



## **TRADING STATEMENT FOR THE HALF YEAR PERIOD ENDED 31 JULY 2022**

### **TURNSTAR HOLDINGS LIMITED (TURNSTAR)**

**(Incorporated in Botswana on the 7<sup>th</sup> November 2000) (Registration Number BW 00000973397)**

**("TURNSTAR" or "the company" or "the Group")**

The listing requirements of the Botswana Stock Exchange ("BSE") require Turnstar to announce through the BSE, any circumstances or events that have or are likely to have, a material effect on the financial results of the Group for the period to be reported upon next.

The rental revenues of the Group for the half year period ended 31 July 2022 increased by approximately 11.3% compared to the corresponding half year period ended 31 July 2021 (P 128.2 million for the half year period ended 31 July 2021 compared to P 142.7 million for the half year period ended 31 July 2022). The increase in rental revenues resulted in a marginal increase in the Group's operational profit despite current inflationary cost increases, when compared to the corresponding half year period ended 31 July 2021.

Escalating borrowing rates resulted in an increase in the Group's finance costs compared to the comparative prior period. The US Dollar also appreciated substantially against the Botswana Pula, during the current half year period, resulting in foreign exchange losses recognised on the Group's borrowings denominated in US Dollar.

As a result of the inflationary cost pressures together with the increase in finance costs and foreign exchange losses referred to above, the Group's profit before taxation, for the half year period ended 31 July 2022, is expected to be 11.5% lower (or P7 million) from P 61 million for the half year period ended 31 July 2021 to approximately P 54 million for the half year period ended 31 July 2022.

After realisation of deferred tax and an exchange gain on translating of the Group's foreign operations, the Group's comprehensive income for the half year period ended 31 July 2022, is expected to increase by 117% (P69 million) from P59 million for the half year period ended 31 July 2021 to approximately P 128 million for the half year period ended 31 July 2022.

Stakeholders are reminded that foreign exchange translation gains are unrealized and are dependent on the US \$ /BWP exchange rate at the reporting date.

The results as at and for the half year period ended 31 July 2022 will be published before 31 October 2022.

Shareholders and Investors are advised to exercise caution when trading in the Company's securities until such time as a detailed announcement as to the results is made.

By order of the Board of Directors

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**Directors: B D Phirie (Chairman)\*, G H Abdoola (Managing Director)\*, V T Tebele\*, S S Mantswe\*, A Chetty \*\*,  
S. Puvimanasinghe\*\*\*, S H Manake\***

**\*Botswana \*\*South Africa \*\*\*Sri Lanka**

7 October 2022