37 or IFRIC 21 should be applied to provisions, contingent liabilities or levies to determine if a present obligation exists at the Acquisition date. The amendment further clarifies that contingent assets of acquirees share not be recognised as part of the business combination.

The effective date of the group is for years beginning on or after 01 January 2022.

The group has adopted the amendment for the first time in the 2023 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9

The amendment concerns fees in the '10 per cent' test for derecognition of financial liabilities. Accordingly, in determining the relevant fees, only fees paid or received between the borrower and the lender are to be included.

The effective date of the group is for years beginning on or after 01 January 2022.

The group has adopted the amendment for the first time in the 2023 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16

The amendment relates to examples of items which are included in the cost of an item of property, plant and equipment. Prior to the amendment, the costs of testing whether the asset is functioning properly were included in the cost of the asset after deducting the net proceeds of selling any items which were produced during the test phase. The amendment now requires that any such proceeds and the cost of those items must be included in profit or loss in accordance with the related standards. Disclosure of such amounts in now specifically required.

The effective date of the group is for years beginning on or after 01 January 2022.

The group has adopted the amendment for the first time in the 2023 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Notes to the Consolidated And Separate Annual Financial Statements

2. Investment property (continued)

Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37

The amendment defined the costs that are included in the cost of fulfilling a contract when determining the amount recognised as an onerous contract. It specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These are both the incremental costs of fulfilling the contract as well as an allocation of other costs that relate directly to fulfilling contracts (for example depreciation allocation).

The effective date of the group is for years beginning on or after 01 January 2022.

The group has adopted the amendment for the first time in the 2023 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41

"Taxation" has been removed from the list of cash flows excluded from the fair value determination of biological assets.

The effective date of the group is for years beginning on or after 01 January 2022.

The group has adopted the amendment for the first time in the 2023 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 2023 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.

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.

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

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.

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

Notes to the Consolidated And Separate Annual Financial Statements

2. Investment property (continued)

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

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

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

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

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

Notes to the Consolidated And Separate Annual Financial Statements

3. Investment property

Group	2023	2022
	Cost / Valuation	Cost / Valuation
Investment property	2 599 722 059	2 460 487 166

Company	2023	2022
	Cost / Valuation	Cost / Valuation
Investment property	1 427 539 285	1 404 778 381

Reconciliation of investment property - Group - 2023

	Opening balance	Additions	Foreign exchange movements	Other foreign exchange 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

Reconciliation of investment property - Group - 2022

	Opening balance	Additions	Foreign exchange movements	Other changes, movements	Fair value adjustments	Total
Investment property	2 396 259 505	9 563 776	57 831 429	5 732 566	(8 900 110)	2 460 487 166

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

Reconciliation of investment property - Company - 2022

	Opening balance	Additions	Fair value adjustments	Total
Investment property	1 335 770 609	9 563 776	59 443 996	1 404 778 381

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
3. Investment property (continued)				
Pledged as security				
Carrying value of assets pledged as security:				
Game City Shopping Centre, Portion 3 Forest farm	1 080 061 516	1 065 934 809	1 080 061 516	1 065 934 809
Nzano Shopping Centre, Lot 904 Fracistown	188 461 431	187 858 017	188 461 431	187 858 017
Lot 6670, Supa Save Mall	52 963 780	46 519 630	52 963 780	46 519 630
Lot 1131-1137,Turnstar House, Main Mall Offices	40 508 830	40 264 237	40 508 830	40 264 237
Lot 13093 and 16398, Tapologo Estate,Gaborone	35 492 912	34 991 279	35 492 912	34 991 279
Lot 63 Commerce Park	18 415 926	17 723 749	18 415 926	17 723 749
Tribal Lot 1203, Mogoditshane Flats	11 634 890	11 486 653	11 634 890	11 486 653
	1 427 539 285	**1 404 778 374**	**1 427 539 285**	**1 404 778 374**

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	469 086 362	459 938 361	469 086 362	459 522 586
- Additions during the year	4 334 300	9 563 776	4 334 300	9 563 776
- Fair Value surplus (Net of straight lining adjustment)	606 640 854	596 432 672	606 640 854	596 432 672
	1 080 061 516	**1 065 934 809**	**1 080 061 516**	**1 065 519 034**
Nzano Shopping Centre				
Lot 904, Francistown				
Freehold				
- Cost of property	42 509 893	42 509 893	42 509 893	42 509 893
- Additions since purchase or valuation	554 505	-	554 505	-
- Fair Value surplus (Net of straight lining adjustment)	145 397 033	145 348 124	145 397 033	145 348 124
	188 461 431	**187 858 017**	**188 461 431**	**187 858 017**
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)	39 962 159	33 518 009	39 962 159	33 518 009
	52 963 780	**46 519 630**	**52 963 780**	**46 519 630**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
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)	12 196 970	11 504 793	12 196 970	11 504 793
	18 415 926	**17 723 749**	**18 415 926**	**17 723 749**
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	3 606 666	36 006 666
- Fair Value adjustment (Net of straight lining adjustment)	4 502 164	4 257 571	4 502 164	4 257 571
	40 508 830	**40 264 237**	**8 108 830**	**40 264 237**
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)	26 026 456	25 524 781	26 026 456	25 524 781
	35 492 912	**34 991 237**	**35 492 912**	**34 991 237**
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)	7 722 525	7 574 288	7 722 525	7 574 288
	11 634 890	**11 486 653**	**11 634 890**	**11 486 653**
Mlimani City				
Plot 2, Block L, situated in Ubungo, Dar es Salaam, Tanzania	-	-	-	-
-Cost of property	1 059 085 465	956 669 778	-	-
Fair Value surplus (Net of straight lining adjustment) and including foreign exchange movements	88 275 591	77 975 409	-	-
	1 147 361 056	**1 034 645 187**	**-**	**-**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
3. Investment property (continued)				
Palazzo Venezia Office Block Plot 8297, Suite 409, city tower . Al Majan, Wadi Al Safa 3 Dubai				
-Cost of property	94 577 992	93 830 507	-	-
- Fair Value surplus (Net of straight lining adjustment) and including foreign exchange movements	(69 756 273)	(72 766 909)	-	-
	24 821 719	**21 063 598**	**-**	**-**

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 were valued by an external valuer on 31 January 2023. 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 property registered in the name of Mlimani Holdings Limited, subsidiary company, was valued on 31 January 2023. 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 centret

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 proprty registered in the name of Palazzo Venezia Holdings limited, subsidiary company was valued on 31 Janaury 2023. The valuation was performed by Algem Hernandez , and has been reviewed by Jace Williams, head of valuationa 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.

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.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

3. Investment property (continued)

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	291 267 868	266 490 185	158 318 540	154 076 022
Direct operating expenses from rental generating property	(111 705 102)	(88 808 265)	(62 386 838)	(54 022 200)
	179 562 766	**177 681 920**	**95 931 702**	**100 053 822**

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	2 616 119 856	2 480 349 019	1 439 780 000	1 421 700 000
Less: operating lease receivable	(16 397 797)	(19 861 853)	(12 240 716)	(16 921 625)
	2 599 722 059	**2 460 487 166**	**1 427 539 284**	**1 404 778 375**

4. Property, plant and equipment

Group	**2023**			**2022**		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Plant and machinery	6 962 051	(6 478 662)	483 389	5 884 325	(5 796 062)	88 263
Furniture and fixtures	6 018 240	(4 956 747)	1 061 493	5 455 547	(4 375 066)	1 080 481
Motor vehicles	231 835	(231 835)	-	231 835	(231 835)	-
Office equipment	154 350	(151 101)	3 249	142 731	(136 361)	6 370
IT equipment	3 801 799	(3 421 064)	380 735	3 428 205	(3 219 805)	208 400
Total	**17 168 275**	**(15 239 409)**	**1 928 866**	**15 142 643**	**(13 759 129)**	**1 383 514**

Company	**2023**			**2022**		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Plant and machinery	237 439	(237 439)	-	237 439	(237 439)	-
Furniture and fixtures	1 206 735	(1 096 340)	110 395	1 206 735	(1 073 479)	133 256
Motor vehicles	231 835	(231 835)	-	231 835	(231 835)	-
Office equipment	25 218	(21 969)	3 249	25 218	(21 369)	3 849
IT equipment	2 482 207	(2 327 069)	155 138	2 380 083	(2 251 911)	128 172
Total	**4 183 434**	**(3 914 652)**	**268 782**	**4 081 310**	**(3 816 033)**	**265 277**

Notes to the Consolidated And Separate Annual Financial Statements

4. Property, plant and equipment (continued)

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 - Group - 2022

	Opening balance	Additions	Disposals	Foreign exchange movements	Depreciation	Total
Plant and machinery	198 635	-	(282)	11 503	(121 593)	88 263
Furniture and fixtures	924 315	369 682	(33 403)	48 827	(228 940)	1 080 481
Office equipment	12 660	-	-	505	(6 795)	6 370
IT equipment	811 895	12 221	(16 927)	5 330	(604 119)	208 400
	1 947 505	**381 903**	**(50 612)**	**66 165**	**(961 447)**	**1 383 514**

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**

Reconciliation of property, plant and equipment - Company - 2022

	Opening balance	Disposals	Depreciation	Total
Plant and machinery	4 409	(282)	(4 127)	-
Furniture and fixtures	216 279	(33 403)	(49 620)	133 256
Office equipment	4 129	-	(280)	3 849
IT equipment	721 886	(11 162)	(582 552)	128 172
	946 703	**(44 847)**	**(636 579)**	**265 277**

5. Goodwill

Group	**2023**			**2022**		
	Cost	**Accumulated impairment**	**Carrying value**	**Cost**	**Accumulated impairment**	**Carrying value**
Goodwill	29 864 906	(29 864 906)	-	65 918 051	(38 740 306)	27 177 745

Reconciliation of goodwill - Group - 2023

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

Notes to the Consolidated And Separate Annual Financial Statements

5. Goodwill (continued)

Reconciliation of goodwill - Group - 2022

	Opening balance	Foreign exchange movements	Total
Goodwill	25 658 129	1 519 616	27 177 745

The goodwill of USD 6 146 170 (P 74 923 279) (2022: 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 be 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 sificantly reduces the underlying asset

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

a) Rental income has been assumed to grow at a rate of 2% per annum, based on the contracted lease agreements with the tenants.

b) Operating expenses has been assumed to grow at 3-4%, based on the inflation rate

c) 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.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

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 2023	Carrying amount 2022
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	-	-	190 863 452	210 790 566

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 have 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 negotioationare concluded, the new rate will be used to replace Libor

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
8. Deferred tax				
Deferred tax liability				
On fair value surplus on investment properties	(142 199 794)	(115 132 733)	-	-
On unrealised foreign exchange gain/loss	(72 763 701)	(85 228 934)	(72 763 701)	(85 228 934)
Total deferred tax liability	**(214 963 495)**	**(200 361 667)**	**(72 763 701)**	**(85 228 934)**
Deferred tax liability	(214 963 495)	(200 361 667)	(72 763 701)	(85 228 934)
Reconciliation of deferred tax asset / (liability)				
At beginning of year	(200 361 667)	(181 887 923)	(85 228 934)	(89 319 296)
Increases (decrease) in tax loss available for set off against future taxable income - gross of valuation allowance	(29 617 674)	(24 564 480)	(7 110 030)	(5 712 664)
Increases (decrease) in valuation allowance of deferred tax asset	(17 612 617)	(5 893 542)	(1 936 062)	(1 949 804)
Taxable / (deductible) temporary difference movement on retensions and bad debts	593 689	(145 797)	593 689	(145 797)
Taxable / (deductible) temporary difference on lease smoothening	2 692 172	663 644	2 692 172	663 644
Taxable / (deductible) temporary difference on exchange differfence	823 046	3 283 208	823 046	3 283 208
Taxable / (deductible) temporary difference movement investment property at fair value	28 519 556	8 183 223	17 402 418	7 951 775
	(214 963 495)	**(200 361 667)**	**(72 763 701)**	**(85 228 934)**

Carry forward tax losses

No provision for current taxation has been made, as the company has assessed carry forward tax losses. Turnstar Botswana is tax at 22% and the loss relating to it is P 7 110 030 and Mlimani is tax at 30% and the loss relating to that is P 22 507644. The estimated tax loss available for set off against future taxable income as at 31 January 2023 was P 53 210 296 (2022: P 21 838 877) 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.

9. Lease asset (accrual)				
Non-current assets	15 096 830	15 695 913	10 939 748	12 597 000
Current assets	1 300 967	4 323 415	1 300 967	4 323 415
	16 397 797	**20 019 328**	**12 240 715**	**16 920 415**

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%.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
10. Trade and other receivables				
Financial instruments:				
Trade receivables	28 528 073	25 194 855	10 624 606	7 502 269
Accrued income	3 599 943	3 461 466	3 599 943	3 461 466
Loss allowance	(7 687 054)	(7 486 306)	(3 125 313)	(2 765 166)
Trade receivables at amortised cost	24 440 962	21 170 015	11 099 236	8 198 569
Deposits	1 675 589	1 607 198	-	-
Other receivables	509 422	1 614 707	3 283 064	4 399 917
Non-financial instruments:				
Tax receivable	4 701 033	2 633 477	-	-
Value Added Tax	1 749 177	470 116	-	-
Employee costs in advance	112 641	-	-	-
Prepayments	1 129 285	918 883	698 819	570 398
Total trade and other receivables	**34 318 109**	**28 414 396**	**15 081 119**	**13 168 884**

Included in other receivables for the Company are management fees of P2 800 980 (2023) P2 634 125 (2022)

Categorisation of trade and other receivables

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

At amortised cost	31 327 006	27 025 397	14 382 300	12 598 486
Non-financial instruments	2 991 103	1 388 999	698 819	570 398
	34 318 109	**28 414 396**	**15 081 119**	**13 168 884**

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.

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.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

10. Trade and other receivables (continued)

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The loss allowance provision is determined as follows:

Group	2023	2023	2022	2022
Expected credit loss rate:	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**
Less than 30 days past due:	8 854 542	11 569	10 805 556	10 565
31 - 60 days past due:	2 938 059	178 739	4 495 239	134 007
61 - 90 days past due:	3 478 452	772 823	2 498 133	229 461
91 - 120 days past due:	3 676 985	801 840	1 229 578	945 924
More than 120 days past due:	9 580 035	5 922 083	6 166 349	6 166 349
Total	**28 528 073**	**7 687 054**	**25 194 855**	**7 486 306**

Company	**2023**	**2023**	**2022**	**2022**
Expected credit loss rate:	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**	**Estimated gross carrying amount at default**	**Loss allowance (Lifetime expected credit loss)**
Less than 30 days past due:	5 224 034	11 569	3 906 594	10 656
31 - 60 days past due:	1 078 497	17 408	785 018	42 429
61 - 90 days past due:	973 762	439 631	233 379	142 877
91 - 120 days past due:	328 747	314 858	120 869	120 869
More than 120 days past due:)	3 019 566	2 341 847	2 456 409	2 448 335
Total	**10 624 606**	**3 125 313**	**7 502 269**	**2 765 166**

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	**(7 494 193)**	**(10 774 088)**	**(2 317 361)**	**(3 427 881)**
Provision raised on new trade receivables	(192 861)	3 279 895	(807 952)	1 110 520
Closing balance	**(7 687 054)**	**(7 494 193)**	**(3 125 313)**	**(2 317 361)**

Fair value of trade and other receivables

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

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

11. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	60 009	46 711	3 403	3 403
Bank balances	9 423 156	13 364 320	3 830 247	8 587 503
Short-term deposits	58 986	797 502	58 986	797 502
Bank overdraft	(48 815 518)	(150 351)	(48 815 518)	(150 351)
	(39 273 367)	**14 058 182**	**(44 922 882)**	**9 238 057**
Current assets	9 542 151	14 208 533	3 892 636	9 388 408
Current liabilities	(48 815 518)	(150 351)	(48 815 518)	(150 351)
	(39 273 367)	**14 058 182**	**(44 922 882)**	**9 238 057**

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 at interest rate equal to bank's prime lending rate (currently at 5.25% 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 I Oth 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	572 153 606	572 153 603	572 153 603	572 153 603
Reconciliation of number of shares issued:				
Reported as at 01 February 2022	572 153 603	572 153 603	572 153 603	572 153 603
Issued				
Stated Capital - 572 153 603 (2021: 572 153 603) Ordinary shares of no par value	349 185 538	349 185 538	349 185 538	349 185 538
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 (2021: 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.

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

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.

13. Borrowings

Held at amortised cost				
Secured				
First National Bank of Botswana Limited 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.	241 579 194	263 888 577	241 579 194	263 888 577
ABSA Bank Botswana Limited Term loan with sactioned 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 6.76%)	288 536 353	301 796 418	288 536 353	301 796 418
Unsecured				
	530 115 547	**565 684 995**	**530 115 547**	**565 684 995**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

13. Borrowings (continued)

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	(43 196 523)	29 936 458	288 536 353
	565 684 995	**(65 505 906)**	**29 936 458**	**530 115 547**

Reconciliation of borrowings - Group - 2022

	Opening balance	Repayments	Foreign exchange movements	Total
First National Bank of Botswana Limited	282 720 211	(18 831 634)	-	263 888 577
ABSA Bank Botswana Limited	304 447 506	(20 138 225)	17 487 137	301 796 418
	587 167 717	**(38 969 859)**	**17 487 137**	**565 684 995**

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	(43 196 523)	29 936 458	288 536 353
	565 684 995	**(65 505 906)**	**29 936 458**	**530 115 547**

Reconciliation of borrowings - Company - 2022

	Opening balance	Repayments	Foreign exchange movements	Total
First National Bank of Botswana Limited	282 720 211	(18 831 634)	-	263 888 577
ABSA Bank Botswana Limited	304 447 506	(20 138 225)	17 487 137	301 796 418
	587 167 717	**(38 969 859)**	**17 487 137**	**565 684 995**

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

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

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 (Formely 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 31January 2020): 2.5X
  Years 3 to 4 (31 January 2021 to 31January 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 (31January 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.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

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 (USD 27,800,000)	288 536 353	301 796 418	288 536 353	301 796 418

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
14. Trade and other payables				
Financial instruments:				
Trade payables	11 036 895	9 202 161	(2 880 348)	(1 198 533)
Retention payable	10 038 487	9 173 175	515 053	507 193
Accrued leave pay	1 061 498	1 539 544	1 061 498	1 539 544
Other accrued expenses	2 459 924	3 209 436	2 021 787	2 319 576
Deposits received	15 939 035	15 168 981	4 753 938	4 587 795
Other payables	1 922 949	874 931	887 158	874 931
Non-financial instruments:				
Amounts received in advance	8 024 780	7 002 493	-	1 667 345
Withholding tax payable	175 849	121 078	126 948	128 016
Value added tax	926 489	1 042 290	926 489	1 042 290
	51 585 906	**47 334 089**	**7 412 523**	**11 468 157**

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	239 539 540	219 071 355	134 985 777	129 395 822
Turnover rent	868 570	927 613	868 570	927 613
Straight line adjustments	(3 757 978)	(2 964 215)	(4 680 910)	(3 017 772)
Recoveries	52 849 187	48 748 958	27 145 103	26 770 359
Rental Income	1 768 549	811 999	-	-
	291 267 868	**266 595 710**	**158 318 540**	**154 076 022**

Rental income has been recognised in terms of IFRS 16on 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 l, Ubungo Area, Kinondoni Municipality, Dar es Salaam, Tanzania otherwise know as Mlimani City.

16. Other operating income				
Administration and management fees received	-	-	2 800 980	2 634 146
Bad debts recovered	860	19 140	860	19 140
Other recoveries	1 932 646	1 458 388	1 932 646	1 458 388
Professional fees income	-	(3 240)	-	(3 240)
Dividend income	-	-	15 895 608	14 946 873
Advertising & Promotions	1 150 304	877 873	-	-
	3 083 810	**2 352 161**	**20 630 094**	**19 055 307**
17. Other operating gains (losses)				
Foreign exchange gains (losses)				
Net foreign exchange gains 3	(11 622 677)	(4 911 348)	(11 279 269)	(4 868 005)

Notes to the Consolidated And Separate Annual Financial Statements

		Group		Company	
Figures in Pula		**2023**	**2022**	**2023**	**2022**
18. Other operating expenses					
ECL impairment charge/(reversal)		4 136 575	(3 051 005)	1 169 972	(185 007)
Cleaning		6 880 827	6 522 589	2 650 136	2 518 145
Insurance		1 589 044	1 608 925	1 332 504	1 508 806
Rent paid		29 108 857	26 351 885	18 751 397	17 542 993
Repairs and maintenance		15 149 278	10 847 431	7 068 561	5 192 932
Security		6 252 276	5 830 386	2 817 388	2 422 573
Utilities		39 046 282	38 861 895	25 257 280	25 150 248
Consulting and professional fees		10 534 041	5 973 067	3 029 590	2 072 510
Others		11 435 609	9 963 471	6 704 827	6 246 080
Employee costs		16 375 992	15 868 016	12 973 838	12 706 769
Property, plant and equipment		495 723	961 447	98 619	636 579
		141 004 504	**119 738 107**	**81 854 112**	**75 812 628**
19. Operating profit					
Operating profit for the year is stated after charging (crediting) the following, amongst others:					
Auditor's remuneration - external					
Audit fees		671 299	663 175	483 000	490 835
Auditor's remuneration - internal		**-**	**244 512**	**-**	**244 512**
Leases					
Contingent rentals on operating leases					
Contingent amounts		29 108 857	26 351 885	18 751 397	17 542 993
Impairment losses					
Goodwill		29 864 906	-	-	-
Investments in subsidiaries, joint arrangements and associates		-	-	-	65 083 782
		29 864 906	**-**	**-**	**65 083 782**
20. Finance income					
Interest income					
Investments in financial assets:					
Bank and other cash		19	77	19	77
Debentures		-	-	17 002 827	12 516 602
Interest on money market placements		16 055	243 516	16 055	243 516
Total interest income		**16 074**	**243 593**	**17 018 901**	**12 760 195**
21. Fair value adjustment					
Fair value gains (losses)					
Investment property	3	31 184 126	(8 900 110)	17 872 099	59 443 996

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
22. Finance costs				
Interest paid to Barclays Bank of Botswana Limited	20 010 370	11 949 567	20 010 370	11 949 567
Interest paid to First National Bank Botswana	10 893 244	9 330 754	10 893 244	9 330 754
Total finance costs	**30 903 614**	**21 280 321**	**30 903 614**	**21 280 321**
23. Taxation				
Major components of the tax expense (income)				
Current				
Foreign withholding tax - current period	1 775 188	1 660 764	-	-
Deferred				
Originating and reversing temporary differences	2 352 814	11 764 342	(12 465 233)	(4 090 362)
	4 128 002	**13 425 106**	**(12 465 233)**	**(4 090 362)**

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	(8.21)%	(11.00)%	(8.21)%	(11.00)%
Capital gains tax	0.52 %	0.85 %	0.56 %	0.85 %
Tax on foreign dividends	0.11 %	0.13 %	0.18 %	0.19 %
	14.42 %	**11.98 %**	**14.53 %**	**12.04 %**

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 P53 210 296 (2022: P21 838 877).

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.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

24. Other comprehensive income

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

Components of other comprehensive income - Group - 2022

	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	40 437 771	-	40 437 771

25. Operating lease arragements

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	178 485 579	197 202 846	93 843 940	119 703 927
Later than one year and not later than five years	576 892 367	422 423 788	365 311 103	192 294 326
Later than five years	7 966 526	66 704 010	90 531	2 735 721
	763 344 472	**686 330 644**	**459 245 574**	**314 733 974**

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 868 570 (2022: P 927 613) 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 18 751 397 (2022: P 17 542 993).

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 (2022: P 16 723 308.

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

25. Operating lease arragements (continued)

Mlimani Holdings Limited

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 10 357 460 (2022: P 8 808 892).

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 12 263 095 ((2022: P 10 146 020).

26. Cash generated from operations

Profit before taxation	112 156 177	114 361 578	89 803 848	78 290 784
Adjustments for:				
Depreciation and amortisation	495 723	961 447	98 619	636 579
Losses (gains) on foreign exchange	11 493 170	(821 218)	11 279 269	4 868 005
Finance income	(16 074)	(243 593)	(17 018 901)	(12 760 195)
Finance costs	30 903 614	21 280 321	30 903 614	21 280 321
Fair value (gains) losses	(31 184 126)	8 900 110	(17 873 308)	(59 443 996)
Goodwill impairments	29 864 906	-	-	-
Impairment of investment in subsidiary	-	-	-	65 083 782
Movements in operating lease assets and accruals	3 621 531	2 643 094	4 679 700	3 017 773
Dividend income	-	-	(15 895 608)	(14 946 873)
Changes in working capital:				
Trade and other receivables	(1 724 482)	5 666 734	(741 059)	9 352 049
ECL movement on debtors	(4 136 575)	3 051 005	(1 169 972)	185 007
Trade and other payables	4 251 827	8 183 871	(4 055 630)	(1 684 238)
Unclaimed debenture interest and dividend	410 329	340 988	410 329	340 988
	156 136 020	**164 324 337**	**80 420 901**	**94 219 986**

27. Tax paid

Balance at beginning of the year	(1 575 294)	(1 575 294)	(1 575 294)	(1 575 294)
Current tax for the year recognised in profit or loss	(1 775 188)	(1 660 764)	-	-
Balance at end of the year	(117 262)	1 575 294	(117 262)	1 575 294
	(3 467 744)	**(1 660 764)**	**(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	(102 987 648)	(102 987 648)	(102 987 648)	(102 987 648)
Balance at end of the year	51 493 824	51 493 824	51 493 824	51 493 824
	(102 987 648)	**(102 987 648)**	**(102 987 648)**	**(102 987 648)**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
29. Basic and diluted earnings per linked unit				
Heading **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	108 028 175	100 936 472	102 269 081	82 381 146
Basic earnings per linked unit (in Pula)	0.19	0.18	0.18	0.14
Diluted earnings per linked unit (in Pula)	0.19	0.18	0.18	0.14
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
M K Neta(Retired 26 November 2021)	3 500	3 500	3 500	3 500
S N Puvimanasinghe	10 000	10 000	10 000	10 000
	80 161 855	**80 161 855**	**80 161 855**	**80 161 855**

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	103 098 900	103 098 900	103 098 900	103 098 900
FNBB NOMINEES VUNANI BPOPF	61 766 631	61 766 631	61 766 631	61 766 631
Alan Gray Re Debswana Pension Fund	34 494 230	34 494 230	34 494 230	34 494 230
FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	78 761 701	78 761 701	78 761 701	78 761 701
Motor Vehicle Accident Fund	31 020 292	31 020 292	31 020 292	31 020 292
STANBIC NOMINEES BOTSWANA RE BIFM PLEF	14 362 915	13 922 178	14 362 915	13 922 178
STANBIC NOMINEES BOTSWANA RE BIFM MLF	10 094 916	9 718 359	10 094 916	9 718 359
STANBIC NOMINEES BOTSWANA RE BPOPF WT PRO PORT MC	9 595 044	11 192 338	9 595 044	11 192 338
	482 426 391	**483 206 391**	**482 426 391**	**483 206 391**
Public	72 %	72 %	72 %	72 %
Non-public	28 %	28 %	28 %	28 %
	100 %	**100 %**	**100 %**	**100 %**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

32. Contingencies

Litigation is in the process against the company by applicant relating to a 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.

The Group issued a guarantee in favour of Botswana Power Corporation for P 584 000 (2020: P 584 000).

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 reduce or be completely waived.

Following submission of notice of objections against the WHT, VAT and employment taxes (P.AY.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 ammendments 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 assement 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 assement 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 unrelived 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	Refer to note 6
Related party (directors who have significant influence or shareholding)	Naclod (Proprietary) Limited
	Okavango Tobacco Company (Proprietary) Limited
	Sterling Management Services (Proprietary) Limited
	Seeds of Sucess (Proprietary) Limited
	AC Smart (Proprietary) Limited
	Azzurro (Proprietary) Limited
	Diamond Bource Botswana (Propriety)Limited
	CBD Filling Station (Proprietary) Limited
	Maratanang 2020 Ventures (Proprietary) Limited
	CN & VT Farms (Proprietary) Limited
	Damstock (Proprietary) Limited
	Vantage Properties Propietary Limited
	Mphemphe Insurance Agency (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
	Rekere Investments (Botswana) Proprietary Limited
	DPB Investments (Proprietary) Limited
	TYLO Investments (Proprietary) Limited
	Abacus House Botswana Proprietary Limited
	Colmore Investments Proprietary Limited
	LFT Enterprises Proprietary Limited

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

33. Related parties (continued)

Borsalino Holdings
Butler Phirie Incorporated (Proprietary) Limited
DPS Consulting Services Proprietary Limited
SCR Properties Proprietary Limited
Vision Investors Limited
Lambourne Investments Proprietary Limited
K2019581152 (South Africa)
Rencell Management Services (South Africa)
Credirent (South Africa)
Pepperclub Hotel Investments (South Africa)
Pectodox (South Africa)
Oblinex (South Africa)
Oblinamix (South Africa)
Smart Metals (South Africa)
EHV Technologies (South Africa)

Related party balances				
Loan accounts - Owing (to) by related parties				
Mlimani Holdings Limited	-	-	190 863 452	210 790 566
Investment in Sudsidiary				
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	-	-	2 617 681	2 704 110
Palazzo Venezia (Proprietary) Limited	-	-	8 832 659	4 051 424
	-	**-**	**11 450 340**	**6 755 534**
Related party transactions				
Directors fees				
S Manake	134 221	-	134 221	-
S S Mantswe	118 642	-	118 642	-
P K Balopi	278 987	339 116	249 986	270 239
B D Phirie	461 051	172 570	461 051	172 570
Peo Pillar	-	19 774	-	19 774
V T Tebele	427 918	246 870	417 043	246 870
A Chetty	154 712	-	140 213	-
M K Nteta	-	160 586	-	160 586
P J Bezuidenhout	294 584	339 668	258 854	251 664
	1 870 115	**1 278 584**	**1 780 010**	**1 121 703**
Amounts in other operating income relating to related parties				
Mlimani Holdings Limited (managemenet fees received)	-	-	2 685 020	2 553 046
Island View (Proprietary) Limited (management fees received)	-	-	115 960	81 099
	-	**-**	**2 800 980**	**2 634 145**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**
33. Related parties (continued)				
Dividend & interest received				
Mlimani Holdings Limited (dividend received)	-	-	(15 895 608)	(14 946 873)
Mlimani Holdings Limited (interest received)	-	-	(17 002 826)	(12 526 602)
	-	**-**	**(32 898 434)**	**(27 473 475)**
Compensation to directors and other key management				
G H Abdoola	4 137 183	3 780 184	4 137 183	3 780 184
S Puvimanasinghe	1 865 970	1 904 873	1 865 970	1 904 873
	6 003 153	**5 685 057**	**6 003 153**	**5 685 057**

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

As permitted by the sale agreement dated 27 June 2011 entered with the sellers of Island View (Proprietary) Limited and Mlimani Holdings Limited, being GH Group (Proprietary) Limited and Associated Investment Development Corporation (Proprietary) Limited, the Company waived some of the conditions precedent after the sellers executed a deed of guarantee on 24 December 2011 in favour of the Company binding themselves jointly and severally irrevocably and unconditionally to Turnstar Holdings Limited, to pay to Turnstar Holdings Limited any shortfall that occurs during the guarantee period ending 31 January 2023. The following are conditions precedent which were waived:

- Confirmation of the existence in terms of law and duration, to the satisfaction of the Company, of the tax incentives and exemptions granted to Mlimani Holdings Limited by the Government of Tanzania including
  i. any amendments to the performance contract necessary to give effect to the tax incentives and exemptions and
  ii. the registration of the performance contract as required by law.
- Proof of publication, to the satisfaction of the Company, of the Government Notices confirming the existence in terms of law of the tax incentives and exemptions granted to Mlimani Holdings Limited and the duration thereof; and
- the written consent of the Minister of Finance and Development Planning for Botswana to the sale of the shares in Island View (Proprietary) Limited by GH Group (Proprietary) Limited and Associated International Development Corporation to the Company.

As per the deed of guarantee in the event of default the sellers, being GH Group (Proprietary) Limited and Associated Investment Development Corporation (Proprietary) Limited, have agreed to pay the Company any shortfall which occurs in relation to amount receivable by the Company in respect of the debentures, where such shortfall is caused by the imposition through obligation to withhold tax on any interest which is payable by Mlimani Holdings Limited to Turnstar Holdings Limited for the debentures and any such withholding tax towards the distribution of the profit of Mlimani Holdings Limited otherwise available by way of dividend. Any such shortfall as aforementioned is the result of the imposition of tax on Mlimani Holdings Limited, the sellers have guaranteed such payment to the company, provided that any such payment does not exceed the sum of USD 6 million being the maximum guarantee amount.

As security for due performance by GH Group (Proprietary) Limited and Associated Investment Development Corporation (Proprietary) Limited of the obligations, as per the guarantee both sellers, GH Group (Proprietary) Limited and Associated Investment Development Corporation (Proprietary) Limited have each pledged 10 million linked units in favour of Turnstar Holdings Limited.

There are no changes to the conditions relating to P 10 million linked units pledged each by G H Group (Proprietary) Limited and Associated Investment Development Corporation (Proprietary) Limited in favour of the company. The pledge remained in force during the reporting period.

34. Directors' emoluments

Executive

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**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

34. Directors' emoluments (continued)

2022

	Emoluments	Total
G H Abdoola (Managing Director)	3 780 184	3 780 184
S Puvimanasinghe (Finance Director)	1 904 873	1 904 873
	5 685 057	**5 685 057**

* Directors emoluments is salaries paid to the executives.

Non-executive

2023

	Directors' fees	Committees fees	Directors' fees for services as directors' of subsidiaries	Retainers	Total
P Balopi (Retired 05July 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 1 June 2022)	100 666	-	14 500	39 547	154 713
S S Mantswe (Apointed 1 June 2022)	55 126	23 968	-	39 547	118 641
S Manake (Appointed 1 September 2022)	88 682	11 984	-	33 555	134 221
	1 341 396	**95 872**	**90 106**	**342 741**	**1 870 115**

2022

	Directors' fees	Committees fees	Directors' fees for services as directors' of subsidiaries	Retainers	Total
P Balopi (Chairman)	129 427	35 952	68 878	104 860	339 117
Peo Pillar	-	-	-	19 774	19 774
P Bezuidenhout(Retired 1 June 2022)	143 808	23 968	87 004	83 888	338 668
M Nteta	57 523	23 968	-	79 094	160 585
V Tebele	143 808	23 968	-	79 094	246 870
B D Phirie	115 046	23 968	-	33 555	172 569
	589 612	**131 824**	**155 882**	**400 265**	**1 277 583**

35. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

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**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

Group - 2022

	Note(s)	Amortised cost	Total	Fair value
Lease asset	9	20 019 328	20 019 328	-
Trade and other receivables	10	27 025 397	27 025 397	27 025 397
Cash and cash equivalents	11	14 208 533	14 208 533	14 208 533
		61 253 258	**61 253 258**	**41 233 930**

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**

Company - 2022

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	7	210 790 566	210 790 566	-
Lease asset	9	16 920 415	16 920 415	-
Trade and other receivables	10	12 598 486	12 598 486	12 598 486
Cash and cash equivalents	11	9 388 408	9 388 408	9 388 408
		249 697 875	**249 697 875**	**21 986 894**

Categories of financial liabilities

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**

Group - 2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	14	39 289 301	39 289 301	38 875 517
Borrowings	13	565 684 995	565 684 995	565 684 995
		604 974 296	**604 974 296**	**604 560 512**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

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**

Company - 2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	14	8 758 524	8 758 524	8 758 524
Borrowings	13	565 684 995	565 684 995	565 684 995
		574 443 519	**574 443 519**	**574 443 519**

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.

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 2023 and 2022 respectively were as follows:

Borrowings	13	530 115 547	565 684 995	530 115 547	565 684 995
Bank overdraft (cash and cash equivalents)	11	39 273 367	(14 058 183)	44 922 882	(9 238 058)
Net borrowings		**569 388 914**	**551 626 812**	**575 038 429**	**556 446 937**
Equity		(1 814 294 830)	(1 734 743 670)	1 530 174 244	1 530 892 812
Gearing ratio		(31)%	(32)%	38 %	36 %

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

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:

Group		**2023**			**2022**		
		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	39 014 060	(7 687 054)	31 327 006	34 511 703	(7 486 306)	27 025 397
Cash and cash equivalents	11	9 542 151	-	9 542 151	14 208 533	-	14 208 533
		48 556 211	**(7 687 054)**	**40 869 157**	**48 720 236**	**(7 486 306)**	**41 233 930**

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

Company		**2023**			**2022**		
		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	190 863 452	-	190 863 452	210 790 566	-	210 790 566
Trade and other receivables	10	17 507 613	(3 125 313)	14 382 300	15 363 652	(2 765 166)	12 598 486
Cash and cash equivalents	11	3 892 636	-	3 892 636	9 388 408	-	9 388 408
		212 263 701	**(3 125 313)**	**209 138 388**	**235 542 626**	**(2 765 166)**	**232 777 460**

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 - 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	14	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**

Notes to the Consolidated And Separate Annual Financial Statements

		Group		Company	
Figures in Pula		**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

Group - 2022

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	13	-	514 747 112	514 747 112	498 566 484
Current liabilities					
Trade and other payables		38 875 517	-	38 875 517	39 289 301
Borrowings	13	86 668 178	-	86 668 178	67 118 511
Bank overdraft	11	150 351	-	150 351	150 351
		125 694 046	**514 747 112**	**640 441 158**	**605 124 647**

Company - 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		6 486 040	-	6 486 040	6 486 040
Borrowings	13	26 546 603	-	26 546 603	26 546 603
Bank overdraft	11	48 815 518	-	48 815 518	48 815 518
		81 848 161	**520 336 444**	**602 184 605**	**585 417 105**

Company - 2022

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	13	-	514 747 112	514 747 112	498 566 484
Current liabilities					
Trade and other payables	14	8 758 524	-	8 758 524	8 758 524
Borrowings	13	86 668 178	-	86 668 178	67 118 511
Bank overdraft	11	150 351	-	150 351	150 351
		95 577 053	**514 747 112**	**610 324 165**	**574 593 870**

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.

Notes to the Consolidated And Separate Annual Financial Statements

		Group		Company	
Figures in Pula		**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

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 2023, if the currency had strengthened by 10% against the US dollar with all other variables held constant, pre-tax profit for the year would have been P 14 202 108 (2022: P 21 079 057) higher, mainly as a result of foreign exchange gains on translation of US dollar denominated financial assets and borrowings.

At 31 January 2023, if the currency had weakened by 10% against the US dollar with all other variables held constant, pre-tax profit for the year would have been P 15 738 720 (2022: P 32 475 692) lower, mainly as a result of foreign exchange loss on translation of US dollar denominated financial assets and borrowings.

Company

At 31 January 2023, if the currency had strengthened by 10% against the US dollar with all other variables held constant, pre-tax profit for the year would have been P 3 644 625 (2022: P 9 953 356) higher, mainly as a result of foreign exchange gains on translation of US dollar denominated financial assets and borrowings.

At 31 January 2023, if the currency had weakened by 10% against the US dollar with all other variables held constant, pre-tax profit for the year would have been P 3 71 7344 (2022: P 11 895 434) lower, mainly as a result of foreign exchange loss on translation of US dollar denominated financial assets and borrowings.

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 14 849 177(2022 USD 18 022 538)		-	-	190 863 452	210 790 566
Trade and other receivables	10	19 641 453	15 245 512	-	-
Current assets:					
Cash and cash equivalents	11	5 649 515	10 635 680	1 749 016	5 858 863
Non-current liabilities:					
Borrowings	13	288 881 478	301 796 418	288 881 478	301 796 418
Trade and other payables	14	45 356 728	35 865 935	-	-
Net US Dollar exposure		**359 529 174**	**363 543 545**	**481 493 946**	**518 445 847**

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 2023 and 2022, the group's borrowings at variable rate were denominated in Pula and US Dollar.

At 31 January 2023, 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 3 090 614 (2022: P 2 180 032) 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:

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

35. Debt instruments at fair value through other comprehensive income (continued)

	Note	Average effective interest rate		Carrying amount	
Group		**2023**	**2022**	**2023**	**2022**
Assets					
Cash and cash equivalents	11	3.42 %	2.85 %	9 483 165	13 411 031
Short term deposits	11	5.50 %	5.50 %	58 986	797 502
				9 542 151	**14 208 533**
Liabilities					
Bank overdraft	11	6.76 %	5.25 %	48 815 518	150 351
Borrowings in Botswana Pula at local rate	13	4.95 %	3.34 %	241 579 194	263 888 577
Borrowings in USD Libor	13	6.76 %	3.96 %	288 536 353	301 796 418
				578 931 065	**565 835 346**

	Note	Average effective interest rate		Carrying amount	
Company		**2023**	**2022**	**2023**	**2022**
Assets					
Loans to group companies	7	8.30 %	5.90 %	190 863 452	210 790 566
Cash and cash equivalents	11	3.42 %	2.85 %	3 833 650	8 590 906
Short term deposits		5.50 %	5.50 %	58 986	797 502
				194 756 088	**220 178 974**
Liabilities					
Bank overdraft	11	6.76 %	5.25 %	48 815 518	150 351
Borrowings in Botswana Pula at local rate	13	4.95 %	3.44 %	241 579 194	263 888 577
Borrowings in USD Libor	13	6.76 %	3.96 %	288 536 353	301 796 418
				578 931 065	**565 835 346**

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

	Note(s)				
Assets					
	3				
Investment property					
Investment property		2 599 722 059	2 460 487 166	1 427 539 285	1 404 778 381
Total		**2 599 722 059**	**2 460 487 166**	**1 427 539 285**	**1 404 778 381**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
Figures in Pula	**2023**	**2022**	**2023**	**2022**

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	Closing balance
Group - 2023						
Assets						
Investment property						
Investment property		2 460 487 166	31 184 126	4 888 805	103 161 962	2 599 722 059
Total		**2 460 487 166**	**31 184 126**	**4 888 805**	**103 161 962**	**2 599 722 059**
Group - 2022						
Assets						
	3					
Investment property						
Investment property		2 396 259 505	(8 900 110)	9 563 776	63 563 995	2 460 487 166
Total		**2 396 259 505**	**(8 900 110)**	**9 563 776**	**63 563 995**	**2 460 487 166**
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**
Company - 2022						
Assets						
	3					
Investment property						
Investment property		1 335 770 609	59 443 996	9 563 776	-	1 404 778 381
Total		**1 335 770 609**	**59 443 996**	**9 563 776**	**-**	**1 404 778 381**

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 1 333 400 000 (2022: 1 317 000 000). 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. There fair values of these properties determined by independent valuers is P 59 240 000 (2022: 58 200 000). 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. There fair values of these properties determined by independent valuers is P 47 140 000 (2022: 46 500 000). 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.

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 2023 and the inputs used in the valuations for the year ended 31 January 2023 were:

Assumptions used for valuation of properties in Botswana	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%

Notes to the Consolidated And Separate Annual Financial Statements

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 24 821 718 (USD 1 980 928), (2022 : 21 063 598, USD 1 739 782) 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.

Assumptions	Commercial
Income capitalisation rate	8.00 %
Discount rate	9.00 %
Long-term revenue Growth Rate - As per valuation	5.00 %
Discounted cash flow period	5
Average lease period	1
Average Escalation/ Rental- From MDA	5.00 %

Notes to the Consolidated And Separate Annual Financial Statements

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 773 408 460 (USD 61 800 000), P192 726 360 (USD 15 400 000), P 78 842 610 (USD 6 300 000), P 52 561 740 (USD 4 200 000) and P 48 807 330(USD 3 900 000) respectively, P 709 567 196 (USD 62 300 000), P168 564 920 (USD 14 800 000), P 67 198 177 (USD 5 900 000), P 47 835 991 (USD 4 200 000) and P 44 419 139(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.

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

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.

Capitalisation rate sensitivity	**Group**		**Company**	
	2023	**2022**	**2023**	**2022**
Weighted average capitalisation rate	9.7%	8.94%	10.71%	9.26%
1% upward shift	240.4M	246.4M	120.8M	138.6M
1% downward shift	296.5M	308.3M	145.5M	172.2M

Notes to the Consolidated And Separate Annual Financial Statements

38. Segment report

Primary segment - Geographical segment	2023	2022	2023	2022
	Botswana	Botswana	Tanzania	Tanzania
Revenues from external customers	158,318,710	154,076,022	131,180,451	111,707,689
Inter segment revenues				
Total segment revenues	**158,318,710**	**154,076,022**	**131,180,451**	**111,707,689**
Segment property direct and indirect expenses	62,386,838	58,246,815	47,842,250	34,591,769
Segment operating profit	**95,931,872**	**95,829,208**	**83,338,201**	**77,115,920**
Segment Assets	**1,459,139,799**	**1,444,521,365**	**1,177,608,343**	**1,084,979,233**
Segment assets include the following:				
Investment property	1,427,539,285	1,404,778,381	1,147,361,056	1,034,645,187
Property plant and equipment	268,782	265,277	1,660,084	1,118,237
Goodwill	-	-	-	27,177,745
Operating lease asset	12,240,715	16,920,415	4,157,082	3,098,913
Trade and other receivables	15,198,381	13,168,884	18,780,606	14,693,064
Cash and cash equivalents	3,892,636	9,388,408	5,649,515	4,246,087
Segment Liabilities	**661,358,234**	**665,948,347**	**186,199,188**	**150,946,814**
Segment liabilities include the following:				
Borrowings	530,115,547	565,684,995	-	-
Deferred tax	72,763,701	85,228,934	142,199,794	115,132,733
Trade and other paybles	7,412,523	11,468,157	43,999,394	35,814,081
Current tax payable	-	1,575,294	-	-
Unclaimed debenture interest and dividend payable	2,250,945	1,840,616	-	-
Bank overdraft	48,815,518	150,351		

Secondary segment- Operating segment	2023	2022	2023	2022
Revenues		Retail		
	Botswana	Botswana	Tanzania	Tanzania
Rental income from external customers	**147,316,710**	**143,773,971**	**105,242,185**	**91,306,867**
Inter segmental revenues				
Total segment revenues	**147,316,710**	**124,141,451**	**105,242,185**	**87,597,549**
Segment expenses	58,180,503	54,544,588	39,815,163	30,199,628
Segment operating profit	**89,136,207**	**78,014,065**	**65,427,023**	**49,156,228**

	Figures in Pula 2023	Figures in Pula 2022
Reconciliation of group net profit before tax		
Total reporting segment operating profit	173,812,376	170,104,795
Salaries and wages	(16,375,993)	(15,868,017)
Loss on exchange difference	(31,077,832)	(17,334,952)
Profit on exchange differences	19,455,154	12,423,604
Fair value adjustments	31,184,126	(8,900,110)
Finance income	16,074	243,593
Sundry income	3,083,810	2,352,161
Corporate expenses	(7,173,018)	(7,379,175)
Operating profit	**172,924,697**	**135,641,900**
Finance costs	(30,903,614)	(21,280,321)
Goodwill impairment	(29,864,906)	-
Group profit before tax	**112,156,177**	**114,361,579**

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

Notes to the Consolidated And Separate Annual Financial Statements

2023	2022	2023	2022
Dubai	Dubai	Consolidated	Consolidated
1,768,549	811,999	**291,267,710**	**266,595,710**
-	-	-	-
1,768,549	**811,999**	**291,267,710**	**266,595,710**
7,226,245	3,652,331	117,455,334	96,490,915
5,457,697 -	**2,840,332**	**173,812,376**	**170,104,795**
25,278,103	**22,190,084**	**2,662,026,244**	**2,551,690,682**
24,821,718	21,063,598	2,599,722,059	2,460,487,166
-	-	1,928,866	1,383,514
-	-	-	27,177,745
-	-	16,397,797	20,019,328
456,384	552,448	34,435,371	28,414,396
-	574,038	9,542,151	14,208,533
173,989	**51,854**	**847,731,411**	**816,947,015**
		530,115,547	565,684,995
		214,963,495	200,361,667
173,989	51,854	51,585,906	47,334,092
		-	1,575,294
		2,250,945	1,840,616
		48,815,518	150,351

2023	2022	2023	2022	2023	2022	Figures in Pula 2023	Figures in Pula 2022
	Commercial						
Botswana	Botswana	Tanzania	Tanzania	Dubai	Dubai	Consolidated	Consolidated
11,002,001	**10,302,052**	**25,938,265**	**20,400,822**	**1,768,549**	**811,999**	291,267,710	266,595,710
11,002,001	**10,429,515**	**25,938,265**	**18,099,844**	**1,768,549**	**5,001,133**	**291,267,710**	**266,595,710**
4,206,336	3,702,226	8,027,087	4,392,141	7,226,245	3,652,331	117,455,334	96,490,915
6,795,665	**7,513,477**	**17,911,178**	**14,454,368**	**-5,457,697**	**2,182,425**	**173,812,376**	**170,104,795**

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

Notice is hereby given that the 2023 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, 27th July 2023 for transacting the following business agenda:

AGENDA:

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

A. ORDINARY RESOLUTIONS

3. To receive, consider and adopt the Audited Financial Statements for the year ended 31 January 2023 together with the Auditors report to the Board
4. To approve the distribution of dividend as recommended by the Board of Directors for the year ended 31 January 2023.
5. To confirm the appointment of the following as a Director of the Company:

   i. Henrietta Sethebe Manake

   Sethebe Manake is an influential figure in Botswana's real estate industry, known for her thought leadership and proptech advocacy.

   With over 14 years of experience, she founded Gosmartvalue, a research and consulting firm focused on transforming the sector.

   She holds a BSc in Property Studies from the University of Cape Town and an MSc in Strategic Management from the University of Derby and is a chartered surveyor in Real Estate Investment and Finance.

   She is currently operating her own real estate research and consulting firm delivering automated property valuations and customized dynamic market insights for real estate investors, financiers and developers.

6. 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. Butler Phirie
   Non-Executive Director since July 2021

   Mr. Phirie is a fellow member of the Botswana Institute of Chartered Accountants and the Association of Chartered Certified Accountants (UK). He brings with him a wealth of experience, having served at Pricewaterhouse Coopers for 27 years, 13 years of which he was the Managing Partner. He has also served the Botswana Development Corporation as General Manager Finance for 4 years.

   ii. Victoria Tebele

   Non-Executive Director since February 2021

   She is a Fellow Member of both ACCA and the Botswana Institute of Chartered Accountants, and 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 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."

7. To ratify the remuneration paid to the Non-Executive Directors for the year ended 31 January 2023
8. To ratify the remuneration paid to the auditors, Ernst & Young, for the year ended 31January 2023
9. To appoint Ernst & Young as Auditors for the year ending 31 January 2024 and authorise the Directors to fix their remuneration.
10. Answering of questions raised by linked unit holders in relation to the affairs and the business of the Company by Directors and Management.
11. 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: 5th June 2023

REGISTERED OFFICE:

Plot 50370, Acumen Park

Fairgrounds

P O Box 1157

Turnstar Holdings Limited

(Registration number BW00000973397)
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2023

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 on Thursday 27th July 2023.

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 2023 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**			
Ordinary resolution 4 i. Butler Phirie ii. Victoria Tebele	**Agenda No 6**			
Ordinary resolution 5	**Agenda No 7**			
Ordinary resolution 6	**Agenda No 8**			
Ordinary resolution 7	**Agenda No 9**			

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 be a member of the company.

Please read notes 1 -7 on the reverse side hereof

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 Annual 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 favour 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 Annual 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 Annual 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.

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	103 098 900	103 098 900	103 098 900	103 098 900
FNBB NOMINEES VUNANI BPOPF	61 766 631	61 766 631	61 766 631	61 766 631
Alan Gray Re Debswana Pension Fund	34 494 230	34 494 230	34 494 230	34 494 230
FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	78 761 701	78 761 701	78 761 701	78 761 701
Motor Vehicle Accident Fund	31 020 292	31 020 292	31 020 292	31 020 292
STANBIC NOMINEES BOTSWANA RE BIFM PLEF	14 362 915	13 922 178	14 362 915	13 922 178
STANBIC NOMINEES BOTSWANA RE BIFM MLF	10 094 916	9 718 359	10 094 916	9 718 359
STANBIC NOMINEES BOTSWANA RE BPOPF WT PRO PORT MC	9 595 044	11 192 338	9 595 044	11 192 338
	482 426 391	**483 206 391**	**482 426 391**	**483 206 391**
Public	72 %	72 %	72 %	72 %
Non-public	28 %	28 %	28 %	28 %
	100 %	**100 %**	**100 %**	**100 %**

TURNSTAR
HOLDINGS LIMITED

www.turnstar.co.bw