

Innovative Strategic & Diverse

Turnstar Annual Report 2025

His Majesty's

Revenue increase
by

5%

Profit before tax
increase by

6%

Fair value
gain

P41Mn

Net asset
value

P3.43

Property assets
value

P2.8Bn

Earnings per
share

17t

Gearing
ratio

21%

Full year
distribution

20t



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Board of Directors



Mr Butler Phirie - Chairman of the Board | Appointed 1 July 2021

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

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

Mr Shiran Puvimanasinghe - Executive Director | Appointed 11 December 2014

Shiran Puvimanasinghe is a Chartered Accountant. He commenced his career in Botswana in 1987 as a Senior Manager at Coopers and Lybrand (now PwC). He served the Botswana Housing Corporation, as a Chief Accountant during the period 1990-1993. He was the Financial Director of Zurich Insurance Company Botswana for 15 years and was subsequently appointed as Chief Executive Officer in 2009. Shiran joined Turnstar Holdings as the Chief Financial Officer, in June 2013 and was appointed as the Chief Operating Officer on the 1st of April 2023. Shiran retired from the board on 28 February 2025.



Mr Gulaam Abdoola - Managing Director | Appointed 12 February 2001

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

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

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



Ms Victoria Tebele - Director | Appointed 1 February 2021

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

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

She has served as a Director and Board member under Bank of Botswana, Botswana National Productivity Centre, Sesiro Insurance Company, Mainline Carriers, Botswana Road Services, Pubic Enterprise Evaluation and Privatisation Agency and Botswana Agricultural Marketing Board.





Mr Amaresh Chetty - Director (B Com, PG Dip Bus Management, MBA) | Appointed 1 July 2022

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

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

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

Mr Solomon Seoketsi Mantswe - Director | Appointed 1 July 2022

Mr Mantswe has over 35 years of experience in Botswana’s public service, with expertise in policing, public relations, and corporate governance. He began his career with the Botswana Police Service in 1983, progressing through key leadership roles, including Head of Public Relations (2002), Director of Managerial Services (2012), and Deputy Commissioner (2021). His responsibilities include strategic planning, human resources, administration, policy development, and stakeholder engagement.

He also brings significant governance experience, serving as Chairman of the Botswana Public Officers Pension Fund from 2017 to 2023, and contributing to various board sub-committees. Mr Mantswe has previously chaired the Police XI Football Club and the Botswana Police Relief Fund, offering deep practical leadership across both operational and governance domains.



Mrs Sethebe Manake - Director | Appointed 1 September 2022

Sethebe Manake is a seasoned real estate executive with over 19 years of experience spanning valuation, property investment, and real estate technology. She is the Founder and Chief Executive Officer of GoSmartValue, a proptech platform that has transformed property valuation through the deployment of automated, data-driven solutions that promote transparency and market efficiency.

Sethebe also serves as Chief Executive Officer of Fracfin, a subsidiary of the Anaara Chartwell Group, focused on non-performing loan acquisitions, asset recovery, and inclusive real estate financing. Under her leadership, Fracfin operates across Botswana and South Africa, providing structured solutions for distressed assets and underserved markets.

A Chartered Surveyor with a specialisation in Real Estate Investment and Finance, Sethebe is widely regarded for her strategic insight and operational execution. Her career is distinguished by a consistent focus on innovation, financial inclusion, and building resilient real estate ecosystems across Southern Africa.

Mr Comfort Rankomo - Director | Appointed 28 February 2025

Mr. Rankomo, who is currently the Chief Financial Officer was appointed to the board on 28 February 2025. He has been with Turnstar Holdings Limited for past 14 years.

Mr. Rankomo joined Turnstar in 2011 as Finance Manager, he was appointed Chief Financial Officer in 2024. Prior to that he worked for Letshego Holding Limited and PricewaterhouseCoopers. He graduated from the University of Botswana with a Bachelor of Accounting in 2001 and attained ACCA in 2004. He obtained Master of Business Administration (MBA) from University of Derby in 2009. Mr Rankomo is a Fellow Member of both ACCA and the Botswana Institute of Chartered Accountants.





Managing Directors Report



It gives me great pleasure to share this report on Turnstar Holdings' performance for the period under review.

Turnstar - proudly born in Botswana and now regionally anchored - stands today as a recognised leader in property investment. This is a collective achievement we can all take pride in, shaped by the many hands, hearts and minds that have helped define Turnstar's character and growth. Our track record in delivering high-performing, strategically located assets across Botswana, Tanzania, and the United Arab Emirates reflects the discipline, foresight, and ambition that underpin our approach.

This report holds particular significance for me on a personal level. After 25 years at the helm, I have stepped down from the role of Managing Director. It marks my final report in this capacity - a moment of reflection, pride and optimism. I do so with profound confidence in the solid foundations we have built, in the direction the company is poised to pursue, and in the executive team to be led by Comfort Rankgomo, whose transition I have had the honour of supporting closely.

Turnstar will always hold my heart and interest. I will remain actively involved in a strategic capacity and remain a shareholder, committed to advancing our long-term vision in both aspects.

A MEASURED TRANSITION, A STEADFAST COMMITMENT

Reflecting on the year under review, I am especially pleased to note that we remained anchored in our purpose: to invest in, manage, and grow property assets that deliver sustainable and meaningful returns - both for our investors and for the communities we serve. This commitment continues to shape our evolution, guide our decision-making, and define our reputation in the markets in which we operate.

Group revenue rose by

5%

Operating profit grew by

8%

Asset base

P2.8Bn

Fair value gains of over

P41Mn

The total value of our property portfolio grew by

2.4%

OPERATING CONTEXT AND SECTOR REFLECTIONS

The 2024 financial year was marked by global volatility, with Botswana's economic performance impacted by reduced activity in the diamond sector. Despite these challenges, Turnstar remained resilient - buoyed by a balanced and regionally diversified portfolio, disciplined operational execution, and sound cost management.

Industrial and logistics properties maintained consistent demand, underpinned by increasing focus on trade, manufacturing, and infrastructure development. Retail remained a dependable performer, with select assets recording strong tenant retention and sustained foot traffic. The office sector began to recover, with high-specification spaces attracting renewed interest. Meanwhile, the residential market - particularly in the affordable to mid-income segment - presents a clear opportunity for long term value creation.

Legislative changes, including amendments to property-related laws such as with the Transfer Duty Act and the Tribal Land Act, are beginning to reshape investor sentiment and land-use patterns. We continue to monitor these developments closely and adapt our portfolio strategy accordingly, ensuring alignment with both policy direction and market realities.

FINANCIAL PERFORMANCE AND REGIONAL GROWTH

Turnstar's financial results reflect the enduring strength of our asset base. Group revenue rose by 5%, supported by contractual lease escalations, while operating profit grew by 8%, and profit before tax increased by 6%. The total value of our property portfolio grew by 9.42%, bolstered by fair value gains of over P50 million - bringing our asset base to P2.8 billion. Portfolio occupancy now stands at an impressive 98% - a notable achievement.

Turnstar's strategic investment in Tanzania - underpinned by foresight, grit, and an appetite for strategic growth - continues to yield meaningful returns. Our Mlimani City complex has emerged not only as the Group's flagship international asset but now stands as the single largest contributor to portfolio revenue. In retrospect, the Group's deliberate and focused commitment to the Tanzanian market has proven prescient, serving as a stabilising force that mitigates country-specific economic pressures.

The Tanzanian economy has demonstrated sustained resilience and growth, with projections indicating GDP growth of approximately 6% in 2025. This favourable macroeconomic environment, coupled with Turnstar's sizeable land bank in Tanzania, provides a robust platform for future development and revenue diversification. It is a competitive advantage that reinforces our ability to adapt to external shocks, capitalise on emerging market potential, and deliver long-term shareholder value - even amidst increasingly complex and unpredictable global conditions. This portfolio remains a critical lever for strategic growth.

In Dubai, our asset remains fully let at market-related rentals, while Botswana-based properties, including Game City and Nzano Mall, have continued to deliver stable, reliable performance supported by strong tenant relationships and ongoing reinvestment. In addition, the Botswana office sector is seeing a shift in tenant behaviour. While new market entrants remain limited, there is growing movement from legacy office spaces to more modern, high-specification facilities. This evolving demand trend is one we are actively responding to, ensuring our office portfolio remains competitive, efficient, and aligned to contemporary corporate expectations.





Portfolio occupancy now stands at an impressive

98%



Projections indicate GDP growth in Tanzanian economy in 2025 of approximately

6%

POLICY SIGNALS AND MARKET OUTLOOK

Botswana’s peaceful political transition following the October 2024 general elections reaffirmed the country’s reputation for governance maturity and institutional strength. The new administration has signalled a clear commitment to economic revitalisation, improved regulatory efficiency, and greater support for private sector participation. Of particular relevance are the policy directions around affordable housing, infrastructure development, and land reform - these are key areas in which the property sector can play a catalytic role.

At Turnstar, we understand that our future growth lies in our ability to remain responsive to broader societal shifts - in how people live, work, and invest. We remain focused on identifying opportunity within complexity, and on contributing to national development through a forward-thinking, impact driven property strategy.

LEADERSHIP TRANSITION

In line with our established succession planning, I am pleased to have worked closely with Comfort Rankgomo in his transition to the role of Managing Director, an appointment that is effective 1 July 2025. Comfort’s strong tenure with Turnstar, including as Chief Financial Officer, has afforded him deep operational insight and a clear understanding of our market dynamics, with a leadership style defined by clarity, professionalism, and strategic acuity - qualities that will serve the Group well as it embarks on the next chapter with a measured transition, and a truly steadfast commitment.

A PERSONAL NOTE OF APPRECIATION

Serving as Managing Director of Turnstar for the past 25 years has been an extraordinary privilege. I am deeply proud of what we have built - together with our Board, management, staff, and

our many valued partners. This journey has been one of learning, collaboration, and growth, fuelled by a shared belief in the potential of our sector and of our country.

I extend my heartfelt thanks to the entire Turnstar team for their unwavering dedication, to our Board for their stewardship and guidance, to our financiers and banking partners for their trust, and to our tenants, suppliers, and communities for their continued partnership. Most of all, I thank our shareholders for their enduring confidence and support. Every individual and collective who has walked this path with us has a special place in my heart and always will.

LOOKING AHEAD

As we look to the year ahead, Turnstar’s outlook is both measured and optimistic. While global uncertainties may persist, the Group’s diversified portfolio, strong balance sheet, and prudent capital management provide a firm foundation to navigate volatility and capture new opportunities. With a strengthened leadership team, a pipeline of strategic developments, and a renewed focus on performance and tenant experience, we are well-positioned to continue delivering long-term value to our stakeholders.

The next chapter is one of momentum - deliberate, forward-looking, and full of promise.

Gulaam H. Abdoola
Managing Director
Turnstar Holdings Limited

Financial Operating Review

THE RENTAL REVENUES OF THE GROUP FOR THE YEAR ENDED 31 JANUARY 2025 INCREASED BY APPROXIMATELY 5% COMPARED TO THE CORRESPONDING YEAR ENDED 31 JANUARY 2024

**P344.1
MILLION**

FOR THE YEAR ENDED 31 JANUARY 2025 COMPARED TO

**P328.5
MILLION**

FOR THE YEAR ENDED 31 JANUARY 2024). THIS WAS DUE TO STRONG RENTAL INCOME GROWTH IN ALL JURISDICTIONS IN WHICH THE GROUP OPERATES.

THE GROUP'S OPERATIONAL PROFIT INCREASE BY

**P13.8
MILLION**

COMPARED TO THE CORRESPONDING YEAR ENDED 31 JANUARY 2024

**P189.9
MILLION**

FOR THE YEAR ENDED 31 JANUARY 2025 COMPARED TO

**P176.1
MILLION**

FOR THE YEAR ENDED 31 JANUARY 2024.

THE GROUP'S PROPERTY ASSETS WERE VALUED AT

P2.8 BILLION

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

THE GROUP EARNINGS PER LINKED UNIT WAS

17 THEBE

ALL PROPERTIES RECORDED SUBSTANTIAL FAIR VALUE GAINS.

FINANCIAL PERFORMANCE OVERVIEW

REVENUE

Group rental income increased to

P344.1 MILLION

(2024: P328.5 million), a growth of approximately

5%.

This due to strong rental income growth from all jurisdictions within the group.

The Group achieved operational profit before exchange differences and fair value adjustments of

P151.6 MILLION

for the year ended 31 January 2025, representing a

10%

growth compared to

P138.0 MILLION

in the prior year. Real earnings per share increased to 26 thebe from 24 thebe in 2024, reflecting enhanced operating performance.

OPERATING PROFIT:

Rose to

P89.9 MILLION

(2024: P176.1 million). This is a factor of well lower foreign exchange losses and lower movement in credit loss allowance due to strong collections.

FAIR VALUE GAINS

P41.1 MILLION

(2024: P 49.8 million) due to strong occupancy rates across all properties.

LOAN TO VALUE RATIO (LTV)

The loan to value ratio (borrowing as a percentage of investment property) remains conservative at

21%,

unchanged from the prior year. The Company has set an internal gearing ratio limit of

30%

FINANCE COSTS

Stable at

P38.9 MILLION.

The Group moved its ABSA USD loan to FNB Botswana, securing a Pula-denominated facility. As a result, finance costs for the year ended 31 January 2025 remained flat at

BWP 38.8 MILLION,

closely aligned with the prior year.

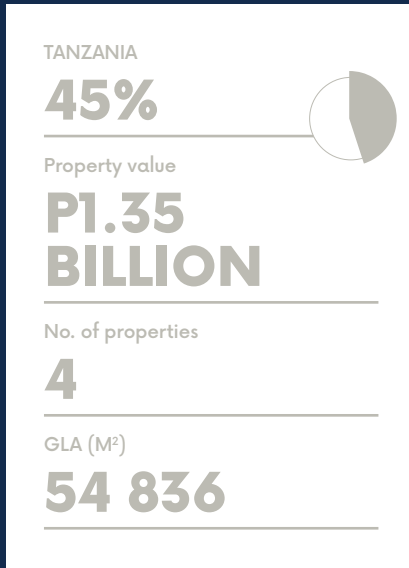
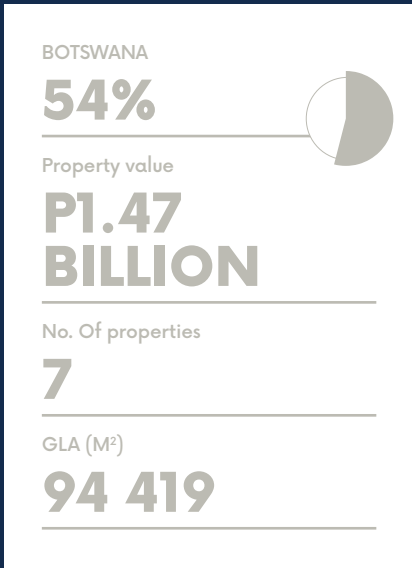
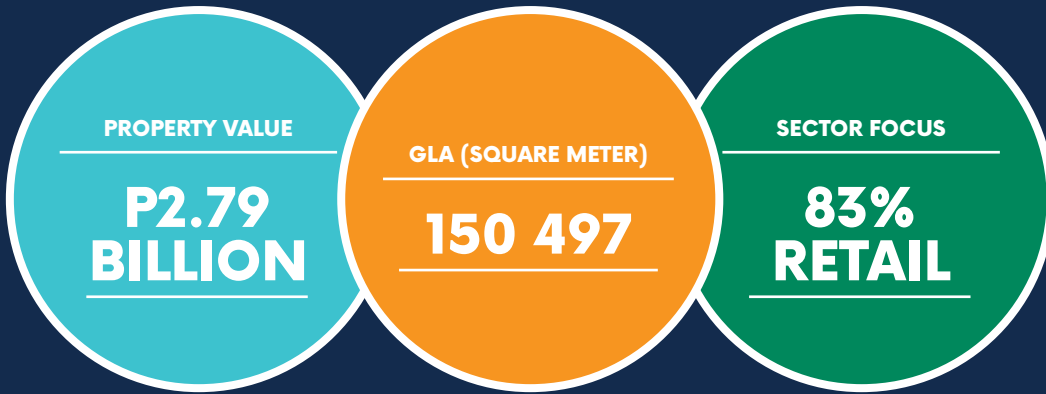
DISTRIBUTION TO SHAREHOLDERS

The Company maintained a stable distribution of

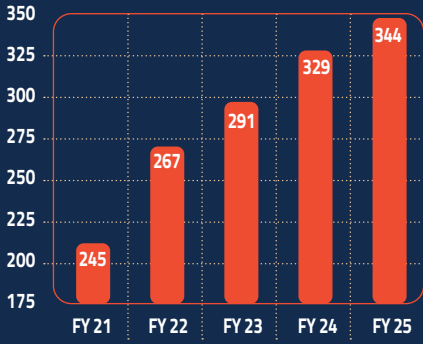
20 THEBE PER LINKED UNIT,

consistent with the prior year, despite ongoing economic challenges.

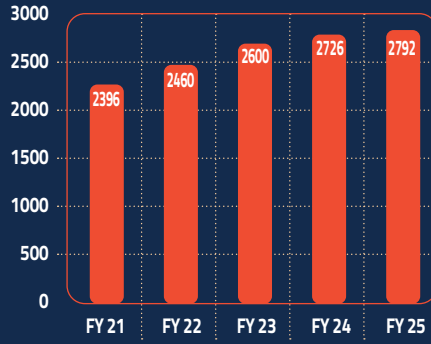
TURNSTAR GROUP GEOGRAPHICAL ANALYSIS



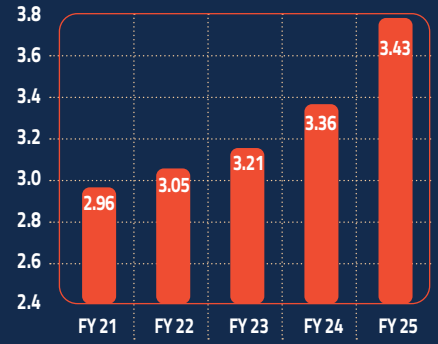
RENTAL INCOME



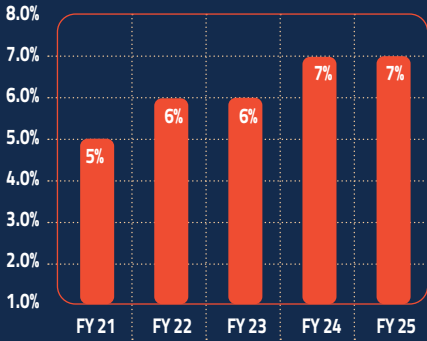
PROPERTY VALUES



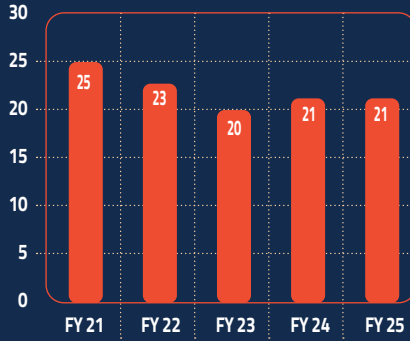
NET ASSET VALUE (BWP)



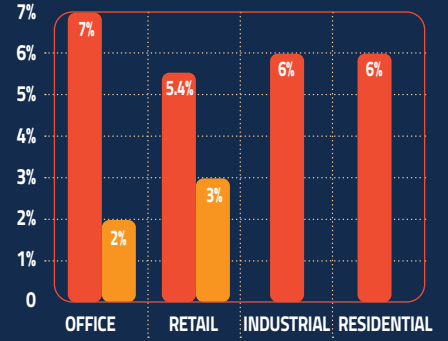
PROPERTY INCOME YIELD



LOAN TO VALUE (LTV)

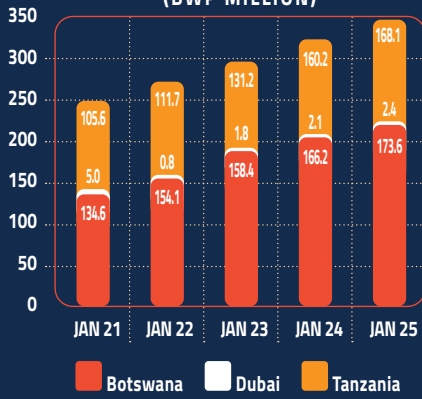


LEASE ESCALATION PROFILE



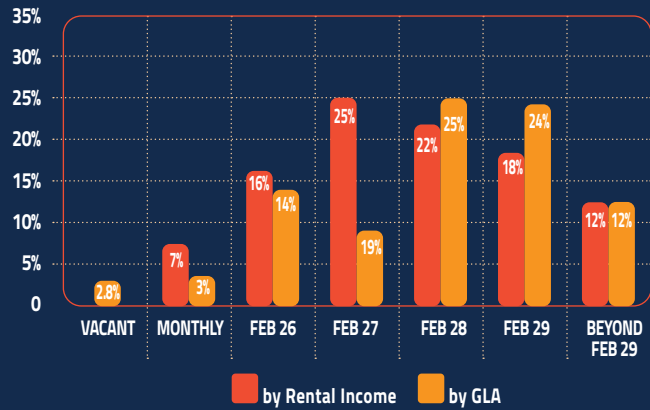
Botswana Tanzania

CONTRIBUTION TO REVENUE (BWP MILLION)

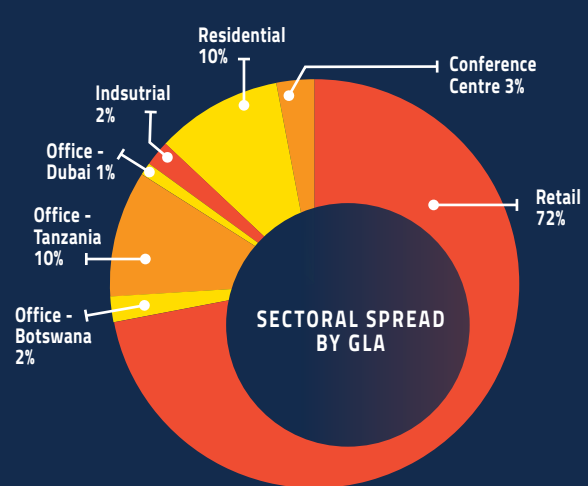
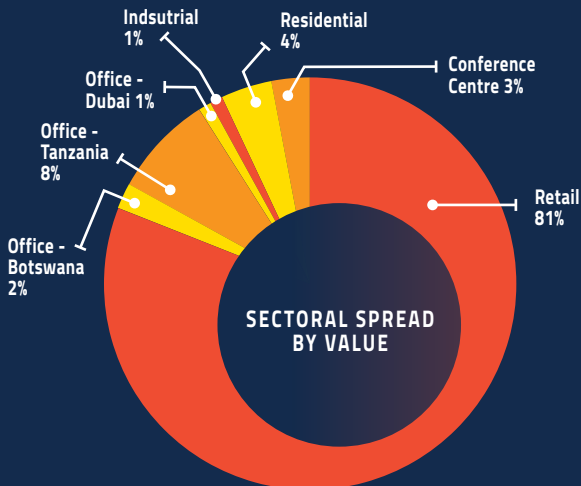


Botswana Dubai Tanzania

LEASE EXPIRY



by Rental Income by GLA



ABRIGED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2025	GROUP		COMPANY	
	31-Jan-25 Pula	31-Jan-24 Pula	31-Jan-25 Pula	31-Jan-24 Pula
Revenue				
Rental income	344,114,314	328,502,653	173,613,374	166,225,198
Other income	3,232,313	3,228,233	5,259,690	4,986,210
Operating expenses	(154,092,953)	(147,780,682)	(90,738,826)	(85,208,990)
Movement in credit loss/gain allowances	(3,315,065)	(7,778,447)	(442,414)	(10,592,833)
Dividend income from subsidiary	-	-	23,794,902	27,886,404
Operating profit	189,938,609	176,171,757	111,486,726	103,295,989
Finance income	501,406	662,286	17,288,056	20,582,677
Finance cost	(38,888,505)	(38,785,285)	(38,888,505)	(38,785,285)
Profit before exchange difference and FV	151,551,510	138,048,758	89,886,277	85,093,381
Exchange gain	2,498,985	11,699,909	2,498,985	11,699,909
Exchange loss	(6,570,699)	(22,021,526)	(182,181)	(18,040,085)
Profit before fair value and impairment	147,479,796	127,727,141	92,203,081	78,753,205
Fair value adjustments	41,080,006	49,781,650	13,179,746	6,218,539
Profit before tax	188,559,802	177,508,791	105,382,827	84,971,744
Taxation	(91,164,187)	(30,280,675)	(59,105,008)	16,315,540
Profit for the year	97,395,615	147,228,116	46,277,819	101,287,284
Other comprehensive income				
Exchange difference on translating foreign operations	18,067,763	48,385,918	-	-
Total comprehensive income for the year	115,463,378	195,614,034	46,277,819	101,287,284
Total comprehensive income attributable to:				
Owners of the parent company	115,463,378	195,614,034	46,277,819	101,287,284
	115,463,378	195,614,034	46,277,819	101,287,284
Profit for the year attributable to linked Unit holders				
Owners of the parent company	97,395,615	147,228,116	46,277,819	101,287,284
	97,395,615	147,228,116	46,277,819	101,287,284
Basic earnings per linked unit (in thebe)	17	26	8	18
Diluted earnings per linked unit (in thebe)	17	26	8	18
Distribution per linked unit (in thebe)	20	20	20.00	20.00
Debenture interest per linked unit (in thebe)	15.84	15.13	15.84	15.13
Dividend per linked unit (in thebe)	4.16	4.87	4.16	4.87
NAV per unit (thebe)	3.43	3.36	2.65	2.96
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-25	31-Jan-24	31-Jan-25	31-Jan-24
ASSETS				
Non-Current Assets	2,817,092,530	2,742,293,834	2,135,221,826	2,168,734,118
Investment property	2,792,036,806	2,726,602,519	1,456,795,008	1,439,670,285
Plant and equipment	2,927,905	1,861,600	486,808	265,357
Investment in subsidiaries	-	-	541,529,229	541,529,229
Loan to related company	-	-	123,970,517	173,439,532
Lease asset	22,127,819	13,829,715	12,440,264	13,829,715
Current Assets	90,338,380	67,362,481	57,996,307	28,116,010
Lease asset	3,379,488	7,479,795	2,464,729	-
Cash and cash equivalent	41,357,143	27,098,773	36,654,073	17,344,362
Trade and other receivables	45,601,749	32,783,913	18,877,505	10,771,648
Total Assets	2,907,430,910	2,809,656,315	2,193,218,133	2,196,850,128
EQUITY AND LIABILITIES				
Stated Capital and Reserves	1,961,772,145	1,922,672,952	1,514,139,251	1,544,225,617
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	810,670,882	769,590,876	790,537,540	777,357,794
Retained earnings	143,262,615	163,311,191	33,889,048	77,155,160
Debenture interest and dividend reserves	57,215,306	57,215,306	57,215,306	57,215,306
Foreign currency translation reserve	318,125,985	300,058,222	-	-
Non-Current Liabilities	881,761,096	521,234,904	652,027,936	324,974,943
Borrowings	596,014,412	290,000,000	596,014,412	290,000,000
Deferred taxation	285,746,684	231,234,904	56,013,524	34,974,943
Current Liabilities	63,897,669	365,748,459	27,050,946	327,649,568
Trade and other payables	58,492,040	57,582,521	21,645,317	19,483,630
Borrowings	-	304,656,118	-	304,656,118
Unclaimed debenture interest and dividend	3,486,736	2,551,028	3,486,736	2,551,028
Bank overdraft	1,918,893	958,792	1,918,893	958,792
Total Equity and Liabilities	2,907,430,910	2,809,656,315	2,193,218,133	2,196,850,128

Property Market

GAME CITY

- Location: Gaborone, Botswana
- GLA (m²): 65 293
- Type: Retail
- Valuation (BWP): 1,110,000,000
- Occupancy: 98%



SUPASAVE

- Location: Mogoditshane, Botswana
- GLA (m²): 3 402
- Type: Retail
- Valuation (BWP): 56,150,000
- Occupancy: 100%

TAPOLOGO ESTATE

- Location: Gaborone, Botswana
- GLA (m²): 4,472
- Type: Residential
- Valuation (BWP): 37,350,000
- Occupancy: 100%



NZANO MALL

- Location: Francistown, Botswana
- GLA (m²): 12 654.78
- Type: Retail
- Valuation (BWP): 191,200,000
- Occupancy: 100%



PLOT 63, COMMERCE PARK

- Location: Gaborone, Botswana
- GLA (m²): 2,600
- Type: Light Industrial
- Valuation (BWP): 20,890,000
- Occupancy: 100%

MOGODITSHANE TOWNHOUSES

- Location: Mogoditshane, Botswana
- GLA (m²): 2,880
- Type: Residential
- Valuation (BWP): 12,030,000
- Occupancy: 100%



UNITED ARAB EMIRATES

- Location: Dubai
- GLA (m²): 1,242
- Type: Commercial
- Valuation (USD): 2,487,000
- Occupancy: 100%



MLIMANI

- Location: Dar es Salaam, Tanzania
- GLA (m²): 27,645
- Type: Retail
- Valuation (USD): 64,650,000
- Occupancy: 100%



MLIMANI

- Location: Dar es Salaam, Tanzania
- GLA (m²): 15,017
- Type: Commercial
- Valuation (USD): 16,400,000
- Occupancy: 100%

TURNSTAR HOUSE

- Location: Gaborone, Botswana
- GLA (m²): 3,117
- Type: Commercial
- Valuation (BWP): 44,080,000
- Occupancy: 91%



MLIMANI

- Location: Dar es Salaam, Tanzania
- GLA (m²): 7,451
- Type: Residential
- Valuation (USD): 5,100,000
- Occupancy: 100%



MLIMANI

- Location: Dar es Salaam, Tanzania
- GLA (m²): 5,295
- Type: Conference Centre
- Valuation (USD): 7,200,000
- Occupancy: n/a

Corporate Governance



Turnstar Holdings Limited maintains a high standard of Corporate Governance and is committed to the principles of transparency, accountability, and integrity.

The Board has adopted charters for itself, the Audit and Risk Committee, the Investment Committee and the Remuneration and Nomination Committee (REMCO), 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, arm's length dealings, and the applicable laws.

1. BOARD

Turnstar Holdings is governed by a Board of Directors in accordance with a Board Charter approved on 9 December 2019. The Board comprises seven members, including five independent non-executive directors and two executive directors—namely, the Managing Director and the Chief Operating Officer. The Board maintains a balanced diversity in experience, gender, and tenure, with directors drawn from the fields of property, finance, law, and corporate governance. Subsequent to the financial year-end, the Chief Operating Officer resigned from the Board, and another Executive Director was appointed in their place.

2. BOARD EVALUATION

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

3. BOARD MEETINGS

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

4. RELATED PARTY TRANSACTIONS

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

5. DIRECTORS DEALINGS

The Company enforces a securities trading policy which prohibits Directors and senior executives from dealing in the Company's shares during closed periods, including prior to the publication of interim and annual results or during any cautionary period.

6. ETHICS MANAGEMENT

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

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

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

7. GENDER DIVERSITY

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

Turnstar is committed to improving board-level gender diversity. In FY2025, 29% of board members and 41% of staff were women. A diversity and inclusion framework is under consideration. The number of women on our board has reduced in the recent past, due to mandatory rotations that saw two retirements.

8. MEETING SECRETARY

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

9. INTERNAL AUDITORS

Grant Thornton Capital Advisors are the internal auditors of the Company and are responsible for providing independent assurance that the organisation's risk management, governance, and internal control processes are operating effectively. Internal auditors have confirmed their independence and objectivity for the year under review

10. EXTERNAL AUDITORS

Ernst and Young are the external auditors of the Company, responsible for the independent review and expressions of opinion on the reasonableness of the financial statements based on the audit. External auditors have confirmed their independence and objectivity for the year under review.

11. COMMITTEES

The Board has the following committees:

11.1 AUDIT AND RISK COMMITTEE

AUDIT

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

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

- It reviewed the audited financial statements for the year ended 31 January 2025 and ascertained that they represent a true and fair view, accounting practices are in accordance with IFRS and that the Internal financial controls are effective.
- Reviewed the accuracy and reliability of the Annual Financial Statements and that the Group will continue as a going concern for the ensuing year.

- It reviewed the Finance function expertise, resources and experience and were satisfied with the expertise, and performance of the finance function. The Chief Finance Officer was reviewed in his capacity as CFO and the Committee was satisfied with his expertise, experience, and performance in the current period.
- It recommended appointment of Ernst & Young (external auditors) for the year 2024-25 to the Board and shareholders.
- It reviewed the Independence of external auditor and concluded that it is independent and is satisfied with the quality and effectiveness of the external audit process.
- No reportable irregularities were identified and reported by the external auditor.
- It assessed the effectiveness of the Turnstar Holdings' system of internal controls and risk management.

RISK MANAGEMENT

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

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

During the current period the Board has performed the following:

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

ANTI MONEY LAUNDERING

Turnstar Holdings is strongly committed to preventing the use of its properties, services, resources, and technologies for the commission or perpetuation of financial crimes such as money laundering (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

ANNUAL REPORT

Following the committee's review of the Annual Financial Statements for the year ended 31 January 2025, we are of the view that the financial statements comply with the requirements of IFRS and fairly present the financial position of Turnstar Holdings and the Group, and the results of the operations and cash flows for the year then ended.



V. Tebele
Chairperson, Audit and Risk Committee

11.2 REMUNERATION COMMITTEE

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

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

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

SUCCESSION PLANNING

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

BONUS POLICY

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

11.3 INVESTMENT COMMITTEE

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

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

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

12. BOARD OF DIRECTORS AND COMMITTEE ATTENDANCE REGISTER

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

BOARD MEMBERS MEETING ATTENDANCE

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

BOARD MEMBERS MEETING ATTENDANCE - SUBSIDIARY

Directors	Status	Board Meetings	No of Meetings attended	% attendance
4. Ms. Victoria Tebele	INED	3	3	100
5. Mr. Amaresh Chetty	INED	3	3	100

Directors	Status	Retainer	Fees	% attendance
4. Ms. Victoria Tebele	INED	45,785.46	30,523.84	100
5. Mr. Amaresh Chetty	INED	61,047.68	30,523.84	100

BOARD COMMITTEE MEMBERS MEETING ATTENDANCE

Directors	Status	No of Committee Meetings	Audit and Risk Attendance	Remuneration and Nomination Attendance	Investment Committee Attendance	% attendance
1. Mr. Solomon Mantswe	INED	6	4	2		100
2. Mr. Butler Phirie	INED	2		2		100
3. Mrs. Sethebe Manake	INED	4	4		0	100
4. Ms. Victoria Tebele	INED	4	4			100
5. Mr. Amaresh Chetty	INED				0	100
6. Mr. Gulaam Abdoola	ED	6	4	2	0	100
7. Mr. Shiran Puvimasinghe	ED	6	4	2	0	100

REMUNERATION OF DIRECTORS AND PRESCRIBED OFFICERS

	Status	Retainer	Salary for Executives	Fees per Board Meeting	Bonus	Fees Committee	Total
1. Mr. Solomon Mantswe	INED	83,246.85		74,923.95		86,404.64	244,575.44
2. Mr. Butler Phirie	INED	87,714.32		78,261.60		24,806.88	190,782.80
3. Mrs. Sethebe Manake	NED	70,633.69		74,923.95		61,597.76	207,155.40
4. Ms. Victoria Tebele	INED	83,246.85		74,923.95		61,597.76	219,768.56
5. Mr. Amaresh Chetty	INED	83,246.85		74,923.95			158,170.80
6. Mr. Gulaam Abdoola	ED		4,295,850.00		660,900.00		4 956 750
7. Mr. Shiran Puvimasinghe	ED		2,012,976.82		342,163.18		2 355 140



Corporate Governance

KING III COMPLIANCE CHECKLIST – APPLY OR EXPLAIN BASIS

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

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CHAPTERS	COMMENTS	KEY
1. ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP		
1.1	The Board should provide effective leadership based on an ethical foundation. Turnstar Holdings is guided by the Turnstar Holdings' constitution, Board charter and code of ethics, company's act, and the King III code of Corporate governance. The entity's aim is to fully comply with King III code of governance and transition to King IV to ensure transparency, fairness, accountability, and responsibility in all decision making.	✓
1.2	The Board should ensure that the company is and is seen to be a responsible corporate citizen. Turnstar Holdings has a Corporate Social Responsibility policy approved by the Board on 12/10/2020 to guide interaction with the society. The Entity is environment, social and economic concise and recognises the impact of these in the society. The Entity donated 1. BTC Francistown Marathon Venue sponsorship to the value of P29 640 2. The Comfy Fashion Show Venue sponsorship to the value of P5700 3. Spring of Life Venue sponsorship to the value of P5700 The Entity has also assessed its environmental impact and produced a sustainability report-see 9.3 below for details.	✓
1.3	The Board should ensure that the company's ethics are managed effectively. Turnstar Holdings has developed a code of conduct for employees to cultivate a culture of ethical conduct and set values to which the company will adhere to. Ethics are an integral part of the way in which a company conducts its business. The Ethics Policy was recently reviewed and approved at the Board meeting of the 13/09/2023 and has been in effect for less than a year. Plans are underway to perform the first ethics culture survey during FY2026.	P
2. BOARD AND DIRECTORS		
2.1	The Board should act as the focal point for and custodian of corporate governance. The Turnstar Holdings developed a Board charter and has been revised and approved by the Board on 09/12/2019. This charter clearly states the directors' responsibility and conduct and is given to each new Board member when joining the Board.	✓
2.2	The Board should appreciate that the strategy, risk, performance, and sustainability are inseparable Turnstar Holdings has corporate strategies in place which have been assessed for risks and opportunities and approved by the Board. They are being monitored regularly by the Board to ensure achievement of objectives and business sustainability. The 2023 – 2026 strategy was approved by the Board on the 27th April 2023.	✓

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2.3	The Board should provide effective leadership based on ethical foundation.	Refer to principle 1.1. above.	✓
2.4	The Board should ensure that the company is and seen to be a responsible citizen.	Refer to principle 1.2. above.	✓
2.5	The Board should ensure that the company's ethics are managed effectively.	Refer to principle 1.3 above.	✓
2.6	The Board should ensure that the company has an effective and independent audit committee.	Refer to principle 3 below	✓
2.7	The Board should be responsible for governance risk.	Refer to principle 4 below	✓
2.8	The Board should be responsible for information technology (IT) governance.	Refer to principle 5 below	✓
2.9	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Refer to principle 6 below	✓
2.10	The Board should ensure that there is an effective risk based internal audit.	Refer to principle 7 below	✓
2.11	The Board should appreciate that stakeholders' perceptions affect the company's reputation.	Refer to principle 8 below	✓
2.12	The Board ensure the integrity of the company's integrated annual report.	Refer to principle 9 below	✓
2.13	The Board should report on the effectiveness of the company systems of internal control.	Refer to principle 7.3 below	✓
2.14	The Board and its directors should act in the best interests of the company.	Directors disclose conflicts of interest when joining Turnstar Holdings and during each Board and committee meeting. Directors are allowed to seek independent opinion/advise when necessary.	✓
2.15	The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the act.	The Board assessed the Turnstar Holdings financial position at the Audit Committee meeting of 24th April 2025 to ensure financial health. The review covered capital adequacy ratio, advances, deposits, operating profit, net worth, and overall business. There was no business rescue needed in the current financial year.	✓
2.16	The Board should elect a chairman of the Board who is an independent non-executive director.	The Board has elected Mr Butler Phirie as chairman, who is an independent non- executive director, on 1 July 2021, and has been annually re-appointed by the Board.	✓

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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 Mr Gulaam Abdoola as Managing Director on 12 February 2001 and his contract has been renewed for three years from 14 June 2022 to 31 May 2025. Further a delegation of authority framework was developed and approved by the Board. Mr Abdoola will be retiring at the end of his contract and Mr Comfort Rankgomo has been appointed as his successor.	✓
2.18	The Board should comprise a balance a balance of power, with a majority of non-executive directors. The majority of non-executive directors must be independent.	<p>The Board comprises seven members, including two executive directors—Managing Director Mr. Gulaam Abdoola and Chief Operations Officer Mr. Shiran Puvimanasinghe—and five non-executive members, all of whom are independent. Directors serve three-year terms, with annual rotation at the Annual General Meeting (AGM). In the current year, Mr. Butler Phirie and Mr. Amaresh Chetty retired by rotation and were subsequently re-elected.</p> <p>The Board possesses a balanced mix of skills, experience, and diversity, spanning estate management, investment, risk management, finance, business administration, advocacy, law enforcement, strategic management, corporate governance, public relations, accounting, and auditing.</p> <p>Subsequent to the financial year-end, Mr. Shiran Puvimanasinghe retired from the company and was succeeded by Mr. Comfort Rankgomo, who joined the Board as an executive director.</p>	✓
2.19	Directors should be appointed through a formal process.	There is a Remuneration committee. Its charter was approved on 09/12/2019 by the Board. It is responsible for identifying suitable candidates through background and reference checks and recommendation of directors to the Board.	✓
2.20	The induction of and ongoing training and development of directors should be conducted through a formal process.	An induction of the members of the Board was done during a strategy meeting which was held in Mlimani, Tanzania, in September 2022. There have not been any additions to the Board since. Plans for refresher training and governance workshops are under review for F2026.	✓
2.21	The Board should be assisted by a competent, suitably qualified and experienced company secretary.	Grant Thornton Business Services (Pty) Ltd were re-appointed as the Board secretaries. Grant Thornton Business Services is managed by Aparna Vijay. She has over 15 years' experience and she is the Board Secretary for a number of listed companies. The Board reviewed the competence, qualifications, and experience of the Company Secretary and confirmed that it is satisfied with the support provided to the Board during the current period.	✓
2.22	The evaluation of the Board, its committees, and the individual directors should be performed every year.	Performance evaluation of the Board for 2023/24 was performed by Butler Phirie, the Board chair in January 2024 and covered the Board, committee chairpersons, and individual directors.	✓
2.23	The Board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	Board has established an Audit and Risk Committee, Investment Committee, and Remuneration committee and their charters revised annually and were approved by the Board. The Audit and Risk Committee and Remuneration Committee charters were approved on 9/12/2019 and the Investment Committee charter was approved on the 25/10/2022.	✓
2.24	A governance framework should be agreed between the group and its subsidiary.	Turnstar Holdings has a governance framework covering all its subsidiaries. The Compliance Framework Policy was approved by the Board on 24th April 2025.	✓

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2.25	Companies should remunerate directors and executives fairly and responsibly.	The Remuneration Committee is responsible for remuneration of Directors and employees. There is a remuneration policy approved by the Board 27th July 2023	✓
2.26	Companies should disclose the remuneration of each individual director and certain senior executives.	Disclosed in Annual Report (see page 20)	✓
2.27	Shareholders should approve the company's remuneration policy.	The remuneration policy was approved by the REMCO, it was presented to the Board and shareholders at the AGM held on 27/7/2023.	✓
3. AUDIT COMMITTEE			
3.1	The Board should ensure that the company has an effective and independent audit committee.	The Audit and Risk committee met at least twice, and all members were in attendance. For detailed duties performed, composition and attendance (see page 20)	✓
3.2	Audit committees' members should be suitably skilled and experienced independent non-executive directors.	All members of the Audit and Risk Committee are independence non-executive directors. The members have the following skills, accounting, auditing, risk management, corporate governance, investment, and financial management (see page 20)	✓
3.3	The Audit committee should be chaired by an independent non-executive director.	Ms Victoria Tebele is an independent non-executive director (see page 20). She was present at AGM on 27/07/2023, and actively participates in the committee, and plays an integral role in settling its agenda.	✓
3.4	The Audit committee should oversee integrated reporting.	Audit and Risk Committee reviewed audited financial Statements on 14/04/2025 and the AFS were approved by the Board on 24/04/2025	✓
3.5	The Audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.	Audit and Risk Committee recommended approval of external auditors' appointment for 2024-25 to the Board and shareholders on 25/07/2024. It ensures that management and internal audit reports are appropriate and adequately addresses controls and mitigate risks.	✓
3.6	The Audit Committee should satisfy itself of the expertise, resources, and experience of the company's finance section.	The Finance function expertise, resources and experience was reviewed by the Audit and Risk Committee at its meeting on 13/4/2025 and were satisfied with expertise, resources, and performance of the finance function. Further the Chief Finance Officer was reviewed in his capacity as CFO and the Committee was satisfied with his expertise, experience, and performance in the current period.	✓
3.7	The Audit committee should be responsible for overseeing of internal audit.	The Audit and Risk Committee reviewed the of Internal audit plan for the 2024 / 2025 financial year, on the 16th April 2024. The plan to carry out an internal audit of the Tanzanian Subsidiary Company was identified and approved. Internal audit report for Tanzania was presented to committee on 14 April 2024.	✓

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3.8	The Audit committee should be an integral component of the risk management process.	Audit and Risk Committee is responsible for overall Turnstar Holdings' risk management process on financial reporting, internal financial controls and fraud, IT as they relate to financial reporting. The entity ensures effective communication and coordination of its oversight activities to ensure that the Audit and Risk Committee is informed of all significant actual or potential financial and non – financial risks (such as operational, strategic, regulatory risks) that may have implications on the integrated report.	✓
3.9	The Audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process.	Audit and Risk Committee approved audit terms of engagement and remuneration for the external audit engagement and received audit findings and management comments and discussed the report with the External auditors on 14th April 2024.	✓
3.10	The Audit committee should report to the Board and shareholders on how it has discharged its duties.	The Audit committee has reported to the Board on its statutory duties and composition (see page 18)	
4. THE GOVERNANCE OF RISK			
4.1	The Board should be responsible for the governance of risk.	The Board has ultimate responsibility for risk as stated in the Board charter approved.	✓
4.2	The Board should determine the levels risk tolerance.	Risk tolerance level was reviewed and approved by Audit and Risk Management Committee. The Loan to Value ratio is capped at 30%. The Interest Rate risk is managed by continuously negotiating with our Bankers and restructuring our loans. Turnstar continuously engages consultants in country of operations to ascertain changes in law which affect the operations.	✓
4.3	The Risk committee or Audit committee should assist the Board in carrying out its risk responsibilities.	There is Audit and Risk Management Committee and its charter approved by the Board on 09/12/2019 to assist the Board on risk responsibilities.	✓
4.4	The Board should delegate to management the responsibility to design, implement, and monitor the risk management plan.	Management designs, implements and monitors the risk management plan. The risk management plan is monitored regularly, by the Audit & Risk Committee and the Board is updated regularly.	✓
4.5	The Board should ensure that risk assessments are performed on a continual basis. Board and Audit committee are responsible for risks.	Risk assessments are performed annually by the CFO and the COO and reported to the Audit and Risk Committee and Board. Annual risk management plan is approved by the Board. The 2025/2026 plan will be approved in May 2025.	✓
4.6	The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating risks.	There is a risk management policy approved by the Board. It has a risk assessment methodology which prioritise and rank risks to focus the responses and interventions on those risks outside the Board's risk tolerance limits. Risk management policy was reviewed and approved on the 24 April 2025	✓
4.7	The Board should ensure that management considers and implements appropriate risk responses.	The risks are identified, and appropriate responses implemented through annual risk management plans and regularly discussed at Audit and Risk management committee and Board meetings. Management to assess and prepares annual risk management plans to be approved by the Audit and Risk management committee and the Board.	✓

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4.8	The Board should ensure continual risk monitoring by management.	Refer 4.4 above	✓
4.9	The Board should receive assurance regarding the effectiveness of the risk management process.	Audit committee review risk compliance of the company on the meeting held on the 11 July, 2024 and Internal audit report Tanzania subsidiary on the meeting held on 14 April 2025. This gives assurance on risk management process.	✓
4.10	The Board should ensure that there are processes in place enabling complete, timely, relevant, accurate, and accessible risk disclosures to stakeholders.	The Board is satisfied that risk assessments, responses, and interventions are effective. Further there is no any undue, unexpected or unusual risks and any material losses. (see page 15 for details)	✓
5. THE GOVERNANCE OF INFORMATION TECHNOLOGY			
5.1	The Board should be responsible for the governance of IT.	The Board has approved IT Policy on 12/10/2020 with decision making structures, accountability framework, IT reporting. Turnstar Holdings has adopted ISO27001:2013 as their internal control framework.	✓
5.2	IT should be aligned with the performance and sustainability objectives of the company.	Turnstar Holdings has IT strategy 2020-2024 approved by the Board on 12/10/2020, to support and enables the business strategy, delivers value, and improves performance. It is integrated into the company's strategic and business processes and that IT adds value. For more information, see 5.4 below.	✓
5.3	The Board should delegate to management the responsibility for the implementation.	Turnstar Holdings has an Information Officer who is competent and has over 15 years of experience in Information Technology and holds an honours Degree in IT. He is responsible for implementing IT governance. IT reports are submitted to the Audit and Risk Committee and the Board for monitoring. For more specialised IT services, the entity outsources.	✓
5.4	The Board should monitor and evaluate significant IT investments and expenditures.	Board approved the IT budget and expenditure on IT projects, in December 2024. The Board approved Information security policy to ensure information and intellectual property contained in the information systems are protected. Independent IT governance controls supporting IT governance assurance was done in June 2021.	✓
5.5	It should form an integral part of the company's risk management.	IT risks are considered and assessed as part of risk management activities and covers IT legal risks, compliance to laws, rules, codes, and standards. Turnstar Holdings has a business disaster recovery plan approved by the Board on 12/10/2020 to ensure immediate recovery of critical services.	✓
5.6	The Board ensure that information assets are managed effectively.	Turnstar Holdings IT policy has information security approved by the Board in October 2020 to ensure confidentiality, integrity, availability of information and compliance with laws and regulations. Further there is password policy, printer policy, laptop policy.	✓
5.7	A Risk committee and Audit committee should assist the Board in carrying out its IT responsibilities.	Turnstar Holdings has an Audit and Risk committee to assist in carrying out its IT responsibilities. IT as it relates to financial reporting and the status of the company as a going concern is the responsibility of the Audit and Risk committee.	✓

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6. COMPLIANCE WITH LAWS, CODES, RULES, AND STANDARDS

6.1	The Board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes, and standards.	The Board approved a compliance policy on 12/10/2020. Turnstar Holdings ensures compliance with all the laws, rules, and regulations, such as Company's act, Botswana Stock Exchange rules and regulations, FIA act and regulations, and Financial Reporting Act.	√
6.2	The Board and its individual directors should have a working understanding of the effect of the applicable laws, rules, codes and standards on the company and its business.	Directors are provided with the Board charter, Turnstar Holdings constitution, Company's act etc when joining. There is formal induction for new directors which covers among other things, laws, rules, codes, and standard. An induction of the members of the Board was done during a strategy meeting which was held in Mlimani , Tanzania, in September 2022.	√
6.3	Compliance risk should form an integral part of the company's risk management process.	Turnstar Holdings has an annual compliance plan, and the 2024/24 annual compliance plan was be reviewed by the Audit & Risk Committee On 11 July 2024	√
6.4	The Board should delegate to management the implementation of an effective compliance framework and processes.	A qualified and experienced Compliance Officer, who is a Fellow Chartered Certified Accountant (FCA), is responsible for overseeing compliance management in line with the company's compliance policy. He is tasked with developing and implementing the annual compliance plan and provides quarterly progress reports to the Management Risk Committee and the Board, as referenced in section 6.3 above.	√

7. INTERNAL AUDIT

7.1	The Board should ensure that there is an effective risk based internal audit.	City and Associates were appointed to perform internal audit for the subsidiary in Tanzania in October 2024 and the reported was presented to board on the 24 April 2025. Appointment of internal auditors for Botswana operations is planned for Q3 FY2025.	√
7.2	The Board should follow a risk-based approach to its plan.	The Internal audit follows a risk based approach. The prior year's internal audit reports were scrutinized and the Audit & Risk Committee resolved to conduct an Internal Audit of the Tanzanian subsidiary.	√
7.3	Internal audit should provide a written assessment of the effectiveness of the company's system of control and risk management.	The Internal audit reports have, assessed the effectiveness of the Turnstar Holdings 's system of internal controls and risk management and gave assurance.	√
7.4	The Audit committee should be responsible for overseeing internal audit.	Please see Principle 3.7	√
7.5	Internal audit should be strategically positioned to achieve its objectives.	Please see Principle 3.7	√

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- N/A = Not applicable

8. GOVERNING STAKEHOLDERS' RELATIONSHIP

8.1	The Board should appreciate that stakeholders' perceptions affect a company's reputation.	Turnstar Holdings has Stakeholder Relationship Policy approved on 12/10/2020 by the Board. It has identified and grouped stakeholders stated ways to engage major stakeholders and it's a regular Board agenda. There were discussion with BPOPF, Allen Grey, Ninety One and Debswana Pension during the year.	✓
8.2	The Board should delegate to management to proactively deal with stakeholder relationships, stakeholder, and the outcomes of these dealings.	The Stakeholder relationship policy is implemented by management and who report to the Board on the outcomes of stakeholders' dealings. Update on compliance with regulations, customers and engagement with the community is a regular Board item.	✓
8.3	The Board should strive to achieve the appropriate balance between its various stakeholders' groupings, in the interests of the company.	Turnstar Holdings has identified all major stakeholders, their purpose, frequency, and ways on engagement with them. The Board has identified the following stakeholders- staff, customers, shareholders, regulators, communities, government, business partners and industry bodies, media, suppliers and contractors and unions. There is a mechanism to deal with each stakeholder.	✓
8.4	Companies should ensure the equitable treatment of shareholders.	Turnstar Holdings is guided by Botswana Stock Exchange rules and regulations an abide by them to ensure equitable treatment of shareholders.	✓
8.5	Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence.	Stakeholder communication is in English and complete and accurate information is given as per stakeholders grouping mainly through one-on-one interactions. Call centre, social media, advertising etc. Any latest updates are given as soon as they are available. Investors communications is usually through Botswana Stock Exchange website, print media, letters, customers through cell phones notifications, letters etc. Regulators through letters and meetings.	✓
8.6	The Board should ensure that disputes are resolved as efficiently and expeditiously as possible.	Turnstar Holdings has a dispute resolution policy approved by the Board on 13/9/2023.	✓

9. INTEGRATED REPORTING AND DISCLOSURE

9.1	The Board should ensure the integrity of the company's integrated report.	The Board approved financial statements for the year ended 31 January 2025 and approved the integrated report	✓
9.2	Sustainability reporting and disclosure should be integrated with the company's financial reporting.	Turnstar Holdings as a property business deal with natural resources, it found it fit to review its impact on the environment, hence the sustainability report is part of this Annual report, with independent assurance being explored for FY2026.	U
9.3	Sustainability reporting and disclosure should be independently assured.	Please refer to Principle 9.2 above	U

Remuneration Committee Report

At Turnstar, our business strategy is centred on people.

We acknowledge that people are our most important source of competitive advantage, and as such, we strive to establish an environment that supports individual success, which we believe is the foundation for organisational success. In today's complicated global governance framework, people issues entail navigating various jurisdictions, which unavoidably results in a myriad of 'people issues' that require strategic and nuanced approaches. So far, this has required more than just learning other languages; it has also required an awareness of the cultural, legal, and operational differences that affect our most valuable asset: our people.



Some of the challenges that are not unique to Turnstar and arise from inadvertently managing multi-jurisdictional entities involve navigating the legal labyrinth of each location on its own merit. This is perhaps the most obvious, but also the most challenging aspect as it requires creating consistency and harmonisation throughout the organisation. Each country has its own set of labour laws, employment contracts, minimum salary standards, working hours, leave rights, anti-discrimination policies, and termination procedures. This requires a comprehensive monitoring system.

Cultural congruence versus local adaptation- Turnstar aims to cultivate a uniform corporate culture across several jurisdictions while remaining attuned to entrenched cultural and

societal norms. It is therefore important to be conscious of the fact that what is considered professional, polite, or an appropriate work-life balance in one culture might be entirely different in another. As a result, we are aware of the importance of maintaining a balance between our core company values and adapting our HR practices to resonate with local customs and expectations in every country that we operate in. This inadvertently impacts our communication styles, leadership approaches, performance management, and even how benefits are perceived and valued.

Compensation and benefits- Establishing equitable and competitive salaries and benefits across many jurisdictions is undeniably intricate. Salary expectations, tax regulations, social security contributions, and benefit preferences (e.g., healthcare, retirement plans,

leave policies) are likely to differ. We strive for internal equity while maintaining competitiveness in each local market.

Talent acquisition and employee retention- Having to operate in a global and multi- jurisdictional environment poses unique challenges when it comes to attracting and retaining top talent. We

levels of directness across cultures. Fostering a sense of teamwork and camaraderie among globally dispersed teams requires intentional effort, often through virtual collaboration tools and opportunities for in-person interaction where feasible. We continue to make efforts towards creating inclusive environments where everyone feels heard and valued, regardless of their location.



contend with varying skill shortages, local talent pools, and differing expectations about career progression and development. Onboarding processes can be more complex, requiring verification of credentials and navigating cultural adjustments. Retaining employees means understanding their diverse motivations and providing development opportunities that are accessible and relevant across different locations, often leveraging on virtual solutions.

Employee Engagement- We have over the years made strides in terms of communication and engagement across borders, being cognisant of the fact that effective communication is of paramount importance, even if it is compounded by language barriers, different communication styles, and varying

Employee Development- In recognition of the ever constant need to upskill employees inter alia the need for business continuity, concerted efforts towards building a strong pipeline of leaders who can effectively manage diverse teams across multiple cultures is essential. This involves providing training that emphasises cultural intelligence, adaptability, and effective cross-cultural communication.

To overcome these challenges, as an organisation that places people at a core Turnstar's priority areas are as follows;

In essence, managing people issues in multiple jurisdictions today requires agility and a paradigm shift in terms of the recognising that human resource is a strategic business partner.

RECOGNISING

that a positive employee experience is critical for retention and productivity, regardless of location, and tailoring interventions to meet diverse needs.

ESTABLISHING

clear policies, procedures, and training programs to ensure all employees are aware of and adhere to relevant laws and regulations

FOSTERING

a Culture of Agility and Continuous Learning: The global landscape is constantly evolving, hence the need to be adaptable and committed to staying abreast of changes in laws, regulations, and workforce expectations.

Environmental Social & Governance Report

Laying Strong Foundations for Sustainable Property Investment and Inclusive Growth

INTRODUCTION

The 2025 financial year marks a defining moment for Turnstar Holdings Limited as we release our inaugural Environmental, Social, and Governance (ESG) and Sustainability Report. As a diversified property investment and development group listed on the Botswana Stock Exchange, with operations in Botswana, Tanzania, and the United Arab Emirates, we recognise our broader responsibility to deliver not only strong financial returns but also sustainable, long-term value for all stakeholders.

This report sets the groundwork for embedding ESG principles into our strategy, operations, and reporting frameworks. It reflects a structured, intentional shift towards responsible property stewardship where environmental efficiency, social inclusivity, and robust governance complement asset performance and investor confidence.

GOVERNANCE OF ESG MATTERS

Turnstar's approach to ESG oversight is aligned with its corporate governance structure. While a standalone ESG committee has not yet been established, the Audit and Risk Committee (ARC) has formally incorporated ESG into its mandate as of 2024. This enhancement demonstrates the Board's commitment to integrating sustainability into risk management, strategic planning, and enterprise oversight.





The ARC's ESG-related responsibilities include:

- Guiding ESG focus areas relevant to our real estate operations and regional dynamics.
- Monitoring implementation of environmental and social initiatives across the portfolio.
- Supporting the development of internal policies, disclosures, and compliance with emerging global standards.

We continue to strengthen ESG governance capacity as part of Turnstar's broader risk, compliance, and reporting maturity roadmap.

ENVIRONMENTAL STEWARDSHIP ACROSS THE PORTFOLIO

As a long-term investor in real estate, we understand the intrinsic link between asset quality, environmental performance, and operational resilience. Our environmental strategy prioritises practical improvements in efficiency, infrastructure, and resource use across our commercial, retail, and mixed-use assets.

Key initiatives implemented in 2024 include:

- **Energy Efficiency:** At Game City Mall in Gaborone, energy-efficient lighting and HVAC systems were installed, resulting in measurable reductions in electricity consumption. Plans are underway to extend similar retrofits across the portfolio.



- **Water Conservation:** Palazzo in Dubai implemented a greywater recycling system, processing approximately 10,000 litres per month. Water-saving fixtures, including dual-flush toilets and low-flow taps, have been installed at multiple sites.
- **Waste Management:** Waste separation facilities were introduced at our largest malls, encouraging recycling among tenants and shoppers. Educational signage and engagement campaigns are planned to drive behavioural change.
- **Landscaping and Biodiversity:** We enhanced landscaping across several properties, including green zones, tree planting, and indigenous plant species. Game City Mall continues to co-exist harmoniously with local wildlife, a unique environmental aspect that we aim to preserve.
- **Carbon Impact and Tree Coverage:** While a formal carbon offset programme is still under consideration, Turnstar's properties are already home to significant tree coverage and landscaped zones particularly at Game City Mall and selected residential developments. These natural assets contribute to carbon absorption, improve air quality, and help regulate microclimates. Building on this existing foundation, we intend to explore structured carbon reduction initiatives in the future, supporting global efforts to mitigate climate change.

SOCIAL IMPACT AND COMMUNITY ENGAGEMENT

Turnstar Holdings remains committed to advancing inclusive social and economic development within the communities we serve. Our properties function not only as commercial centres but also as platforms for empowerment, engagement, and shared prosperity.

Key initiatives undertaken in 2024 include:

EDUCATIONAL SUPPORT:

In Tanzania, we provided learning materials and academic assistance to over 200 schoolchildren. This initiative will be extended to Botswana in 2025, reinforcing our commitment to supporting access to quality education across the region.

EMPOWERING LOCAL ENTERPRISES:

At Game City Mall, we offered subsidised retail space to selected small businesses and artisans, enabling them to operate within a formal retail environment and benefit from increased customer exposure and footfall.

HEALTH AND WELLNESS PROMOTION:

In Dubai, a community wellness campaign reached more than 1,000 participants, promoting awareness of preventive healthcare. Internally, we rolled out mental health support and well-being initiatives for employees across the Group.

CHARITABLE SPORTS FUNDRAISER:

In February 2025, Turnstar supported the Malak Fundraising Padel Tournament hosted at the Game City Padel Courts. The event raised funds in support of Malak Macheng, a 12-year-old rising tennis athlete and Botswana's first ITF/CAT U14 gold medallist. This initiative reflected our commitment to youth development, gender inclusion in sports, and fostering community solidarity through meaningful engagement.

COMMUNITY FESTIVE CELEBRATION:

In December 2024, Game City Mall hosted a Christmas Carols event as part of Turnstar's commitment to community engagement and social inclusion. The event featured live performances, interactive entertainment, and the distribution of gifts to children, creating a warm and festive environment for families. This initiative exemplified our dedication to fostering meaningful community connections and spreading goodwill during the holiday season.

INCLUSIVE EMPLOYMENT ECOSYSTEM:

Through our properties, we indirectly support more than 500 tenant-operated businesses, contributing to sustained job creation. In addition, informal sector operators including taxi and combi drivers particularly at Game City Mall, benefit from the high economic activity generated by our developments.

PEOPLE AND ORGANISATIONAL DEVELOPMENT

Our employees remain central to the delivery of sustainable value across the business. We have continued to invest in a performance-driven culture underpinned by compliance, professionalism, and staff development.

Key people-focused initiatives in 2024:

- Training and Capacity Building: All employees have access to company-sponsored training, with emphasis on financial literacy, operational safety, and customer service. Continued professional development is encouraged at all levels.
- Workplace Wellness: Health and safety protocols were reinforced group wide. Regular wellness events and confidential support services are available to all staff.
- Labour Compliance and Benefits: Turnstar maintains full compliance with labour laws in Botswana, Tanzania, and the UAE. All staff are enrolled in retirement and medical schemes.
- Leadership Transition: In preparation for the next phase of strategic growth, the Board has initiated a carefully planned leadership transitions as follows:
 - Mr. C. Rankgomo has been appointed Managing Director, effective 1 July 2025, succeeding Mr. G. Abdoola, who will step down after many years of dedicated service.
 - Mr. K. Mothetho has been appointed Chief Financial Officer, and Mr. G. Tema has joined as Asset Manager, bringing new expertise to support operational excellence and portfolio optimisation.

TENANTS AND CUSTOMER ENGAGEMENT

We view tenants and shoppers not only as users of space but as key partners in sustaining our asset value. Delivering a high-quality, responsive tenant experience is integral to our asset management strategy.

- Satisfaction Monitoring: Regular tenant and customer surveys have been implemented, informing planned upgrades, operational adjustments, and service delivery improvements.
- Accessibility Enhancements: Infrastructure upgrades were made at Mlimani City and Game City Mall to improve mobility for elderly and disabled patrons, in line with universal design principles.

FUTURE ESG COMMITMENTS (2025-2027)

To strengthen our ESG integration and reporting, Turnstar has adopted the following medium-term goals:

 <p>ENVIRONMENTAL:</p> <hr/> <p>Achieve a 20% reduction in portfolio-wide energy consumption by 2027 through efficiency upgrades, monitoring systems, and behavioural change campaigns.</p>	 <p>SOCIAL:</p> <hr/> <p>Launch structured training and enterprise support programs for youth and women in underrepresented communities, starting in 2025.</p>	 <p>GOVERNANCE:</p> <hr/> <p>Align with global sustainability reporting frameworks such as the Global Reporting Initiative (GRI) and publish enhanced ESG disclosures by 2026.</p>
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CONCLUSION

This inaugural ESG and Sustainability Report demonstrates Turnstar Holdings’ formal commitment to responsible property investment and transparent corporate citizenship. While we acknowledge that our ESG journey is in its foundational stages, we are committed to strengthening our systems, improving performance, and delivering value that endures across economic cycles.

We look forward to reporting annually on our progress and continuing to align our real estate strategy with the evolving expectations of investors, regulators, tenants, and the communities we serve.



**CONSOLIDATED ANNUAL FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 JANUARY 2025**

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Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2025

General Information

Country of incorporation and domicile	Botswana
Nature of business and principal activities	Property Investment
Directors	G H Abdoola (Managing Director) S Puvimanasinghe (Resigned 28th February 2025) V Tebele B D Phirie A Chetty S S Mantsewe S Manake C Rankgomo (Appointed 28th February 2025)
Registered office	Plot 50370 Fairgrounds Gaborone Botswana
Business address	Center Management Offices Game City Management Offices Game City Retail Center Kgale, Gaborone
Postal address	P O Box 26012 Game City Gaborone Botswana
Bankers	ABSA Bank of Botswana Limited Absa Bank Tanzania Limited Exim Bank Tanzania Limited First National Bank of Botswana Limited Mashreq Bank of United Emirates
Auditors	Ernst & Young Chartered Accountants
Secretary	Grant Thornton Business Services (Proprietary) Limited
Company registration number	BW00000973397
Functional currency	Botswana Pula
Transfer secretaries	Central Securities Depository Botswana

Turnstar Holdings Limited

(Incorporated in the Republic of South Africa)

Consolidated and Separate Annual Financial Statements for the consolidated financial year 2025

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.

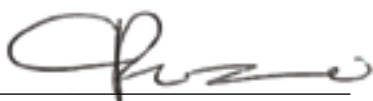
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any 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 2026 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 40 to 43.

The consolidated and separate annual financial statements set out on pages 44 to 103, which have been prepared on the going concern basis, were approved by the board of directors on 29 April 2025 and were signed on their behalf by:

Approval of Financial Statements



Director



Director

Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2025

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 2025.

1. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act (Cap 42:01) of Botswana. 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 and separate annual financial statements.

2. Share capital

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

3. Secretary

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



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

Tel: +267 397 4078/ 365 4000
Fax: +267 397 4079
Email: eybotswana@za.ey.com
Partnership registered in Botswana
Registration No: 10829
VAT No: P03625401112
www.ey.com

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 44 to 103, which comprise of the consolidated and separate statements of financial position as at 31 January 2025, 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 notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 31 January 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 independence requirements applicable to performing audits of financial statements of the group and company and in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the group and company and in Botswana. 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 Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Valuation of Investment Properties	
<p>The group's investment property portfolios are valued at BWP 2,792,036,806 (2024: BWP 2,726,602,519) and the company's investment property portfolio is valued at BWP 1,456,795,008 (2024 : BWP 1,439,670,285) as at 31 January 2025. The group's investment property portfolios comprise of investment properties held in three geographical regions. The group's investment property portfolios comprised 96 % (2024: 97%) of the group's total assets at the reporting date. The company's investment property portfolio comprised 66 % (2024: 66%) of its total assets at the reporting date.</p> <p>The fair values of these portfolios are determined using the discounted cash flow method which involves forecasting income and expenditure for each investment property for future years and discounting the forecasted future cash flows at a discount rate to calculate the fair value at the reporting date.</p> <p>The valuation model used for forecasting the income and expenditure for each investment property is subjective in nature and involve various input assumptions distinctive to each geographical location regarding rental income and expenses, occupancy rates and discount rates. The estimation uncertainty is further compounded by the uncertain economic and market conditions in each geographical region due to volatile inflation and interest rates.</p> <p>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 group and company's total assets.</p> <p>The disclosure associated with the valuation of investment properties is set out in the consolidated and separate annual financial statements in the following notes:</p> <ul style="list-style-type: none"> ● Note 1.3 Fair value estimation ● Note 1.4 Investment property ● Note 3: Investment property ● Note 35: Fair value information 	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ● 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: <ul style="list-style-type: none"> ■ Evaluated the appropriateness of the input data and assumptions used by the valuers, including current and projected rental income and expenses and occupancy rates by agreeing these to management's records, invoices received or other supporting documentation including: <ul style="list-style-type: none"> ○ key terms of lease agreements ○ rental income schedules ○ independent macro-economic data ■ Evaluated the key assumptions used by the independent valuers against our own expectations using evidence from comparable market transactions, historical records, and approved budgets. ■ Assessed the appropriateness of the discount rates by evaluating these rates against risk free rates, adjustments for market and other risks in the different geographical areas, and rates applied by other entities in the same industry and geographical areas. ■ Considered the impact of volatile inflation and interest rates on the market related assumptions and inputs into the fair value models through discussion with both management and the valuation specialists. <p>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 <i>IAS 40 – Investment Property and IFRS 13 - Fair Value Measurement</i>.</p>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 67-page document titled " Turnstar Holdings Limited Consolidated and separate annual financial statements for the year ended 31 January 2025 ", which includes the General Information, Directors' Responsibilities and Approval and Directors' Report, as required by the Companies Act (CAP 42 :01) . The other information does not include the consolidated or the 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 IFRS Accounting Standards as issued by the International Accounting Standards Board 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 and/ or company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group 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 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 in 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 and/ or the 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 audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Ernst & Young
Firm of Certified Auditors
Practising member: Francois J Roos (CAP 0013 2025)
Gaborone

28 April 2025

Turnstar Holdings Limited

(Registration number BW00000973397)

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2025

Statement of Financial Position as at 31 January 2025

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
Assets					
Non-Current Assets					
Property, plant and equipment	4	2 927 905	1 861 600	486 808	265 357
Investment property	3	2 792 036 806	2 726 602 519	1 456 795 008	1 439 670 285
Investments in subsidiaries	5	-	-	541 529 229	541 529 229
Loans to group companies	6	-	-	123 970 517	173 439 532
Operating lease asset	8	22 127 819	13 829 715	12 440 264	13 829 715
		2 817 092 530	2 742 293 834	2 135 221 826	2 168 734 118
Current Assets					
Trade and other receivables	9	41 357 143	32 666 651	18 760 243	10 654 386
Operating lease asset	8	3 379 488	7 479 795	2 464 729	-
Current tax receivable		117 262	117 262	117 262	117 262
Cash and cash equivalents and bank overdrafts	10	45 484 487	27 098 773	36 654 073	17 344 362
		90 338 380	67 362 481	57 996 307	28 116 010
Total Assets		2 907 430 910	2 809 656 315	2 193 218 133	2 196 850 128
Equity and Liabilities					
Equity					
Share capital	11	632 497 357	632 497 357	632 497 357	632 497 357
Foreign currency translation reserves		318 125 985	300 058 222	-	-
Retained Income		1 011 148 803	990 117 374	881 641 894	911 728 260
		1 961 772 145	1 922 672 953	1 514 139 251	1 544 225 617
Liabilities					
Non-Current Liabilities					
Borrowings	12	596 014 412	290 000 000	596 014 412	290 000 000
Deferred tax	7	285 746 684	231 234 904	56 013 524	34 974 943
		881 761 096	521 234 904	652 027 936	324 974 943
Current Liabilities					
Trade and other payables	13	58 492 040	57 582 520	21 645 317	19 483 630
Borrowings	12	-	304 656 118	-	304 656 118
Unclaimed debenture interest and dividend		3 486 736	2 551 028	3 486 736	2 551 028
Bank overdraft	10	1 918 893	958 792	1 918 893	958 792
		63 897 669	365 748 458	27 050 946	327 649 568
Total Liabilities		945 658 765	886 983 362	679 078 882	652 624 511
Total Equity and Liabilities		2 907 430 910	2 809 656 315	2 193 218 133	2 196 850 128

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
Revenue	14	344 114 314	328 502 653	173 613 374	166 225 198
Other operating income	15	3 232 313	3 228 233	5 259 690	4 986 210
Other operating gain/(losses)	16	(4 071 715)	(10 321 617)	2 316 804	(6 340 176)
Movement in credit loss allowances other receivables	18	(3 315 065)	(7 778 447)	(442 414)	(10 592 833)
Other operating expenses	17	(154 092 953)	(147 780 682)	(90 738 826)	(85 208 990)
Dividend income		-	-	23 794 902	27 886 404
Operating profit	18	185 866 894	165 850 140	113 803 530	96 955 813
Finance income	19	501 406	662 286	17 288 056	20 582 677
Interest paid	21	(38 888 505)	(38 785 285)	(38 888 505)	(38 785 285)
Fair value adjustment	20	41 080 006	49 781 650	13 179 746	6 218 539
Profit before taxation		188 559 801	177 508 791	105 382 827	84 971 744
Taxation	22	(53 097 760)	(30 280 675)	(21 038 581)	16 315 540
Profit for the year		135 462 041	147 228 116	84 344 246	101 287 284
Other comprehensive income:					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		18 067 763	48 385 918	-	-
Other comprehensive income for the year net of taxation	23	18 067 763	48 385 918	-	-
Total comprehensive income for the year		153 529 804	195 614 034	84 344 246	101 287 284
Basic earnings per linked unit (in Pula)		0,24	0,26	0,15	0,18
Diluted earnings per linked unit (in Pula)		0,24	0,26	0,15	0,18

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Statement of Changes in Equity

Figures in Pula	Share capital	Linked unit debentures	Total stated capital and linked unit debentures	Foreign currency translation reserve	Distribution to debenture holders	Fair value surplus	Retained Income	Total equity
Group								
Balance at 01 February 2023	346 420 555	286 076 802	632 497 357	251 672 304	51 493 824	719 809 226	180 295 337	1 835 768 048
Profit for the year	-	-	-	-	-	-	147 228 116	147 228 116
Other comprehensive income	-	-	-	48 385 918	-	-	-	48 385 918
Total comprehensive income for the year	-	-	-	48 385 918	-	-	147 228 116	195 614 034
Fair value transferred (Turnstar Properties)	-	-	-	-	-	6 218 539	(6 218 539)	-
Fair value transferred (Mlimani Properties)	-	-	-	-	-	42 602 573	(42 602 573)	-
Fair value transferred (Palazzo Properties)	-	-	-	-	-	960 538	(960 538)	-
Final distribution to debenture holders 31 January 2023	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2023	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Proposed distribution to debenture holders	-	-	-	-	114 430 612	-	(114 430 612)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	5 721 482	49 781 650	(164 212 262)	(108 709 130)
Balance at 01 February 2024	346 420 555	286 076 802	632 497 357	300 058 222	57 215 306	769 590 876	163 311 192	1 922 672 953
Profit for the year	-	-	-	-	-	-	135 462 041	135 462 041
Other comprehensive income	-	-	-	18 067 763	-	-	-	18 067 763
Total comprehensive income for the year	-	-	-	18 067 763	-	-	135 462 041	153 529 804
Fair value transferred (Turnstar Properties)	-	-	-	-	-	13 179 746	(13 179 746)	-
Fair value transferred (Mlimani Properties)	-	-	-	-	-	22 146 685	(22 146 685)	-
Fair value transferred (Palazzo Properties)	-	-	-	-	-	5 753 575	(5 753 575)	-
Final distribution to debenture holders 31 January 2024	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Interim distribution to debenture holders 31 July 2024	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Proposed distribution to debenture holders	-	-	-	-	114 430 612	-	(114 430 612)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	41 080 006	(155 510 618)	(114 430 612)
Balance at 31 January 2025	346 420 555	286 076 802	632 497 357	318 125 985	57 215 306	810 670 882	143 262 615	1 961 772 145
Note(s)	11	11	11	23	23		23	

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Statement of Changes in Equity

Figures in Pula	Share capital	Linked unit debentures	Total stated capital and linked unit debentures	Foreign currency translation reserve	Distribution to debenture holders	Fair value surplus	Retained Income	Total equity
Company								
Balance at 01 February 2023	346 420 555	286 076 802	632 497 357	-	51 493 824	771 139 255	96 517 027	1 551 647 463
Profit for the year	-	-	-	-	-	-	101 287 284	101 287 284
Total comprehensive income for the year	-	-	-	-	-	-	101 287 284	101 287 284
Fair value surplus transferred	-	-	-	-	-	6 218 539	(6 218 539)	-
Final distribution to debenture holders 31 January 2023	-	-	-	-	(51 493 824)	-	-	(51 493 824)
Interim distribution to debenture holders 31 July 2023	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Proposed distribution to debenture holders	-	-	-	-	114 430 612	-	(114 430 612)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	5 721 482	6 218 539	(120 649 151)	(108 709 130)
Balance at 01 February 2024	346 420 555	286 076 802	632 497 357	-	57 215 306	777 357 794	77 155 160	1 544 225 617
Profit for the year	-	-	-	-	-	-	84 344 246	84 344 246
Total comprehensive income for the year	-	-	-	-	-	-	84 344 246	84 344 246
Fair value surplus transferred	-	-	-	-	-	13 179 746	(13 179 746)	-
Final distribution to debenture holders 31 January 2024	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Interim distribution to debenture holders 31 July 2024	-	-	-	-	(57 215 306)	-	-	(57 215 306)
Proposed distribution to debenture holders	-	-	-	-	114 430 612	-	(114 430 612)	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	13 179 746	(127 610 358)	(114 430 612)
Balance at 31 January 2025	346 420 555	286 076 802	632 497 357	-	57 215 306	790 537 540	33 889 048	1 514 139 251
Note(s)	11	11	11	23	23		23	

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

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Statement of Cash Flows

Figures in Pula	Note(s)	Group		Company	
		2025	2024	2025	2024
Cash flows from operating activities					
Cash (used in)/generated from operations	25	178 719 833	173 450 076	83 752 457	89 110 310
Interest income		501 406	662 286	17 288 056	20 582 677
Interest paid	21	(38 888 505)	(38 785 285)	(38 888 505)	(38 785 285)
Dividends paid	27	(114 430 612)	(108 709 130)	(114 430 612)	(108 709 130)
Tax paid	26	(2 664 757)	(3 115 818)	-	-
Net cash from operating activities		23 237 365	23 502 129	(52 278 604)	(37 801 428)
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(1 684 594)	(291 937)	(405 298)	(103 509)
Purchases of investment property	3	(3 944 977)	(5 912 461)	(3 944 977)	(5 912 461)
Loans advanced to group companies - repayments received	6	-	-	51 365 768	29 123 829
Dividends received		-	-	23 794 902	27 886 404
Net cash from investing activities		(5 629 571)	(6 204 398)	70 810 395	50 994 263
Cash flows from financing activities					
Proceeds from borrowings	12	-	60 174 271	-	60 174 271
Repayments of borrowings	12	-	(11 753 465)	-	(11 753 465)
Net cash from financing activities		-	48 420 806	-	48 420 806
Total cash movement for the year		17 607 794	65 718 537	18 531 791	61 613 641
Cash and cash equivalents at the beginning of the year		26 139 981	(39 273 367)	16 385 570	(44 922 882)
Profit on foreign exchange on cash and cash equivalents		(182 181)	(305 189)	(182 181)	(305 189)
Cash and cash equivalents at the end of the year	10	43 565 594	26 139 981	34 735 180	16 385 570

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Accounting Policies

1. Material accounting policies

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting 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 2025. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 January.

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

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

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

Business combinations

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

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

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

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

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

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

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

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Accounting Policies

1.2 Consolidation (continued)

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

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

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

1.3 Significant judgements and sources of estimation uncertainty

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

Trade receivables and other receivables

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

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

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

Fair value estimation

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

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

Impairment testing

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

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

Provisions

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

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Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Taxation

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

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

Contingent liabilities

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

Useful life and residual value of plant and equipment

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

1.4 Investment property

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

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

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

Subsequent to initial measurement, investment property is measured at fair value, with changes in fair value recognised in profit or loss for the period in which it arises.

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.

Derecognition of investment property

Investment property is derecognised when it is disposed of or when it is permanently withdrawn from use with no future economic benefits expected. Gains or losses on disposal, determined as the difference between the net disposal proceeds and carrying amount of the property, are recognised in profit or loss in the period of disposal. Any decision to dispose of an investment property is subject to approval by the Investment Committee of the Board.

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.

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Accounting Policies

1.4 Investment property (continued)

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 fair value adjustment.

Fair value

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

1.5 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

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

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

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

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

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

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

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

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 Investments in subsidiaries

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

The cost of an investment in a subsidiary is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company.

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

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Accounting Policies

1.7 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

Financial liabilities:

- Amortised cost

Note 34 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 6), 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 19).

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.

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.

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Accounting Policies

1.7 Financial instruments (continued)

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.

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.

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Accounting Policies

1.7 Financial instruments (continued)

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

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance (note 18).

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the financial instruments and risk management (note 34).

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 9).

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.

Impairment

The group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

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Accounting Policies

1.7 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 9.

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 18).

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 9) and the financial instruments and risk management note (note 34).

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 13), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in interest paid (note 21).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 34 for details of risk exposure and management thereof.

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.

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Accounting Policies

1.7 Financial instruments (continued)

Bank overdrafts

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

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.

1.8 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.

1.9 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.

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Accounting Policies

1.9 Impairment of assets (continued)

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.

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.

1.10 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.

1.11 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.

1.12 Revenue from agreements with customers and rental income

The group recognises revenue from the following major sources:

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

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

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

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Notes to the Consolidated And Separate Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Supplier finance arrangements - amendments to IAS 7 and IFRS 7

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

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

The group has adopted the amendment for the first time in the 2025 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Non-current liabilities with covenants - amendments to IAS 1

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

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

The group has adopted the amendment for the first time in the 2025 consolidated and separate annual financial statements.

The impact of the amendment is not material.

Lease liability in a sale and leaseback

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

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

The group has adopted the amendment for the first time in the 2025 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 2025 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.

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2. New Standards and Interpretations (continued)

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

IFRS 19 Subsidiaries without Public Accountability: Disclosures

This is a new standard which may be applied by subsidiaries which do not have public accountability. It is a disclosure only standard and provides for reduced disclosures for qualifying subsidiaries to apply, while still remaining compliant with the recognition, measurement and presentation requirements of IFRS accounting standards. The reduced disclosures provided in IFRS 19 may be applied by the subsidiary in their consolidated, separate or individual financial statements, provided that the ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS accounting standards. A subsidiary has public accountability, and may not apply IFRS 19, if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market, or if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

The effective date of the amendment is for years beginning on or after 01 January 2027.

The group expects to adopt the amendment for the first time in the 2028 consolidated and separate annual financial statements.

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

IFRS 18 Presentation and Disclosure in Financial Statements

This is a new standard which replaces IAS 1 Presentation of Financial Statements and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

The effective date of the amendment is for years beginning on or after 01 January 2027.

The group expects to adopt the amendment for the first time in the 2028 consolidated and separate annual financial statements.

Management is still assessing the impact of the amendment on the group's consolidated and separate annual financial statements.

Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.

Annual Improvements to IFRS Accounting Standards - Volume 11 - Hedge Accounting by a First-time Adopter - Amendment to reduce inconsistency in wording of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

Amendments to IFRS 7 Financial Instruments: Disclosures

Annual Improvements to IFRS Accounting Standards - Volume 11 - Gain or loss on derecognition - Amendment to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 Fair Value Measurement, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

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Notes to the Consolidated And Separate Annual Financial Statements

2. New Standards and Interpretations (continued)

Amendments to IFRS 9 Financial Instruments

Annual Improvements to IFRS Accounting Standards - Volume 11 - Derecognition of lease liabilities. The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

Amendments to IFRS 9 Financial Instruments

Annual Improvements to IFRS Accounting Standards - Volume 11 - Transaction price. The amendment clarifies that trade receivables must be measured initially, in accordance with IFRS 9, at the amount determined by applying IFRS 15 Revenue from Contracts with Customers.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

Amendments to IFRS 10 Consolidated Financial Statements

Annual Improvements to IFRS Accounting Standards - Volume 11 - Determination of a 'de facto agent'. The amendment is to clarify whether a party acts as a de facto agent in assessing control of an investee.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

Amendments to IAS 10 Statement of Cash flows

Annual Improvements to IFRS Accounting Standards - Volume 11 - Cost method - Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

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

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2. New Standards and Interpretations (continued)

Lack of exchangeability - amendments to IAS 21

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

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

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

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

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Figures in Pula	Group		Company	
	2025	2024	2025	2024
3. Investment property				
Group			2025	2024
			Cost or revaluation	Cost or revaluation
Investment property			2 792 036 806	2 726 602 519
Company			2025	2024
			Cost or revaluation	Cost or revaluation
Investment property			1 456 795 008	1 439 670 285

Reconciliation of investment property - Group - 2025

	Opening balance	Additions	Foreign exchange movements	Fair value adjustments	Total
Investment property	2 726 602 519	3 944 977	20 409 304	41 080 006	2 792 036 806

Reconciliation of investment property - Group - 2024

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

The group additions for both current year P3 944 977 and prior year P5 912 461 are made up of subsequent expenditures only.

Reconciliation of investment property - Company - 2025

	Opening balance	Additions	Fair value adjustments	Total
Investment property	1 439 670 285	3 944 977	13 179 746	1 456 795 008

Reconciliation of investment property - Company - 2024

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

The company additions for both current year P3 944 977 and prior year P5 912 461 are made up of subsequent expenditures only.

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Figures in Pula	Group		Company	
	2025	2024	2025	2024
3. Investment property (continued)				
Pledged as security				
Carrying value of assets pledged as security:				
Game City Shopping Centre, Portion 3 Forest farm	1 097 253 865	1 088 255 184	1 097 253 865	1 088 255 184
Nzano Shopping Centre, Lot 904 Francistown	189 538 645	188 544 836	189 538 645	188 544 836
Lot 6670, Supa Save Mall	56 005 099	55 486 213	56 005 099	55 486 213
Lot 1131-1137, Turnstar House, Main Mall Offices	43 895 289	41 029 550	43 895 289	41 029 550
Lot 13093 and 16398, Tapologo Estate, Gaborone	37 291 384	35 457 236	37 291 384	35 457 236
Lot 63 Commerce Park	20 798 229	19 125 957	20 798 229	19 125 957
Tribal Lot 1203, Mogoditshane Flats	12 012 497	11 771 310	12 012 497	11 771 310
	1 456 795 008	1 439 670 286	1 456 795 008	1 439 670 286

The property is pledged as security towards bank facilities as detailed in Note 12

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	479 333 123	473 420 662	479 333 123	473 420 662
- Additions during the year	3 944 977	5 912 461	3 944 977	5 912 461
- Fair Value surplus (Net of straight lining adjustment)	613 975 765	608 922 061	613 975 765	608 922 061
	1 097 253 865	1 088 255 184	1 097 253 865	1 088 255 184

Nzano Shopping Centre

Lot 904, Francistown
Freehold

- Cost of property	43 064 398	43 064 398	43 064 398	43 064 398
- Fair Value surplus (Net of straight lining adjustment)	146 474 247	145 480 438	146 474 247	145 480 438
	189 538 645	188 544 836	189 538 645	188 544 836

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)	43 003 478	42 484 592	43 003 478	42 484 592
	56 005 099	55 486 213	56 005 099	55 486 213

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Figures in Pula	Group		Company	
	2025	2024	2025	2024
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)	14 579 273	12 907 001	14 579 273	12 907 001
	20 798 229	19 125 957	20 798 229	19 125 957
Turnstar House, Main Mall Offices				
Lot 1131-1137, Gaborone				
Fixed year state grant				
Lease from 15 December 1979 for 99 Years				
- Additions since purchase or valuation	36 006 666	36 006 666	36 006 666	36 006 666
- Fair Value surplus (Net of straight lining adjustment)	7 888 623	5 022 884	7 888 623	5 022 884
	43 895 289	41 029 550	43 895 289	41 029 550
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)	27 824 928	25 990 780	27 824 928	25 990 780
	37 291 384	35 457 236	37 291 384	35 457 236
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)	8 100 132	7 858 945	8 100 132	7 858 945
	12 012 497	11 771 310	12 012 497	11 771 310
Properties not pledged as security				
Mlimani City				
Plot 2, Block L, situated in Ubungo, Dar es Salaam, Tanzania				
-Cost of property	1 128 574 075	1 128 574 075	-	-
- Fair Value surplus (Net of straight lining adjustment)	173 239 591	130 878 163	-	-
	1 301 813 666	1 259 452 238	-	-

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	2025	2024	2025	2024
3. Investment property (continued)				
Palazzo Venezia Office Block				
Plot 8297, Suite 409, city tower . Al Maj an, Wadi Al Safa 3 Dubai				
-Cost of property	96 275 730	96 275 730	-	-
- Fair Value surplus (Net of straight lining adjustment)	(62 847 598)	(68 795 735)	-	-
	33 428 132	27 479 995	-	-

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

Details of valuation

Turnstar Holdings Limited

The investment properties registered in the name of Turnstar Holdings Limited are as follows: Game City Shopping Centre (Portion 3 of Forest Farm), Nzano Shopping Centre (Lot 904 Francistown), Supa Save Mall (Lot 6670), Turnstar House (Lot 1131-1137, Main Mall offices), Tapologo Estate (Lot 13093 and 16398), Lot 63 Commerce Park, Mogoditshane Flats (Tribal Lot 1203). These properties were valued by an external valuer on 31 January 2025. The valuation was performed by valuer, Eranse Mooki MRICS of Knight Frank Botswana (Proprietary) Limited, Eranse Mooki is a Registered member of Real Estate Institute of Botswana, Royal Institute of Chartered Surveyors and holds a BSc (Hons) in Real Estate and has over 8 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 7.5% to 9.5% for retail, commercial and residential properties, the comparative capitalisation rates varied from 6.9% to 9%. In view of the fact that the fair value of the asset was arrived at taking into account the present value of future revenues, the fair value gain was reduced by the operating lease asset amount in order to avoid over valuation.

Mlimani Holdings Limited

The Mlimani City (Plot 2, Block L, situated in Ubungo, Dar es Salaam, Tanzania) property is registered in the name of Mlimani Holdings Limited, a subsidiary company. The property was valued on 31 January 2025. 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, villas and conference centre. The capitalisation rates are consistent with prior year.

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

Palazzo Venezia Holding Limited

The Palazzo Venezia Office Block property, registered in the name of Palazzo Venezia Holdings limited, subsidiary company was valued on 31 January 2025. The valuation was performed by Mariyam Arif, and has been reviewed by Jace Williams, Director, Head of Valuations at CRC Valuations. The open market value of the properties has been arrived using discounted cash flow method which involved projecting income and expenditure for a period of 5 years and discounting at a long term investment rate to arrive at net present value. The capitalisation rate used for the purposes of valuation is 8% for the commercial property. This is consistent with prior year. 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.

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	2025	2024	2025	2024

3. Investment property (continued)

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.

Refer to note 35 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	345 065 217	328 502 653	173 613 374	166 225 198
Direct operating expenses from rental generating property	(108 825 262)	(115 095 195)	(60 762 654)	(62 653 090)
	236 239 955	213 407 458	112 850 720	103 572 108

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	2 817 544 110	2 747 912 028	1 471 700 000	1 453 500 000
Less: operating lease receivable	(25 507 304)	(21 309 509)	(14 904 992)	(13 829 715)
	2 792 036 806	2 726 602 519	1 456 795 008	1 439 670 285

4. Property, plant and equipment

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Plant and machinery	8 644 161	(7 227 858)	1 416 303	7 484 124	(6 935 649)	548 475
Furniture and fixtures	6 574 263	(5 768 707)	805 556	6 413 438	(5 452 647)	960 791
Motor vehicles	231 835	(231 835)	-	231 835	(231 835)	-
Office equipment	306 189	(170 540)	135 649	162 239	(159 588)	2 651
IT equipment	4 407 773	(3 837 376)	570 397	3 963 613	(3 613 930)	349 683
Total	20 164 221	(17 236 316)	2 927 905	18 255 249	(16 393 649)	1 861 600

Company	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Plant and machinery	237 439	(237 439)	-	237 439	(237 439)	-
Furniture and fixtures	1 242 266	(1 140 734)	101 532	1 242 266	(1 118 413)	123 853
Motor vehicles	231 835	(231 835)	-	231 835	(231 835)	-
Office equipment	25 218	(23 168)	2 050	25 218	(22 568)	2 650
IT equipment	2 955 481	(2 572 255)	383 226	2 550 182	(2 411 328)	138 854
Total	4 692 239	(4 205 431)	486 808	4 286 940	(4 021 583)	265 357

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2025

	Opening balance	Additions	Foreign exchange movements	Depreciation	Total
Plant and machinery	548 475	1 042 678	8 883	(183 733)	1 416 303
Furniture and fixtures	960 791	78 916	26 492	(260 643)	805 556
Office equipment	2 651	128 290	6 958	(2 250)	135 649
IT equipment	349 683	434 710	(14 525)	(199 471)	570 397
	1 861 600	1 684 594	27 808	(646 097)	2 927 905

Reconciliation of property, plant and equipment - Group - 2024

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

Reconciliation of property, plant and equipment - Company - 2025

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	123 853	-	(22 321)	101 532
Office equipment	2 650	-	(600)	2 050
IT equipment	138 854	405 298	(160 926)	383 226
	265 357	405 298	(183 847)	486 808

Reconciliation of property, plant and equipment - Company - 2024

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

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Figures in Pula	Group		Company	
	2025	2024	2025	2024

5. 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 2025	Proportion of ownership interests held by the Group at year end 2024
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 2025	Carrying amount 2024
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.

6. Loans to group companies

Subsidiaries

Mlimani Holdings Limited	-	-	123 970 517	173 439 532
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The balance of the loan to Mlimani Holdings Limited as at 31 January 2025 was USD 8 950 671 (2024: USD 12 713 118). 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 has been phased out, the company has replaced Libor with SOFR as an alternative rate and there are no significant changes in the interest rate. The original loan amount was USD 25 million.

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7. Deferred tax

Deferred tax liability

	Group		Company	
	2025	2024	2025	2024
Deferred tax on asset/(liability) on capital allowances	(41 500 372)	(435 056 653)	(43 545 963)	(36 122 817)
Exchange rate	-	24 091 562	-	24 091 562
Retentions	111 582	112 096	111 582	112 096
Provision for bad and doubtful debts as per balance sheet	768 592	839 309	768 592	839 309
Lease smoothening	(3 279 098)	(3 175 557)	(3 279 098)	(3 175 557)
Loss on current year	(210 089 957)	219 877 588	21 688 794	17 203 713
Capital gains tax	(31 757 431)	(37 923 249)	(31 757 431)	(37 923 249)
Total net deferred tax liability	(285 746 684)	(231 234 904)	(56 013 524)	(34 974 943)

Reconciliation of deferred tax asset / (liability)

	Group		Company	
	2025	2024	2025	2024
At beginning of year	(231 234 904)	(193 490 277)	(34 974 943)	(51 290 483)
Increases (decrease) in tax loss available for set off against future taxable income	80 319 829	15 851 162	4 485 081	5 717 521
Increases (decrease) in capital allowance	(116 731 093)	(66 250 220)	(7 423 146)	(2 056 412)
Taxable / (deductible) temporary difference in bad debts provision	(70 717)	151 740	(70 717)	151 740
Taxable / (deductible) temporary difference on lease smoothening	(103 540)	(482 599)	(103 540)	(482 599)
Taxable / (deductible) temporary difference on exchange gains (loss)	(24 091 562)	1 325 265	(24 091 562)	1 325 265
Taxable / (deductible) temporary difference movement capital gains	6 165 817	11 658 809	6 165 817	11 658 809
Taxable / (deductible) temporary difference retentions	(514)	1 216	(514)	1 216
	(285 746 684)	(231 234 904)	(56 013 524)	(34 974 943)

Carry forward tax losses

No provision for current taxation has been made, the company has assessed carry forward tax losses. Turnstar Botswana is taxed at 22% and the loss relating to it is P21 688 794 (2024: P 17 203 713) and Mlimani is taxed at 30% and the loss relating to that is P(231 778 751) (2024: P 141 678 892). The estimated tax loss available for set off against future taxable income as at 31 January 2025 was P98 585 425 (2024: P 77 121 378) and this relate to Turnstar Botswana only.

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

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	2025	2024	2025	2024
8. Lease asset (accrual)				
Non-current assets	22 127 819	13 829 715	12 440 264	13 829 715
Current assets	3 379 488	7 479 795	2 464 729	-
	25 507 307	21 309 510	14 904 993	13 829 715

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

9. Trade and other receivables

Financial instruments:

Trade receivables	24 228 259	25 159 441	8 569 535	8 828 299
Accrued income	4 366 096	3 984 236	4 366 096	3 984 236
Loss allowance	(9 925 201)	(8 792 153)	(3 493 600)	(3 815 041)
Trade receivables at amortised cost	18 669 154	20 351 524	9 442 031	8 997 494
Deposits	1 901 700	1 777 949	-	-
Other receivables	6 499 949	441 051	6 604 456	730 445

Non-financial instruments:

Tax receivable	10 350 109	7 180 340	-	-
Value Added Tax	645 132	1 514 929	-	-
WHT Receivable	445 404	-	445 404	-
Prepayments	2 845 695	1 400 858	2 268 352	926 447
Total trade and other receivables	41 357 143	32 666 651	18 760 243	10 654 386

Included in Trade receivables for the Company are management fees of P3 928 190 (2024: P 3 265 873)

Categorisation of trade and other receivables

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

At amortised cost	27 070 803	29 750 864	16 046 487	9 727 939
Non-financial instruments	14 286 340	2 915 787	2 713 756	926 447
	41 357 143	32 666 651	18 760 243	10 654 386

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 ABSA Bank Botswana Limited (formerly known as Barclays Bank). In the current year the ABSA Bank borrowings were transferred to FNBB, refer to note 12.

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.

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	2025	2024	2025	2024

9. Trade and other receivables (continued)

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.

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

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The expected credit loss as a percentage of gross carrying value of trade receivables increased from 2024 to 2025. Although the trade receivables balance reduced, credit losses provision increased slightly due to increase in value of the >120 days bracket. The loss allowance provision is determined as follows:

Group	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Less than 30 days past due:	7 221 988	316 641	8 183 999	164 245
31 - 60 days past due:	3 807 780	353 285	4 989 063	121 278
61 - 90 days past due:	2 839 563	374 792	2 764 267	109 936
91 - 120 days past due:	1 858 162	379 713	1 795 209	969 791
More than 120 days past due:	8 500 766	8 500 770	7 426 903	7 426 903
Total	24 228 259	9 925 201	25 159 441	8 792 153
Company	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Less than 30 days past due:	4 792 161	18 530	4 619 229	108 173
31 - 60 days past due:	309 697	70 804	366 195	56 333
61 - 90 days past due:	91 930	41 033	159 938	53 469
91 - 120 days past due:	37 704	25 190	203 580	117 709
More than 120 days past due:)	3 338 043	3 338 043	3 479 357	3 479 357
Total	8 569 535	3 493 600	8 828 299	3 815 041

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	(8 792 153)	(7 687 054)	(3 815 041)	(3 125 313)
Provision raised on new trade receivables	(1 133 048)	(1 105 099)	321 441	(689 728)
Closing balance	(9 925 201)	(8 792 153)	(3 493 600)	(3 815 041)

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	2025	2024	2025	2024

9. Trade and other receivables (continued)

Fair value of trade and other receivables

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

10. Cash and cash equivalents and bank overdrafts

Cash and cash equivalents consist of:

Cash on hand	32 489	7 014	3 404	3 403
Bank balances	15 451 998	27 091 759	6 650 669	17 340 959
Short-term deposits	30 000 000	-	30 000 000	-
Bank overdraft	(1 918 893)	(958 792)	(1 918 893)	(958 792)
	43 565 594	26 139 981	34 735 180	16 385 570
Current assets	45 484 487	27 098 773	36 654 073	17 344 362
Current liabilities	(1 918 893)	(958 792)	(1 918 893)	(958 792)
	43 565 594	26 139 981	34 735 180	16 385 570

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 P25 million ((2024: P 25 million) at interest rate equal to bank's prime lending rate (currently at 6.01% per annum).

The above facility is secured by:

- 1) First covering mortgage bond of P250 million (Two Hundred and Fifty Million Pula) (plus 20% contingency costs) Lease Area 975-KO on Portion 3 of Farm Forest Hill No. 9-KO (Game City Mall) over the notarial executed land lease agreement with respect to Notarial Deed of Lease No. MA 225/03 dated 10th October 2003. The security also relate to borrowings.
- 2) Second covering mortgage bond of P40million (Forty Million Pula) (plus 20% contingency costs) over the notarially registered Lease Area 975-KO on Portion 3 of Farm Forest Hill No. 9-KO (Game City Mall) over the notarial executed land lease agreement with respect to Notarial Deed of Lease No. MA 225/03 dated 10th October 2003.

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

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

11. Share capital and linked unit debentures

Authorised

572,153,603 Ordinary shares of no par value

Reconciliation of number of shares issued:

Reported as at 01 February 2024

Issued

Stated capital - 572 153 603 (2024: P 572 153 603)	349 185 538	349 185 538	349 185 538	349 185 538
Ordinary shares of no par value				
Share issue costs written off against stated capital	(2 764 983)	(2 764 983)	(2 764 983)	(2 764 983)

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	2025	2024	2025	2024
11. Share capital and linked unit debentures (continued)				
Linked unit debentures - 572 153 603 (2024: P 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.

Linked unit debentures are redeemable subject to approval of shareholders by a special resolution and with written consent of the creditors of the company.

For the purposes of IFRS classification, they are thus seen as being non-redeemables and thus classified as equity in their entity.

12. Borrowings

Held at amortised cost

Secured

First National Bank of Botswana Limited	596 014 412	290 000 000	596 014 412	290 000 000
The initial loan was 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 plus 0.65% per annum.				
The second loan was approved in October 2024 which was a transfer of the ABSA facility of USD 22,475,000 (BWP 306 million) for 4 years, which was historically utilised by the borrower for the development of assets in Tanzania. The Interest rate is set at prime plus 0.82% per annum. The lender will review the bullet payments at the time of maturity of both facilities in order to refinance the facility through an amortising debt facility for a further term.				
Abisa Bank	-	306 616 644	-	306 616 644
Arrangement fees	-	(1 960 526)	-	(1 960 526)
This is the ABSA loan which was transferred to FNBB in the current year (in October 2024). At the time of the transfer the terms of the loan were USD 22 475 000 loan with interest payment only until September 2024 when the final bullet payment of USD 18.45 million would be made.				
	596 014 412	594 656 118	596 014 412	594 656 118

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12. Borrowings (continued)

Reconciliation of borrowings - Group - 2025

	Opening balance	Transfers	Foreign exchange movements	Total
First National Bank of Botswana Limited	290 000 000	306 014 412	-	596 014 412
ABSA Bank Botswana Limited	304 656 118	(306 014 412)	1 358 294	-
	594 656 118	-	1 358 294	596 014 412

Reconciliation of borrowings - Group - 2024

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

Reconciliation of borrowings - Company - 2025

	Opening balance	Transfers	Foreign exchange movements	Total
First National Bank of Botswana Limited	290 000 000	306 014 412	-	596 014 412
ABSA Bank Botswana Limited	304 656 118	(306 014 412)	1 358 294	-
	594 656 118	-	1 358 294	596 014 412

Reconciliation of borrowings - Company - 2024

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

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 P300 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.

Financial covenants that shall be maintained in accordance with the agreement with First National Bank Botswana Limited Loan facility for P306 million.

- A minimum secured Portfolio Interest Cover Ratio of 2.5x
- A minimum projected Secured Portfolio Interest Cover Ratio of 2.5x.
- A minimum borrower Interest Cover Ratio of 3.0x
- A minimum projected borrower Interest Cover Ratio of 3.0x
- A maximum secured Portfolio Loan To Value Percentage of 35%.
- A maximum projected secured Portfolio Loan To Value Percentage of 35%.

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12. Borrowings (continued)

- A maximum borrower Loan To Value Percentage of 35%.
- A maximum projected borrower Loan To Value Percentage of 35%.
- A minimum Net Asset Value of P 1,500,000.
- A minimum projected Net Asset Value of P 1,500,000.

Security held by First National Bank Botswana Limited

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

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

Loan from ABSA Bank Botswana Limited

Financial Covenants:

The financial covenants that were maintained in accordance with the agreement are

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

- 31st January 2019: 140%
- 31st January 2020: 130%
- 31st January 2021: 125%
- 31st January 2022: 110%
- 31st January 2023: 106%
- 31st January 2024: 106%
- 30th September 2024: 106%

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12. Borrowings (continued)

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.

Security held

Part A - Existing Securing

- 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

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Figures in Pula	Group		Company	
	2025	2024	2025	2024
12. Borrowings (continued)				
Exposure to currency risk				
Pula amount				
Borrowings USD 0 (2024: USD 22,475,000)	-	304 656 118	-	304 656 118
13. Trade and other payables				
Financial instruments:				
Trade payables	3 031 044	8 464 562	337 888	5 295 636
Retention payable	10 761 123	10 619 840	507 193	509 528
Accrued leave pay	1 718 608	1 005 310	1 718 608	1 005 310
Other accrued expenses	3 773 112	2 996 341	2 673 575	2 655 832
Deposits received	19 661 725	15 843 642	10 367 214	5 088 084
Other payables	996 450	2 498 904	996 450	926 324
Non-financial instruments:				
Amounts received in advance	17 164 689	14 270 928	3 728 073	2 777 311
Withholding tax payable	68 973	781 338	-	123 950
Value added tax	1 316 316	1 101 655	1 316 316	1 101 655
	58 492 040	57 582 520	21 645 317	19 483 630

Fair value of trade and other payables

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

14. Revenue

Revenue from leases with customers				
Rental income	279 807 906	264 636 945	143 478 135	136 979 670
Turnover rent	760 542	836 560	760 542	836 560
Straight line adjustments	4 101 505	4 695 579	1 075 277	1 589 000
Recoveries	59 444 361	58 333 569	28 299 420	26 819 968
	344 114 314	328 502 653	173 613 374	166 225 198

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

Rental income ceded as security for loan availed from Absa Bank of Botswana Limited (now transferred to FNBB at the time of reporting) and First National Bank of Botswana Limited as stated in note 12.

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 1, Ubungo Area, Kinondoni Municipality, Dar es Salaam, Tanzania otherwise know as Mlimani City.

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	2025	2024	2025	2024
15. Other operating income				
Administration and management fees received	-	-	3 571 873	3 265 873
Other rental income	105 603	107 983	-	-
Bad debts recovered	16 588	-	16 588	-
Other recoveries	1 629 654	1 720 337	1 629 654	1 720 337
Professional fees income	41 575	-	41 575	-
Advertising & Promotions	1 438 893	1 399 913	-	-
	3 232 313	3 228 233	5 259 690	4 986 210
16. Other operating gains (losses)				
Foreign exchange gains (losses)				
Net foreign exchange gains	3 (4 071 715)	(10 321 617)	2 316 804	(6 340 176)
17. Other operating expenses				
Cleaning	7 881 678	7 414 368	2 937 528	2 689 135
Insurance	1 914 751	1 842 876	1 536 679	1 452 607
Rent paid	33 154 803	31 180 032	19 884 669	18 982 057
Repairs and maintenance	19 097 192	16 792 860	8 679 129	7 610 450
Security	7 231 101	6 731 296	3 669 083	3 177 005
Municipal expenses	39 545 737	39 158 238	24 055 566	24 038 720
Consulting and professional fees	5 889 259	4 741 123	3 851 768	3 008 391
Others	17 028 507	20 236 962	9 019 224	9 241 517
Employee costs	21 703 828	19 216 122	16 921 333	14 902 174
Property, plant and equipment	646 097	466 805	183 847	106 934
	154 092 953	147 780 682	90 738 826	85 208 990
18. Operating profit				
Operating profit for the year is stated after charging the following, amongst others:				
Auditor's remuneration - external				
Audit fees	842 712	1 052 653	625 000	829 350
Leases				
Contingent rentals on operating leases				
Contingent amounts	33 154 803	31 180 032	19 884 669	18 982 057
Movement in credit loss allowances				
Trade and other receivables	3 315 065	7 778 447	442 414	10 592 833
19. Finance income				
Interest income				
Investments in financial assets:				
Bank and other cash	299 077	32 858	299 077	32 858
Debentures	-	-	16 786 650	19 920 391
Interest on money market placements	202 329	629 428	202 329	629 428
Total interest income	501 406	662 286	17 288 056	20 582 677

Interest income is calculated using the effective interest rate method. Total interest income for the company amounted to P501 406 (2024: P662 286) and for the company P17 288 056 (2024: P20 582 677).

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Figures in Pula	Group		Company	
	2025	2024	2025	2024
20. Fair value adjustment				
Fair value gains/(losses)				
Investment property 3	41 080 006	49 781 650	13 179 746	6 218 539
21. Interest paid				
Interest paid to Absa Bank of Botswana Limited	13 705 568	21 416 991	13 705 568	21 416 991
Interest paid to First National Bank Botswana	25 182 937	17 368 294	25 182 937	17 368 294
Total interest paid	38 888 505	38 785 285	38 888 505	38 785 285
22. Taxation				
Major components of the tax expense (income)				
Current				
Foreign withholding tax - current period	2 664 757	3 115 818	-	-
Deferred				
Originating and reversing temporary differences	50 433 003	27 164 857	21 038 581	(16 315 540)
	53 097 760	30 280 675	21 038 581	(16 315 540)
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	(28,00)%	(49,00)%	(37,00)%	(81,00)%
Capital gains tax	22,00 %	28,00 %	13,00 %	7,00 %
Tax on foreign dividends	13,00 %	16,00 %	23,00 %	33,00 %
	29,00 %	17,00 %	21,00 %	(19,00)%

No provision for tax had been made as the group has no taxable income due to tax losses available for set off in Botswana as well as tax incentives that is available in Tanzania for Mlimani Holdings Limited, as stated below. The estimated tax losses available for the company in Botswana available for set off against future taxable income is P(18 956 996) (2024: P 17 203 713).

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

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

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Figures in Pula	Group		Company	
	2025	2024	2025	2024

23. Other comprehensive income

Components of other comprehensive income - Group - 2025

	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	18 067 763	-	18 067 763

Components of other comprehensive income - Group - 2024

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

24. Operating lease arrangements

Operating leases as lessor

Property rental income earned during the year is set out in note 14. 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	261 337 325	217 884 406	136 235 464	122 414 819
Later than one year and not later than five years	442 571 500	451 326 110	193 089 641	227 766 613
Later than five years	1 689 981	8 447 662	42 237	90 530
	705 598 806	677 658 178	329 367 342	350 271 962

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- (2024: P836 560) 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 P19 884 669 (2024: P18 982 057).

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 P23 364 486 (2024: P20 589 276).

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Figures in Pula	Group		Company	
	2025	2024	2025	2024
24. Operating lease arrangements (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 P13 270 134 (2024: P12 197 975).				
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 P14 597 147 (2024: P13 380 890).				
25. Cash generated from operations				
Profit before taxation	188 559 801	177 508 791	105 382 827	84 971 744
Adjustments for:				
Depreciation and amortisation	646 097	466 805	183 847	106 934
Losses (gains) on foreign exchange	4 071 715	5 775 919	(2 316 804)	6 340 176
Finance income	(501 406)	(662 286)	(17 288 056)	(20 582 677)
Interest paid	38 888 505	38 785 285	38 888 505	38 785 285
Fair value gains	(41 080 006)	(49 781 650)	(13 179 746)	(6 218 539)
Movements in operating lease assets and accruals	(4 197 797)	(4 911 713)	(1 075 278)	(1 589 000)
Dividend income	-	-	(23 794 902)	(27 886 404)
Impairment of receivables	-	-	-	8 898 113
Changes in working capital:				
Trade and other receivables	(5 375 427)	9 429 905	(7 663 443)	(2 776 650)
ECL movement on debtors	(3 315 065)	(7 778 447)	(442 414)	(1 694 725)
Prepayments - loan arrangement fees	1 960 526	(1 615 131)	1 960 526	(1 615 131)
Trade and other payables	(1 872 818)	5 932 515	2 161 687	12 071 101
Unclaimed debenture interest and dividend	935 708	300 083	935 708	300 083
	178 719 833	173 450 076	83 752 457	89 110 310
26. Tax paid				
Balance at beginning of the year	117 262	117 262	117 262	117 262
Current tax for the year recognised in profit or loss	(2 664 757)	(3 115 818)	-	-
Balance at end of the year	(117 262)	(117 262)	(117 262)	(117 262)
	(2 664 757)	(3 115 818)	-	-
27. Dividends and debenture interest paid				
Final distribution of prior year	(57 215 306)	(51 493 824)	(57 215 306)	(51 493 824)
Proposed dividends	(114 430 612)	(114 430 612)	(114 430 612)	(114 430 612)
Balance at end of the year	57 215 306	57 215 306	57 215 306	57 215 306
	(114 430 612)	(108 709 130)	(114 430 612)	(108 709 130)

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	2025	2024	2025	2024
28. Basic and diluted earnings per linked unit				
Basic and diluted earnings per linked unit is calculated by dividing the earnings attributable to the Linked unit holders by the weighted average number of Linked unit holders in issue during the year. Basic and diluted earnings attributable to linked unit holders				
- from continued operations	135 462 041	147 228 116	84 344 246	101 287 284
Basic earnings per linked unit (in Pula)	0,24	0,26	0,15	0,18
Diluted earnings per linked unit (in Pula)	0,24	0,26	0,15	0,18
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
29. Directors linked unit holdings				
G. H Abdoola- Beneficial	75 369 240	80 148 355	75 369 240	80 148 355
S N Puvimanasinghe	10 000	10 000	10 000	10 000
	75 379 240	80 158 355	75 379 240	80 158 355
The Directors had the beneficial interest in Turnstar Holdings Limited as at year end.				
30. Linked unitholders information				
G H Group (Proprietary) Limited	75 369 240	80 148 355	75 369 240	80 148 355
Associated Investment and Development Corporation (Proprietary) Limited	59 083 407	59 083 407	59 083 407	59 083 407
SCBN (pty) LTD RE BPOPF Local equity portfolio Alan Gray	112 720 935	112 720 935	112 720 935	112 720 935
FNBB NOMINEES VUNANI BPOPF	23 388 850	23 388 850	23 388 850	23 388 850
Alan Gray Re Debswana Pension Fund	34 501 175	34 501 175	34 501 175	34 501 175
FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	78 761 701	102 150 550	78 761 701	102 150 550
Motor Vehicle Accident Fund	31 021 292	31 021 292	31 021 292	31 021 292
STANBIC NOMINEES BOTSWANA RE BIFM PLEF	15 921 392	15 332 045	15 921 392	15 332 045
SCBN (PTY) LTD RE: AG 028922700004	11 298 847	9 589 630	11 298 847	9 589 630
BPOPF MORULA ACT MEM DEP EQ	23 388 849	-	23 388 849	-
	465 455 688	467 936 239	465 455 688	467 936 239
Public	72 %	72 %	72 %	72 %
Non-public	28 %	28 %	28 %	28 %
	100 %	100 %	100 %	100 %
31. Contingencies				
Litigation is in the process against the company by applicant relating to claims in respect in Mlimani City in Tanzania for P 5 164 324, with interest at prime lending rate plus 2% per annum calculated from the due date to the final repayment date. However the group has instituted counterclaim for P 3 818 750 with interest calculated at prime lending rate from date of service to final date of payment in respect of Mlimani City. The case is still ongoing.				
The Group issued a guarantee in favour of Botswana Power Corporation for P 584 000 (2023: P 584 000).				

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	2025	2024	2025	2024

31. Contingencies (continued)

Tax Authority Claims

The Company is currently involved in several tax disputes with the Tanzania Revenue Authority (TRA) relating to withholding tax assessments for the years 2013-2019, with a total potential liability of TZS 7,261,345,544.36 (USD 2,957,778.23). These disputes fall into two main categories: withholding tax on services by non-residents and withholding tax on interest from foreign loans.

1. Withholding Tax on Interest from Foreign Loans (2013-2016)

On April 10, 2025, the Tanzania Revenue Authority issued a demand notice (Ref: TRA/LTD/102-953-738/MLTCE/04/042) requiring payment of TZS 3,814,414,026.02 (USD 1,553,732.80), comprising principal withholding tax of TZS 2,360,462,589.00 (USD 961,491.89) and interest charges of TZS 1,453,951,437.02 (USD 592,240.91). This assessment relates to withholding tax on interest paid to a foreign lender (Turnstar Holdings Limited, a related company) for the income years 2013 to 2016..

The Company disputes this claim based on provisions in its Performance Contract with the Government of Tanzania, which explicitly states in Clause 1.1(i) that the Company is exempt from withholding tax on foreign loan interest. The Performance Contract further stipulates in Clause 1.2 that the Government would provide Government Notices (GNs) to formalize this exemption. As of the reporting date, the Government has not issued the necessary GNs, which has precipitated TRA's demand.

The Company filed an objection and paid a deposit of TZS 118,023,129.00 (USD 48,074.59) to validate the objection. With respect to this specific dispute only, the Court of Appeal ruled in favor of TRA on April 9, 2025 (Civil Appeal No. 505 of 2022). However, it is important to note that the appeal process has not been fully exhausted as the Company has filed an application for review of this judgment on April 23, 2025.

While the Company maintains that the claim is without merit based on the Performance Contract, TRA possesses statutory enforcement powers that could potentially lead to collection actions. Management has assessed that an outflow of resources is possible but not probable, given the ongoing remedies being pursued.

2. Withholding Tax on Interest from Foreign Loans (2017-2019)

The Company was issued with an additional assessment (IDN: 558572037) of TZS 3,082,513,782.34 (USD 1,255,606.43) for withholding tax on interest from foreign loans for the years 2017-2019. The Company has filed an objection and subsequent appeal against this assessment. An appeal hearing is scheduled for May 2, 2025 (Tax Appeal No. 309 of 2024). No demand notice has been issued by TRA for this assessment as Tanzanian tax laws prohibits TRA from enforcing collection until all appeal processes have been exhausted up to the Court of Appeal. This provides the Company with additional time to resolve the dispute through administrative and/or legal channels.

3. Withholding Tax on Services by Non-Residents (2013-2016)

The Company was assessed TZS 346,462,916.00 (USD 141,125.42) (DN438077905) for withholding tax on services provided by non-residents for the years 2013-2016. The Company appealed this assessment but lost in the Court of Appeal of Tanzania (Civil Appeal No. 265 of 2021). The Company deposited TZS 57,743,819.00 (USD 23,520.90) with the TRA as a prerequisite for the admission of its objection.

University of Dar es Salaam (UDSM) Rent Demand

The Company was issued with a demand notice dated January 4, 2016, from the University of Dar es Salaam (UDSM) for payment of rent amounting to USD 309,458, representing the difference between the amount actually paid to UDSM versus the amount claimed by UDSM for the period May 1, 2006 - June 30, 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 Company has since made a robust defence and provided all evidence in support of its position. UDSM has not responded further to the Company's defence. The matter remains technically under negotiation, and the directors believe that the amount will either be significantly reduced or completely waived.

Actions Taken and Ongoing Remedies

The Company has taken the following steps to address these matters:

1. On April 15, 2025, the Board of Directors convened an emergency meeting to deliberate on these matters and resolved to pursue inter-ministerial meetings with the Government of the United Republic of Tanzania in accordance with the Performance Contract dated July 13, 2007. The Board of Directors resolved further that should these administrative efforts fail, arbitration proceedings will be initiated against the Government of Tanzania in accordance with Section 23 of the Tanzania Investment Act and Clause 6 of the Performance Contract to address the Government's non-performance of its obligations under the Performance Contract giving rise to the tax liability.

2. On April 16, 2025, filed a formal application for extension of time for payment with the Commissioner for Large Taxpayers, pursuant to Section 55(1) of the Tax Administration Act (Cap.438 Revised Edition 2019), requesting a ninety (90) day extension to allow for the arrangement and conduct of the inter-ministerial meetings to resolve this matter amicably.

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	2025	2024	2025	2024

31. Contingencies (continued)

3. On April 16, 2025, filed a separate application for waiver of the interest component (TZS 1,453,951,437.02 (USD 592,240.91)) with TRA under Section 70(1) of the Tax Administration Act, 2015. Management believes there exists good reasons for the Commissioner to waive the interest.

4. On April 23, 2025, filed an application for review of the Court of Appeal judgment in Civil Appeal No. 505 of 2022, which specifically relates to the Withholding Tax on Interest from Foreign Loans (2013-2016).

5. The Company has notified key stakeholders, including the Minister of Finance and the Executive Director of the Tanzania Investment Centre, of these actions as part of a coordinated approach to resolve the dispute.

The timing of potential resolution remains uncertain and depends on the outcome of the ongoing legal proceedings, waiver applications, inter-ministerial interventions, and potential arbitration proceedings.

In total, the Company has deposited TZS 175,766,948.00 (USD 71,595.50) with the TRA relating to these disputed assessments. All these deposits were made as a prerequisite for the admission of objections to the respective tax assessments, as required by Tanzanian tax laws.

Management continues to monitor the situation closely and will take all necessary administrative and/or legal actions to protect the Company's interests in accordance with the terms of its Performance Contract.

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

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32. Related parties				
Relationships				
Subsidiaries				
Related party (directors who have significant influence or shareholding)				
				Refer to note 5
				A1 Filling Station (Proprietary) Limited
				Okavango Tobacco Company (Proprietary) Limited
				Sterling Management Services (Proprietary) Limited
				Seeds of Success (Proprietary) Limited
				AC Smart (Proprietary) Limited
				Azzurro (Proprietary) Limited
				Diamond Bource Botswana (Proprietary) Limited
				CBD Filling Station (Proprietary) Limited
				Collectus (Proprietary) Limited
				Collectus South Africa (Proprietary) Limited
				Damstock (Proprietary) Limited
				Exponential Investments Limited
				FFND People Solutions (Proprietary) Limited
				G H Investments (Proprietary) Limited
				GH Group (Proprietary) Limited
				House of Giam (Proprietary) Limited
				Parano (Proprietary) Limited
				The Square Mart (Proprietary) Limited
				Zebuidenthout (Proprietary) Limited
				Mirrorlix (PTY) Limited
Related party balances				
Loan accounts - Owing (to) by related parties				
Mlimani Holdings Limited	-	-	123 970 517	173 439 532
Investment in Subsidiaries				
Mlimani Holdings Limited	-	-	5	5
Island View (Proprietary) Limited	-	-	521 713 939	521 713 939
Turnstar Investment Limited	-	-	19 815 285	19 815 285
	-	-	541 529 229	541 529 229
Amounts included in Trade receivableregarding related parties				
Mlimani Holdings Limited	-	-	3 928 190	3 295 907
Related party transactions				
Directors fees				
S Manake	207 155	186 950	207 155	186 950
S S Mantswe	244 575	198 934	244 575	198 934
B D Phirie	190 783	179 760	190 783	179 760
V T Tebele	288 158	233 049	219 769	174 966
A Chetty	241 765	249 205	158 171	174 966
	1 172 436	1 047 898	1 020 453	915 576
Amounts in other operating income relating to related parties				
Mlimani Holdings Limited (management fees received)	-	-	3 571 873	3 265 873
Island View (Proprietary) Limited (management fees received)	-	-	104 507	187 908
	-	-	3 676 380	3 453 781

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32. Related parties (continued)				
Dividend & interest received				
Mlimani Holdings Limited (dividend received)	-	-	(23 794 902)	(27 886 404)
Mlimani Holdings Limited (interest received)	-	-	(16 786 650)	(19 920 391)
	-	-	(40 581 552)	(47 806 795)
Compensation to directors and other key management				
G H Abdoola	4 956 750	4 626 300	4 956 750	4 626 300
S Puvimanasinghe	2 355 140	2 036 800	2 355 140	2 036 800
C Rankgomo	1 517 991	1 375 608	1 517 991	1 375 608
	-	-	-	-
	8 829 881	8 038 708	8 829 881	8 038 708

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

33. Directors' emoluments

Executive		
2025		
	Emoluments	Total
G H Abdoola (Managing Director)	4 956 750	4 956 750
S Puvimanasinghe (Finance Director)	2 355 140	2 355 140
	7 311 890	7 311 890
2024		
	Emoluments	Total
G H Abdoola (Managing Director)	4 626 300	4 626 300
S Puvimanasinghe (Finance Director)	2 036 800	2 036 800
	6 663 100	6 663 100

* Directors emoluments is salaries paid to the executives.

Non-executive					
2025					
	Directors' fees	Committees fees	Directors' fees for services as directors' of subsidiaries	Retainers	Total
V Tebele	74 924	74 211	68 390	70 634	288 159
B D Phirie	78 262	24 807	-	87 714	190 783
A Chetty	74 924	12 613	83 594	70 634	241 765
S S Mantwe	74 924	99 018	-	70 634	244 576
S Manake	74 924	61 598	-	70 634	207 156
	377 958	272 247	151 984	370 250	1 172 439

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Figures in Pula	Group		Company	
	2025	2024	2025	2024

33. Directors' emoluments (continued)

2024

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

34. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2025

	Note(s)	Amortised cost	Total	Fair value
Lease asset	8	25 507 307	25 507 307	-
Trade and other receivables	9	37 468 726	37 468 726	37 420 912
Cash and cash equivalents	10	45 484 487	45 484 487	45 484 487
		108 460 520	108 460 520	82 905 399

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Lease asset	8	21 309 510	21 309 510	-
Trade and other receivables	9	29 750 864	29 750 864	29 750 864
Cash and cash equivalents	10	27 098 773	27 098 773	27 098 773
		78 159 147	78 159 147	56 849 637

Company - 2025

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	6	123 970 517	123 970 517	-
Lease asset	8	14 904 993	14 904 993	-
Trade and other receivables	9	16 046 431	16 046 431	16 046 487
Cash and cash equivalents	10	36 654 073	36 654 073	36 654 073
		191 576 014	191 576 014	52 700 560

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	6	173 439 532	173 439 532	-
Lease asset	8	13 829 715	13 829 715	-
Trade and other receivables	9	9 727 939	9 727 939	9 727 939
Cash and cash equivalents	10	17 344 362	17 344 362	17 344 362
		214 341 548	214 341 548	27 072 301

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34. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	39 842 750	39 842 750	-
Borrowings	12	596 014 412	596 014 412	-
		635 857 162	635 857 162	-

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	42 209 937	42 209 937	-
Borrowings	12	594 656 118	594 656 118	-
		636 866 055	636 866 055	-

Company - 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	16 155 524	16 155 524	-
Borrowings	12	596 014 412	596 014 412	-
		612 169 936	612 169 936	-

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	13	15 604 664	15 604 664	-
Borrowings	12	594 656 118	594 656 118	-
		610 260 782	610 260 782	-

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 12, cash and cash equivalents disclosed in note 10, 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%, subject to bank covenants.

The group has availed credit facilities from ABSA Bank Botswana Limited (now transferred to FNBB at the time of reporting), these credit facilities are attached with financial covenants as referred in note 12. The Group during the year has not breached any of the covenants referred to in that note.

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34. Financial instruments and risk management (continued)

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

The gearing ratio at 2025 and 2024 respectively were as follows:

Borrowings	12	596 014 412	594 656 118	596 014 412	594 656 118
Cash and cash equivalents	10	(43 565 594)	(26 139 981)	(34 735 180)	(16 385 570)
Net borrowings		552 448 818	568 516 137	561 279 232	578 270 548
Equity		1 961 772 144	1 922 672 953	1 514 139 252	1 544 225 617
Gearing ratio		28 %	30 %	37 %	37 %

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 the 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.

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34. Financial instruments and risk management (continued)

Credit risk

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

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

Trade debtors

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

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the property sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

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

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34. Financial instruments and risk management (continued)

Group		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables	9	36 996 004	(9 925 201)	27 070 803	38 543 017	(8 792 153)	29 750 864
Cash and cash equivalents	10	45 484 487	-	45 484 487	27 098 773	-	27 098 773
		82 480 491	(9 925 201)	72 555 290	65 641 790	(8 792 153)	56 849 637

Company		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to group companies	6	123 970 517	-	123 970 517	173 439 532	-	173 439 532
Trade and other receivables	9	19 540 087	(3 493 600)	16 046 487	13 542 980	(3 815 041)	9 727 939
Cash and cash equivalents	10	36 654 073	-	36 654 073	17 344 362	-	17 344 362
		180 164 677	(3 493 600)	176 671 077	204 326 874	(3 815 041)	200 511 833

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 Executive Management and submitted to the Group's Board of Directors for approval. 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 - 2025		Less than 1 year	Due after one year	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	12	-	40 276 394	617 068 367	657 344 761	596 014 412
Current liabilities						
Trade and other payables	13	39 842 750	-	-	39 842 750	40 011 036
Borrowings	12	40 161 869	-	-	40 161 869	-
Bank overdraft	10	1 918 893	-	-	1 918 893	1 918 893
		81 923 512	40 276 394	617 068 367	739 268 273	637 944 341

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34. Financial instruments and risk management (continued)

Group - 2024

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	12	-	339 150 948	339 150 948	290 000 000
Current liabilities					
Trade and other payables		42 634 642	-	42 634 642	42 209 937
Borrowings	12	338 590 485	-	338 590 485	304 656 118
Bank overdraft	10	958 792	-	958 792	958 792
		382 183 919	339 150 948	721 334 867	637 824 847

Company - 2025

		Less than 1 year	Due after one year	2 to 5 years	Total	Carrying amount
Non-current liabilities						
Borrowings	12	-	40 276 394	617 068 367	657 344 761	596 014 412
Current liabilities						
Trade and other payables			16 155 524	-	16 155 524	16 600 928
Borrowings	12		40 161 869	-	40 161 869	-
Bank overdraft	10		1 918 893	-	1 918 893	1 918 893
			58 236 286	40 276 394	715 581 047	614 534 233
Non-current assets						
Loans to group companies			-	123 970 517	123 970 517	123 970 517
			58 236 286	164 246 911	839 551 564	738 504 750

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34. Financial instruments and risk management (continued)

Company - 2024

		Less than 1 year	Due after one year	Total	Carrying amount
Non-current liabilities					
Borrowings	12	-	339 150 948	339 150 948	290 000 000
Current liabilities					
Trade and other payables	13	15 604 664	-	15 604 664	15 604 664
Borrowings	12	338 590 485	-	338 590 485	304 656 118
Bank overdraft	10	958 792	-	958 792	958 792
		355 153 941	339 150 948	694 304 889	611 219 574
Non-current assets					
Loans to group companies		-	190 871 112	190 871 112	173 439 532
Current assets					
Loans to group companies		16 576 854	-	16 576 854	16 576 854
		16 576 854	190 871 112	207 447 966	190 016 386
		371 730 795	530 022 060	901 752 855	801 235 960

Foreign currency risk

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

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

Group

At 31 January 2025, if the currency had strengthened/weakened by 10% against the US dollar with all other variables held constant, pre-tax profit/impact on equity for the year would have been P 7 093 833 (2024: P 14 349 926) higher/lower, mainly as a result of foreign exchange gains on translation of US dollar denominated financial assets and borrowings.

Company

At 31 January 2025, if the currency had strengthened/weakened by 10% against the US dollar with all other variables held constant, pre-tax profit/impact on equity for the year would have been P 1 370 557 (2024: P 2 141 691) higher/lower, mainly as a result of foreign exchange gains on translation of US dollar denominated financial assets and borrowings.

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34. Financial instruments and risk management (continued)					
Exposure in foreign currency amounts					
The net carrying amounts, in foreign currency of the above exposure was as follows:					
US Dollar exposure:					
Non-current assets:					
Loans receivable USD 8 950 671 (2024 USD 12 713 118)		-	-	123 970 517	173 439 532
Trade and other receivables	9	24 402 848	21 060 468	-	-
Current assets:					
Cash and cash equivalents	10	13 173 102	24 576 985	4 342 688	14 228 005
Non-current liabilities:					
Borrowings	12	-	(306 616 644)	-	(306 616 644)
Trade and other payables	13	37 123 841	(38 098 889)	-	-
Net US Dollar exposure		74 699 791	(299 078 080)	128 313 205	(118 949 107)

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 2025 and 2024, the group's borrowings at variable rate were denominated in Pula and US Dollar.

At 31 January 2025, 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 P3 838 710 (2024: P 3 878 529) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

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	2025	2024	2025	2024

34. Financial instruments and risk management (continued)

Interest rate profile

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

Group	Note	Average effective interest rate		Carrying amount	
		2025	2024	2025	2024
Assets					
Cash and cash equivalents	10	- %	5,20 %	15 484 487	27 098 773
Short term deposits	10	7,50 %	- %	30 000 000	-
				45 484 487	27 098 773
Liabilities					
Bank overdraft	10	6,01 %	6,51 %	1 918 893	958 792
Borrowings in Botswana Pula at local rate	12	4,21 %	7,40 %	596 014 412	290 000 000
				597 933 305	290 958 792

Company	Note	Average effective interest rate		Carrying amount	
		2025	2024	2025	2024
Assets					
Loans to group companies	6	11,80 %	11,07 %	123 970 517	173 439 532
Cash and cash equivalents	10	- %	5,20 %	6 654 073	17 344 362
Short term deposits		7,50 %	- %	30 000 000	-
				160 624 590	190 783 894
Liabilities					
Bank overdraft	10	6,01 %	6,51 %	1 918 893	958 792
Borrowings in Botswana Pula at local rate	12	4,21 %	7,40 %	596 014 412	290 000 000
				597 933 305	290 958 792

35. 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.

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35. Fair value information (continued)

Levels of fair value measurements

Level 3

Recurring fair value measurements

	Note(s)				
Assets					
Investment property	3				
Investment property		2 792 036 806	2 726 602 519	1 456 795 008	1 439 670 285
Total		2 792 036 806	2 726 602 519	1 456 795 008	1 439 670 285

Reconciliation of assets and liabilities measured at level 3

	Note(s)	Opening balance	Gains/losses recognised in profit or loss	Additions	Foreign exchange movement	Other changes, movements	Closing balance
Group - 2025							
Assets							
Investment property	3						
Investment property		2 726 602 519	41 080 006	3 944 977	20 409 304	-	2 792 036 806
Total		2 726 602 519	41 080 006	3 944 977	20 409 304	-	2 792 036 806
Group - 2024							
Assets							
Investment property	3						
Investment property		2 599 722 059	49 781 650	5 912 461	66 640 651	4 545 698	2 726 602 519
Total		2 599 722 059	49 781 650	5 912 461	66 640 651	4 545 698	2 726 602 519
Company - 2025							
Assets							
Investment property	3						
Investment property		1 439 670 285	13 179 746	3 944 977	-	-	1 456 795 008
Total		1 439 670 285	13 179 746	3 944 977	-	-	1 456 795 008
Company - 2024							
Assets							
Investment property	3						
Investment property		1 427 539 285	6 218 539	5 912 461	-	-	1 439 670 285
Total		1 427 539 285	6 218 539	5 912 461	-	-	1 439 670 285

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Notes to the Consolidated And Separate Annual Financial Statements

35. 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 P1 357 350 000 (2024: P 1 345 770 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the Company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants.

Investment property - Commercial segment Botswana

Commercial segment comprises of the following properties; Turnstar House and Plot 63 in Commerce Park. The fair values of these properties determined by independent valuers is P64 970 000 (2024: P 60 450 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants.

Investment property - Residential segment Botswana

Residential segment comprises of the following properties Mogoditshane Flats and Tapologo Apartments. The fair values of these properties are determined by independent valuers is P 49 380 0000 (2024: P 47 280 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants. For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

The most significant inputs, all of which are unobservable, are the discount rate, long term revenue growth rate, long term expenditure growth rate, estimated rental value, reversionary capitalisation rate and assumptions about vacancy levels. The estimated fair value increases if the estimated rental increases, long term revenue growth rate increases, long term expenditure rate reduces, rental escalation increases, discount rate and reversionary discount rate declines. The overall valuations are sensitive to all these assumptions. The valuation was done on 31 January 2025 and the inputs used in the valuations for the year ended 31 January 2025 were as follows:

Assumptions used for valuation of properties in Botswana - 2025	Retail	Commercial	Residential
Average discount rate	7.5-8.25%	8.75- 9.5%	6.0-6.5%
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 accounting system	5-8%	5-10%	5-6%

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

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Notes to the Consolidated And Separate Annual Financial Statements

35. Fair value information (continued)

Palazzo Venezia Dubai property

Turnstar Investments Limited, a subsidiary company owns, Palazzo Venezia Holding property a commercial property valued at P33 428 132, USD2 477 024, (2024: P 27 479 995, USD2 051 771) The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the Director in the projected cash flows are within the range of future contractual rent agreed by the company with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants. For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

Assumptions	2025	2024
	Commercial	Commercial
Income capitalisation rate	8,00%	8,00 %
Discount rate	9,00%	9,00 %
Long-term revenue Growth Rate - As per valuation	5,00%	5,00 %
Discounted cash flow period	5	5
Average lease period	1	1
Average Escalation/ Rental- From MDA	5,00%	5,00 %
Average Occupancy rate	90 - 100%	90,00 %

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

Mlimani Holdings Limited properties comprises of the following properties Retail, Office Park, Conference centre, Housing units and unutilised bulk land with their fair values determined by independent valuers at P872 469 636 (USD 64 650 000), P221 322 537 (USD 16 400 000), P97 165 992 (USD 7 200 000), P68 825 911 (USD 5 100 000) and P52 631 579 (USD 3 900 000) respectively, (2024: P 840 840 000 (USD63 700 000), P212 520 000 (USD16 100 000), P91 080 000 (USD6 900 000), P63 360 000 (USD4 800 000) and P51 480 000 (USD3 900 000). The fair values of these properties are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. The estimated market rental per square meter used by the valuer in the projected cash flows are within the range of future contractual rent agreed by the subsidiary with its tenants. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, rental escalation as per lease agreements signed by the tenants. However for property where there is no income earned during the year, a comparable market approach was considered taking into account the location of the property. For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

Assumptions for the properties located in Tanzania and Dubai	2025		2024	
	Retail	Office Park	Retail	Office Park
Income capitalisation rate	8.25%	8.75%	8.25%	8.75%
Discount rate	12.25%	12.75%	12.5%	12.75%
Average occupancy rate	90-100%	90-100%	90-100%	90-100%
Long-term revenue Growth Rate - As per valuation	3.25%	3.25%	3%	3%
Long-term expenditure Growth Rate - As per Valuation	4.00%	4.00%	4.00%	4.00%
Discounted cash flow period	5 years	5 years	5 years	5 years
Average lease period	3 -5 years	3 - 5 years	3 - 5 years	3 - 5 years
Average Escalation/ Rental- From MDA	2 - 4%	2 - 4%	2 - 4%	2 - 4%

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 valued. The valuation company provides the fair value of the Group's investment portfolio basis.

Sensitivity analysis for investment property carried at fair value

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

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

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Notes to the Consolidated And Separate Annual Financial Statements

35. Fair value information (continued)

Capitalisation rate sensitivity

	Group		Company	
	2025	2024	2025	2024
Weighted average capitalisation rate	7.91%	8.62%	7.66%	8.62%
1% upward shift	353M	237M	190M	140M
1% downward shift	353M	290M	190M	174M

Fair value of financial instruments measured at amortised cost

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

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

36. Events after the reporting period

The Group has evaluated events occurring after the reporting date of 31 January 2025 through to the date of approval of the the consolidated statement.

No events have occurred that would require adjustment to or disclosure in these financial statements.

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Consolidated And Separate Annual Financial Statements for the year ended 31 January 2025

Notes to the Consolidated And Separate Annual Financial Statements

37. Segment report

Primary segment - Geographical segment

	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Botswana	Botswana	Tanzania	Tanzania	Dubai	Dubai	Dubai	Dubai	Consolidated	Consolidated
	173 613 374	166 225 198	168 087 528	160 219 104	2 413 412	2 058 373	344 114 314	328 502 675	-	-
Total segment revenues	173 613 374	166 225 198	168 087 528	160 219 104	2 413 412	2 058 373	344 114 314	328 502 675	-	-
Revenues from external customers	60 790 457	66 475 322	51 974 342	57 551 410	2 109 236	1 891 685	114 874 035	125 918 417	-	-
Inter segment revenues	112 822 917	99 749 876	116 113 186	102 667 694	304 176	166 688	229 240 279	202 584 258	-	-
Segment Assets										
Segment assets include the following:	1 456 795 008	1 439 670 285	1 301 813 666	1 259 452 239	33 428 132	27 479 995	2 792 036 806	2 726 602 519	-	-
- Investment property	486 808	265 357	2 441 097	1 596 243	-	-	2 927 905	1 861 600	-	-
- Property plant and equipment	14 904 993	13 829 715	7 222 826	7 479 795	-	-	22 127 819	21 309 510	-	-
- Operating lease asset	18 760 243	10 771 648	22 272 233	21 886 483	324 667	125 782	41 357 143	32 783 913	-	-
- Trade and other receivables	36 654 073	17 344 362	8 830 414	9 754 411	-	-	45 484 487	27 098 773	-	-
- Cash and cash equivalents										
Total segment assets	1 527 601 125	1 481 881 367	1 342 580 236	1 300 169 171	33 752 799	27 605 777	2 903 934 160	2 809 656 315		
Segment Liabilities										
Segment liabilities include the following:	596 014 412	594 656 118	-	-	-	-	596 014 412	594 656 118	-	-
- Borrowings	56 013 524	34 974 943	229 733 160	196 259 961	-	-	285 746 684	231 234 904	-	-
- Deferred tax	21 645 317	19 483 630	36 731 590	38 090 526	115 133	8 365	58 492 040	57 582 521	-	-
- Trade and other payables	3 486 736	2 551 028	-	-	-	-	3 486 736	2 551 028	-	-
- Unclaimed debenture interest and dividend payable	1 918 893	958 792	-	-	-	-	1 918 893	958 792	-	-
- Bank overdraft										
Total segment liabilities	679 078 882	652 624 511	266 464 750	234 350 487	115 133	8 365	945 658 765	886 983 363		

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Consolidated And Separate Annual Financial Statements for the year ended 31 January 2025

Notes to the Consolidated And Separate Annual Financial Statements**37. Segment report (continued)**

	2025		2024		2025		2024		2025		2024	
	Botswana	Tanzania	Botswana	Tanzania	Botswana	Tanzania	Botswana	Tanzania	Dubai	Dubai	Consolidated	Consolidated
Reental income from external customers	161 831 973	118 163 083	155 163 505	115 537 478	11 781 401	11 061 693	11 061 693	44 681 626	2 413 412	2 058 373	344 114 314	328 502 675
Inter segment revenues	-	-	-	-	-	-	-	-	-	-	-	-
Total segment revenues	161 831 973	118 163 083	155 163 505	115 537 478	11 781 401	11 061 693	44 681 626	2 413 412	2 058 373	344 114 314	328 502 675	
Utilities	23 453 568	18 630 673	23 581 751	21 685 030	593 843	465 355	107 335	321 768	306 910	42 999 852	46 146 381	
Cleaning and Hygiene	3 991 462	3 244 324	3 754 060	3 378 431	228 816	320 846	-	13 059	33 395	8 482 914	8 474 646	
Rates	58 463	1 261 371	58 463	1 189 967	105 791	104 085	1 005 253	26 132	103 222	1 480 025	1 517 076	
Rent Paid	19 884 669	9 570 024	18 981 133	9 091 660	-	924	3 700 115	3 254 314	-	33 154 808	31 328 031	
Repairs and maintenance	7 012 368	5 416 352	12 080 461	5 386 035	1 422 285	3 683 449	4 547 464	8 065 200	425 942	18 852 720	29 641 087	
Security	3 153 554	2 736 455	2 762 198	2 794 915	506 032	406 100	828 638	802 529	-	7 224 679	6 765 742	
Facility Management	151 962	-	118 340	-	227 644	158 157	129 708	210 527	1 243 020	957 037	1 444 061	
General Expenses	-	-	-	-	-	-	875 697	536 243	51 006	65 179	926 703	601 422
Total segment expenses	57 706 046	40 859 199	61 336 406	43 526 038	3 084 411	5 138 916	11 115 143	14 025 401	2 109 236	1 891 685	114 874 035	125 918 446
Segment operating profit	104 125 927	77 303 884	93 827 099	72 011 440	8 696 990	5 922 777	38 809 302	30 656 225	304 176	166 688	229 240 279	202 584 229

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Notes to the Consolidated And Separate Annual Financial Statements

37. Segment report (continued)

Reconciliation of group net profit before tax

	Figures in Pula 2025	Figures in Pula 2024
Total reporting segment operating profit	229 240 279	202 584 258
Salaries and wages	(21 703 828)	(19 216 122)
Loss on exchange difference	1 896 753	11 699 909
Profit on exchange difference	(5 968 468)	(22 021 526)
Sundry income	3 232 313	3 228 233
Corporate expenses	(20 830 155)	(10 424 612)
Finance income	501 406	662 286
Finance costs	(38 888 505)	(38 785 285)
Fair value adjustments	41 080 006	49 781 650
Group profit before tax	188 559 801	177 508 791

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

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NOTICE OF THE 2025 ANNUAL GENERAL MEETING

Notice is hereby given that the 2025 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 Monday, 28th July 2025 for transacting the following agenda:

AGENDA:

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

ORDINARY RESOLUTIONS

3. To receive, consider and adopt the Audited Financial Statements for the year ended 31 January 2025 together with the Auditors report to the Board
4. To approve the gross distribution of 20 thebe per linked unit (P114,430,720) as recommended by the Board of Directors for the year ended 31 January 2025.
5. To re-elect the following Directors who retire by rotation in terms of Article 63 of the Articles of Association of the company and being eligible, offer themselves for re-election:

a. To re-elect Ms. Victoria Tebele, who is eligible and has offered herself for re-election as a Director

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, logistics, chemicals processing, beef production and general maintenance in both the private sector and parastatals.

She has served as a Director and Board member under Bank of Botswana, Botswana National Productivity Centre, Sesiro Insurance Company, Mainline Carriers, Botswana Road Services, Public Enterprise Evaluation and Privatisation Agency and Botswana Agricultural Marketing Board

b. To re-elect Ms. Sethebe Manake, who is eligible and had offered herself for re-election as a Director

Mrs Sethebe Manake is a seasoned real estate executive with over 19 years of experience spanning valuation, property investment, and real estate technology. She is the Founder and Chief Executive Officer of GoSmartValue, a proptech platform that has transformed property valuation through the deployment of automated, data-driven solutions that promote transparency and market efficiency.

Sethebe also serves as Chief Executive Officer of Fracfin, a subsidiary of the Anaara Chartwell Group, focused on non-performing loan acquisitions, asset recovery, and inclusive real estate financing. Under her leadership, Fracfin operates across Botswana and South Africa, providing structured solutions for distressed assets and underserved markets.

A Chartered Surveyor with a specialisation in Real Estate Investment and Finance, Sethebe is widely regarded for her strategic insight and operational execution. Her career is distinguished by a consistent focus on innovation, financial inclusion, and building resilient real estate ecosystems across Southern Africa.

6. To ratify the remuneration of P1,172,436 paid to the Non-Executive Directors for the year ended 31 January 2025.
7. To confirm the appointment of Ms Gaone Macholo as a Director of the Company.

Ms Macholo is currently the Director of Public Services Management for the Government of Botswana. She has over 34 experience in Human Resources both in private and government. She holds Master's Degree in Public Health and Bachelors of Arts. Her professional journey includes senior leadership roles at Jwaneng Mine (Debswana), BCL Limited, First National Bank of Botswana, and Botswana Meat Commission (BMC), where she led various strategic HR and organizational transformation initiatives. From 2020 to 2022, she founded and led GM Human Capital Consultancy, advising organizations on people strategy, organizational development, and governance.

She has served as a director of several entities which include:

- Botswana Telecommunication Corporation Limited (BTCL)
 - Botswana Institute for Technology Research and Innovation (BITRI)
 - G4S Botswana Limited, where she also served as board Chairperson.
8. To note the retirement of Mr Solomon Mantswe as a director of the company.
 9. To ratify the remuneration paid to the auditors, Ernst & Young, for the year ended 31 January 2025.
 10. To appoint Ernst & Young as Auditors for the year ending 31 January 2026 and authorise the Directors to fix their remuneration.
 11. Answering of questions raised by linked unit holders in relation to the affairs and the business of the Company by Directors and Management.
 12. 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: 3rd July 2025

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

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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 shareholders of the company to be held at the Centre Management Offices, 1st Floor, Game City Mall, Gaborone, Botswana at 12:00 hours on Monday, 28th July 2025.

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 2025 Annual General Meeting, to vote for or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name in accordance with the following instruction.

NUMBER OF SHARES				
		For	Against	Abstain
Ordinary resolution 1	Agenda No 3			
Ordinary resolution 2	Agenda No 4			
Ordinary resolution 3 Ms. Victoria Tebele	Agenda No 5 a.			
Ordinary resolution 4 Ms. Sethebe Manake	Agenda No 5 b.			
Ordinary resolution 5	Agenda No. 6			
Ordinary resolution 6 Ms. Gaone Macholo	Agenda No. 7			
Ordinary resolution 7	Agenda No 9			
Ordinary resolution 8	Agenda No 10			

Signed at: _____

Date: _____

Signature: _____

Assisted by (where applicable) _____

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NOTES TO THE PROXY FORM

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

Unitholder Analysis

Unitholders by size of holdings:		Number of unitholders	Number of units held	% of units held
1	1-500	476	110,381	0.02
2	500-1000	194	147,576	0.03
3	1 001-5 000	301	718,847	0.13
4	5 001-10 000	79	578,463	0.10
5	10 001-100 000	268	9,165,766	1.60
6	Over 100 000	103	561,432,570	98.13
TOTAL		1421	572,153,603	100.00
Unitholders by classification:				
1	Insurance companies, pension/equity funds	77	422,432,136	73.83
2	Body corporates/trust	60	129,240,002	22.59
3	Individuals	1284	20,481,465	3.58
Total		1421	572,153,603	100.00
1	Public	1420	504,224,900	88.13
2	Non-public			
3	Directors interest(including associates)	1	67,928,703	11.87
Total		1421	572,153,603	100.00
Registered unitholders holding more than 5% at the respective year end:				
1	BOTSWANA PUBLIC OFFICERS PENSION FUND	1	112,720,935	19.70
2	FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	1	78,761,701	13.77
3	G. H. GROUP (PROPRIETARY) LTD	1	67,928,703	11.87
4	ASSOCIATED INVESTMENT AND DEVELOPMENT CORPORATION	1	59,083,407	10.33
5	DEBSWANA PENSION FUND	1	34,501,175	6.03
6	MOTOR VEHICLE FUND	1	31,021,292	5.42
Total			384,017,213	67.12
Top 10 Unitholders				
1	BOTSWANA PUBLIC OFFICERS PENSION FUND	1	112,720,935	19.70
2	FNB BOTSWANA NOMINEES RE: BIFM - ACT MEM & DP EQ	1	78,761,701	13.77
3	G. H. GROUP (PROPRIETARY) LTD	1	67,928,703	11.87
4	ASSOCIATED INVESTMENT AND DEVELOPMENT CORPORATION	1	59,083,407	10.33
5	DEBSWANA PENSION FUND	1	34,501,175	6.03
6	MOTOR VEHICLE FUND	1	31,021,292	5.42
7	BOTSWANA PUBLIC PENSION FUND VUNANI	1	23,388,850	4.09
8	BPOPF MORULA ACT MEM DEP EQ	1	21,652,676	3.78
9	STANBIC NOMINEES BOTSWANA RE BIFM PLEF	1	16,076,705	2.81
10	SCBN (PTY) LTD RE: AG 028922700004	1	11,298,847	1.97
Total			456,434,291	79.77

