



star**africa**corporation
limited

Abridged Audited Group Financial Results

For the year ended 31 March 2025



Salient Features For The Year

**INFLATION
ADJUSTED AUDITED**

**HISTORICAL
COST UNAUDITED**

Revenue

22%

Increase



686%

Increase



Operating (loss)/ Profit

84%

Decrease



445%

Increase



(Loss)/Profit For The Year

-257%

Increase



874%

Increase



Net Assets

2%

Increase



233%

Increase



Chairman's Statement

OVERVIEW

It is with pleasure that I present the consolidated financial results for Star Africa Corporation Limited ("Star Africa") for the financial year ended 31 March 2025.

The year under review was a tale of two distinct halves. The first half was marked by robust growth and strong volumes. However, the second half presented a more challenging environment, characterized by subdued consumer demand linked to tight liquidity and reduced disposable incomes.

Despite these headwinds, our strategic focus on productivity improvements, enhanced operational efficiencies and improved competitiveness against imports allowed us to navigate the difficult terrain and achieve growth in overall sales volumes.

Looking ahead, Star Africa is steadfast in its commitment to innovation and process optimization. Our goal is to expand our market reach, offer competitive pricing to our customers and increase the local consumption of our premium white sugar and specialty products.

GROUP FINANCIAL PERFORMANCE

Our financial performance reflects both the year's opportunities and its challenges. Group revenue increased by 22%, rising to ZWG 1,710.2 million from ZWG 1,405.8 million in the prior year. This growth was primarily driven by increased sales volumes at our Goldstar Sugars and Country Choice Foods divisions.

Gross profit at ZWG 339.7 million, was achieved even as we proactively lowered prices to stimulate demand, demonstrating the tangible benefits of our ongoing cost-optimisation initiatives and value chain collaboration. Consequently, the Group's operating loss saw a significant reduction, narrowing to ZWG 79.8 million from ZWG 501.5 million in the comparative period. We concluded the year with a loss after tax of ZWG 129.4 million.

OPERATIONAL REVIEW

Goldstar Sugars (GSS)

Our sugar refining operation recorded a 7% growth in sales volumes, with granulated white sugar sales increasing to 59,613 tonnes. This performance is particularly encouraging given the subdued trading environment in the latter half of the year.

While we reduced prices to be competitive against imports and anticipate realising the benefit in the upcoming year, demand for industrial sugar in general is weak as some of our key customers in the beverage sector suffered from the negative effects of the Added Sugar on Beverages Tax ("sugar tax"). Throughout the period, GSS enjoyed an ample supply of raw materials and strategically managed production in line with demand to optimise working capital. We are confident in our capacity to scale up production to meet anticipated future market demand.

The plant maintained its international quality certifications from The Coca-Cola Company and the FSSC 22 000 food safety standard.

Country Choice Foods (CCF)

Our specialty products division, achieved a 14% growth in sales volumes, which rose from 1,244 tonnes to 1,416 tonnes. This success was driven by strategic adjustments to our market approach and enhanced value offerings. We are actively implementing further process refinements to counter competition from imported products and continuously diversifying our product portfolio.

Properties and Investments

The Properties Business delivered steady returns, with rental income increasing to ZWG 9.5 million from ZWG 7.6 million in the comparative period, largely due to upward rent reviews. Our associate, Tongaat Hulett Botswana, also contributed positively, with our share of profit amounting to ZWG 9.0 million for the year.

DIVIDEND

In consideration of the need to reinvest in our operations and strengthen our working capital, the Board has resolved not to declare a dividend for the year ended 31 March 2025.

OUTLOOK

We are encouraged by the macroeconomic stability that emerged in the latter half of the year. This, combined with a favourable agricultural season, is expected to improve national food security and stimulate economic activity. A projected record tobacco harvest and rising gold prices should further enhance foreign exchange inflows and support currency stability.

While the "sugar tax" remains a headwind, we will continue to advocate, through the Zimbabwe Sugar Association, for policy refinements that support the local industry. We are also hopeful that the recent inclusion of white sugar on the list of products attracting a 30% surtax will provide necessary protection against the dumping of sugar by regional producers.

Star Africa remains resolutely focused on enhancing our value proposition to customers. Through continuous innovation and a commitment to operational excellence, we are confident in our ability to drive long-term sustainable growth.

R. J. Mbire (PhD)
Chairman
30 June 2025

Group Statement of Financial Position

as at 31 March 2025

Note	INFLATION ADJUSTED AUDITED		*HISTORICAL COST UNAUDITED	
	GROUP		GROUP	
	2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
ASSETS				
Non-current assets				
Property, plant and equipment	4	377 836 334	240 591 976	348 569 955
Investment property	5	208 075 000	122 369 597	208 075 000
Investment in an associate		50 973 929	26 792 888	50 973 929
		636 885 263	389 754 461	607 618 884
Current assets				
Inventories		121 330 634	218 730 798	68 461 914
Trade and other receivables		78 653 712	28 213 261	78 653 712
Prepayments and deposits		8 675 740	20 322 546	7 947 371
Cash and bank balances		3 506 768	2 389 721	3 506 768
		212 166 854	269 656 326	158 569 765
				39 932 882
		849 052 117	659 410 787	766 188 649
				237 603 856
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital		1 460 034	1 460 034	192
Share premium		175 378 851	175 378 851	23 116
Foreign currency translation reserve		102 474 336	72 394 368	43 624 390
Revaluation reserve		188 065 046	79 694 172	268 414 729
(Accumulated loss)/retained earnings		(69 791 619)	67 112 529	15 829 368
		397 586 648	396 039 954	327 891 795
		415 397 459	406 355 895	98 149 579
Non-controlling interest		17 810 811	10 315 941	17 590 118
				5 589 527
		415 397 459	406 355 895	103 739 106
Non-current liabilities				
Deferred tax liability		67 935 924	43 533 991	54 988 002
				20 303 522
Current liabilities				
Trade and other payables		289 546 151	173 840 792	289 546 151
Short-term borrowings		304	560	304
Bank overdraft		73 379 496	34 415 839	73 379 496
Income tax payable		2 792 783	1 263 710	2 792 783
		365 718 734	209 520 901	365 718 734
				113 561 228
		433 654 658	253 054 892	420 706 736
		849 052 117	659 410 787	133 864 750
				237 603 856

**Historical cost results are included as supplementary information.*

***The comparative Group statement of financial position as at 31 March 2024 which was previously presented in Zimbabwe Dollars (ZWL) was translated to Zimbabwe Gold (ZWG) with the rate of 2 498.72 as at 5 April 2024 when ZWG was introduced.*





star**africa**corporation
limited

Abridged Audited Group
Financial Results

For the year ended 31 March 2025



Group Statement of Profit or Loss and
Other Comprehensive Income

for the year ended 31 March 2025

Notes	INFLATION ADJUSTED AUDITED		*HISTORICAL COST UNAUDITED	
	GROUP		GROUP	
	2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
Revenue from contracts with customers	1 700 654 613	1 398 193 885	1 179 866 559	150 498 289
Rental income	9 536 863	7 622 759	7 345 675	632 896
Total revenue	1 710 191 476	1 405 816 644	1 187 212 234	151 131 185
Cost of sales	(1 370 490 519)	(1 148 094 611)	(951 703 457)	(127 727 106)
Gross profit	339 700 957	257 722 033	235 508 777	23 404 079
Other income	12 067 711	12 088 643	9 180 310	1 690 237
Fair value gain on investment property	84 468 807	3 851 749	140 635 512	64 061 491
Selling and distribution expenses	(30 348 693)	(105 910 477)	(23 043 688)	(5 208 853)
Administrative expenses	(252 156 251)	(292 451 287)	(184 036 573)	(26 930 911)
Allowance for expected credit loss	(8 592 846)	(526 340)	(10 615 756)	(2 325 431)
Exchange losses	(224 941 092)	(376 258 801)	(142 101 652)	(62 082 505)
Operating (loss)/ profit	(79 801 407)	(501 484 480)	25 526 930	(7 391 893)
Finance costs	(14 463 014)	(10 268 388)	(11 907 000)	(818 588)
Finance income	967	463	936	95
Monetary (loss)/gain	(37 829 891)	596 315 108	-	-
Share of profit of an associate	9 033 169	5 081 791	9 033 169	2 754 352
(Loss)/profit before income tax	(123 060 176)	89 644 494	22 654 035	(5 456 034)
Income tax (expense)/credit	(6 349 102)	(7 101 917)	13 717 776	758 727
(Loss)/profit for the year	(129 409 278)	82 542 577	36 371 811	(4 697 307)
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss:				
Exchange differences on translating foreign operations	30 079 968	23 957 938	30 079 968	12 985 305
Items that may not be subsequently reclassified to profit or loss:				
Revaluation surplus	133 099 441	151 563	229 962 638	112 816 798
Income tax relating to components of other comprehensive income	(24 728 567)	1 315 560	(54 671 610)	(22 073 007)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	108 370 874	1 467 123	175 291 028	90 743 791
Total other comprehensive income	138 450 842	25 425 061	205 370 996	103 729 096
Total comprehensive income for the year	9 041 564	107 967 638	241 742 807	99 031 789
Profit /(loss) attributable to:				
Non-controlling interests	7 494 870	(991 206)	12 000 591	5 390 344
Equity holders of the parent	(136 904 148)	83 533 783	24 371 220	(10 087 651)
	(129 409 278)	82 542 577	36 371 811	(4 697 307)
Total comprehensive income/(loss) attributable to:				
Non-controlling interests	7 494 870	(991 206)	12 000 591	5 390 344
Equity holders of the parent	1 546 694	108 958 844	229 742 216	93 641 445
	9 041 564	107 967 638	241 742 807	99 031 789
Earnings per share				
Basic (loss)/earnings per ordinary share (cents)	3.1 (2.85)	1.74	0.51	(0.21)
Diluted (loss)/earnings per ordinary share (cents)	3.2 (2.85)	1.74	0.51	(0.21)
Headline (loss)/earnings per ordinary share (cents)	3.3 0.84	7.45	0.55	(0.26)

*Historical cost results are included as supplementary information.

**The comparative Group statement of profit and loss and other comprehensive income for the year ended 31 March 2024 which was previously presented in Zimbabwe Dollars (ZWL) was translated to Zimbabwe Gold (ZWG) with the rate of 2 498.72 as at 5 April 2024 when ZWG was introduced.

Group Statement of Changes in Equity

for the year ended 31 March 2025

	INFLATION ADJUSTED AUDITED							
	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT							
	Issued share capital ZWG	Share premium ZWG	Foreign currency translation reserve ZWG	Revaluation reserve ZWG	Retained earnings/ (accumulated loss) ZWG	Attributable to equity holders of the parent company ZWG	Non-controlling interest ZWG	Total equity ZWG
Balance as at 31 March 2023	1 460 034	175 378 851	48 436 430	78 227 049	(16 421 254)	287 081 110	11 307 147	298 388 257
Total comprehensive income for the year:								
Profit for the year	-	-	-	-	83 533 783	83 533 784	(991 206)	82 542 577
Other comprehensive income	-	-	23 957 938	1 467 123	-	25 425 061	-	25 425 061
Balance as at 31 March 2024	1 460 034	175 378 851	72 394 368	79 694 172	67 112 529	396 039 955	10 315 941	406 355 895
Total comprehensive income for year:								
Profit for the year	-	-	-	-	(136 904 148)	(136 904 148)	7 494 870	(129 409 278)
Other comprehensive income	-	-	30 079 968	108 370 874	-	138 450 842	-	138 450 842
Balance as at 31 March 2025	1 460 034	175 378 851	102 474 336	188 065 046	(69 791 619)	397 586 649	17 810 811	415 397 459

Group Statement of Cash Flows

for the year ended 31 March 2025

	INFLATION ADJUSTED AUDITED		*HISTORICAL COST UNAUDITED	
	GROUP		GROUP	
	2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
Cash flows from operating activities				
Cash generated from				
/(utilised in) operations	106 283 772	(621 599 816)	60 161 938	(14 592 319)
Finance cost paid	(14 463 014)	(10 268 388)	(11 907 000)	(818 588)
Taxation paid	(4 457 848)	(1 363 517)	(4 161 507)	(401 834)
Net cash flows generated from/(utilised in) operating activities	87 362 910	(633 231 721)	44 093 431	(15 812 741)
Cash flows from Investing activities				
Acquisition of property, plant and equipment	(12 623 495)	(6 948 802)	(8 342 834)	(624 644)
Proceeds on disposal of property, plant and equipment	145 075	-	119 121	-
Proceeds on disposal of investment property	-	22 081 420	-	1 189 517
Finance income received	967	463	936	95
Dividends received from associate	4 692 976	19 922 861	2 661 068	1 749 597
Net cash flows (utilised in)/generated from investing activities	(7 784 477)	35 055 942	(5 561 709)	2 314 565
Increase/(decrease) in cash and cash equivalents	79 578 433	(598 175 779)	38 531 722	(13 498 176)
Cash and cash equivalents at the beginning of the year	(32 026 118)	(1 915 475)	(17 358 294)	(33 742)
Net exchange differences	(82 555 959)	886 354	(91 046 156)	(3 826 376)
Effects of inflation	(34 869 084)	567 178 782	-	-
Cash and cash equivalents at the end of the year	(69 872 728)	(32 026 118)	(69 872 728)	(17 358 294)

*Historical cost results are included as supplementary information.

**The comparative Group statement of cash flows for the year ended 31 March 2024 which was previously presented in Zimbabwe Dollars (ZWL) was translated to Zimbabwe Gold (ZWG) with the rate of 2 498.72 as at 5 April 2024 when ZWG was introduced.



Group Statement of Changes in Equity (continued)

for the year ended 31 March 2024

*HISTORICAL COST UNAUDITED							
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT							
	Issued share capital ZWG	Share premium ZWG	Foreign currency translation reserve ZWG	Revaluation reserve ZWG	Retained earnings/ (accumulated loss) ZWG	Attributable to equity holders of the parent company ZWG	Non-controlling interest ZWG
Balance as at 31 March 2023	192	23 116	559 117	2 379 910	1 545 799	4 508 134	199 183
Total comprehensive income for the year:							
(Loss)/profit for the year	-	-	-	-	(10 087 651)	(10 087 651)	5 390 344
Other comprehensive income	-	-	12 985 305	90 743 791	-	103 729 096	-
Balance as at 31 March 2024	192	23 116	13 544 422	93 123 701	(8 541 852)	98 149 579	5 589 527
Total comprehensive income for year							
Profit for the year	-	-	-	-	24 371 220	24 371 220	12 000 591
Other comprehensive income	-	-	30 079 968	175 291 028	-	205 370 996	-
Balance as at 31 March 2025	192	23 116	43 624 390	268 414 729	15 829 368	327 891 795	17 590 118

**Historical cost results are included as supplementary information.*

***The comparative Group statement of changes in equity for the year ended 31 March 2024 which was previously presented in Zimbabwe Dollars (ZWL) was translated to Zimbabwe Gold (ZWG) with the rate of 2 498.72 as at 5 April 2024 when ZWG was introduced.*

Notes To The Abridged Audited Group Financial Statements

for the year ended 31 March 2025

1 BASIS OF PREPARATION

The Group prepares financial statements with the aim to fully comply with International Financial Reporting Standards (“IFRS”) which comprise standards issued by the International Accounting Standards Board (the “IASB”) and interpretations developed and issued by the International Financial Reporting Interpretations Committee (“IFRIC”). Compliance with IFRS is intended to achieve consistency and comparability of financial statements. The group initially prepares its financial statements using the historical cost before they are restated for the changes in the general purchasing power of the functional currency for the purposes of fair presentation in accordance with IAS 29 (Financial Reporting in Hyperinflationary Economies). The historical cost of assets and liabilities have been restated for changes in the general purchasing power of the Zimbabwe Gold (ZWG) and as a result are stated in terms of the measuring unit currency at the end of the reporting period. The prior period financial statements which were denoted in ZWL were converted using the ZWG rate initially introduced by the Reserve bank of Zimbabwe (RBZ) before they were adjusted for inflation for them to be comparable.

- 1.1

Conversion of old balances

These abridged Group financial statements as at 31 March 2025 are presented in the Zimbabwe Gold (ZWG), which was introduced by the Reserve Bank of Zimbabwe on 5 April 2024. Transactions and balances denominated in the old currency, previously denominated as ZWL were converted to a new currency, ZWG using a factor of 2 498.72.
- 1.2

Functional currency assessment

Management assessed indicators pertaining to the Group in determining its functional currency as required by International Accounting Standard 21 - The Effects of Changes in Foreign Exchange Rates (IAS 21). Some of the indicators provided evidence which may suggest a change in functional currency for the Group to United States dollars for the year ended 31 March 2025.
- 1.3

Statement of compliance

These financial statements for the year ended 31 March 2025 have been prepared in accordance with International Financial Reporting Standards, except for the departure mentioned in 1.2 above, and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31).
- 1.4

Hyperinflation

These financial statements have been prepared under the inflation adjusted accounting basis in line with the provisions of IAS 29 - Financial Reporting in Hyperinflationary Economies (“IAS 29”). The Public Accountants and Auditors Board (“PAAB”) pronounced on 11 October 2019 that the Zimbabwean economy was trading under hyperinflationary conditions. The Directors have applied the guidelines provided by the PAAB and accounting bodies and applied the hyperinflation accounting principles.

IAS 29 mandates that financial statements prepared in the currency of a hyperinflationary economy must be presented in terms of the purchasing power at the balance sheet date. Comparative figures from the prior period must also be adjusted to reflect the same measuring unit. To achieve this, restatements were made using conversion factors based on the Consumer Price Index. The Group applied inflation adjustment factors calculated from monthly Consumer Price Indices published by the Zimbabwe National Statistics Agency (ZIMSTAT).

The conversion factors used to restate the financial statements are as follows:

Month	All items CPI Indices	Conversion Factors
March 2025	184.50	1.0000
February 2025	184.60	0.9995
January 2025	183.76	1.0040
December 2024	166.30	1.1094
November 2024	160.41	1.1502
October 2024	143.59	1.2849
September 2024	104.62	1.7635
August 2024	98.90	1.8655
July 2024	97.50	1.8923
June 2024	97.62	1.8900
May 2024	97.58	1.8908
April 2024	100.00	1.8450
March 2024	100.00	1.8450

The carrying amounts of non-monetary assets and liabilities carried at historical cost have been restated to reflect the change in the general price index as if they had been hyperinflationary from 1 April 2024. No adjustment has been made for those non-monetary assets and liabilities measured at fair value. Impairment is recognised in the profit or loss if the measured amount of a non-monetary asset exceeds the recoverable amount.

All items recognised in the statement of profit or loss and other comprehensive income are restated by applying the average monthly general price index when the items of income and expenses were initially earned or incurred.

Gains or losses on the net monetary position have been recognised as part of profit before income tax in the statement of profit or loss and other comprehensive income. All amounts in the statement of cash flows were segregated into the respective months in which the cash flows actually occurred and the applicable monthly factor used to hyper-inflate the amount. Gain or losses on cash flows were included in non-cash items.

The historical cost information has been shown as supplementary information for the benefit of user. These are not required in terms of IAS 29 - Financial Reporting in Hyperinflationary Economies. The auditors have not expressed an opinion on the historical cost information.

Abridged Audited Group
Financial Results

For the year ended 31 March 2025



Notes To The Abridged Audited
Group Financial Statements (continued)

for the year ended 31 March 2025

2 INCOME TAX

INFLATION ADJUSTED AUDITED	*HISTORICAL COST UNAUDITED
GROUP	GROUP

2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
Current income tax charge	962 915	47 309	962 915
Tax on foreign dividends	938 595	1 831 869	532 214
Capital gains tax	4 774 225	979 290	4 774 225
Deferred tax charge/(credit)	(326 633)	4 243 449	(19 987 130)
6 349 102	7 101 917	(13 717 776)	(758 727)

INFLATION ADJUSTED AUDITED	*HISTORICAL COST UNAUDITED
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2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
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3.1 Basic earnings per share

(Loss)/profit attributable to equity holders of the parent
Weighted average number of ordinary shares in issue
Earnings per share (cents)

(136 904 148)	83 533 783	24 371 220	(10 087 651)
4 808 662 335	4 808 662 335	4 808 662 335	4 808 662 335
(2.85)	1.74	0.51	(0.21)

3.2 Diluted earnings per share

Profit attributable to equity holders of the parent
Weighted average number of ordinary shares adjusted for the effect of dilution
Earnings per share (cents)

(136 904 148)	83 533 783	24 371 220	(10 087 651)
4 808 662 335	4 808 662 335	4 808 662 335	4 808 662 335
(2.85)	1.74	0.51	(0.21)

3.3 Headline earnings per share

Headline earnings
Weighted average number of ordinary shares in issue
Headline earnings per share (cents)

40 249 257	358 409 868	26 457 448	(12 276 470)
4 808 662 335	4 808 662 335	4 808 662 335	4 808 662 335
0.84	7.45	0.55	(0.26)

3.4 Reconciliation of earnings used in calculating headline earnings per share

(Loss)/profit attributable to equity holders of the Company

(136 904 148)	83 533 783	24 371 220	(10 087 651)
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Adjusted for:

Fair value gain on investment properties
Profit on sale of investment property
Loss from sale of property, plant and equipment
Exchange (loss)/gain

(84 468 807)	(3 851 749)	(140 635 512)	(64 061 491)
-	(7 268 788)	-	(928 584)
405 174	-	192 888	-
224 941 092	376 258 801	142 101 652	62 082 505

Adjusted earnings

3 973 311	448 672 047	26 030 249	(12 995 221)
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Total income tax effect on adjustments

36 275 946	(90 262 179)	427 200	718 751
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Headline earnings

40 249 257	358 409 868	26 457 448	(12 276 470)
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4 PROPERTY, PLANT AND EQUIPMENT

	INFLATION ADJUSTED AUDITED					
	Land and buildings ZWG	Plant and machinery ZWG	Motor vehicles ZWG	Furniture and equipment ZWG	Work in progress ZWG	Total ZWG
Year ended 31 March 2024						
Opening net book amount	164 370 232	46 732 823	1 680 920	3 419 115	21 261 541	237 464 631
Additions	470 267	1 427 045	-	454 494	4 596 996	6 948 802
Revaluation surplus	(20 521 871)	18 814 311	3 061 039	(1 201 916)	-	151 563
Depreciation charge	(3 287 405)	(496 156)	(60 006)	(129 453)	-	(3 973 020)
Net book amount	141 031 223	66 478 023	4 681 953	2 542 240	25 858 537	240 591 976
As at 31 March 2024						
Cost or revalued amount	141 031 223	66 478 023	4 681 953	2 542 240	25 858 537	240 591 976
Accumulated depreciation	-	-	-	-	-	-
Net book amount	141 031 223	66 478 023	4 681 953	2 542 240	25 858 537	240 591 976
Year ended 31 March 2025						
Opening net book amount	141 031 223	66 478 023	4 681 953	2 542 240	25 858 537	240 591 976
Disposals	-	-	(548 538)	(1 711)	-	(550 249)
Additions	-	978 725	-	326 230	11 318 540	12 623 495
Revaluation surplus	91 039 401	36 759 517	3 924 633	1 375 890	-	133 099 441
Depreciation charge	(2 820 624)	(3 323 901)	(936 391)	(847 413)	-	(7 928 329)
Net book amount	229 250 000	100 892 364	7 121 657	3 395 236	37 177 077	377 836 334
As at 31 March 2025						
Cost or revalued amount	229 250 000	100 892 364	7 121 657	3 395 236	37 177 077	377 836 334
Accumulated depreciation	-	-	-	-	-	-
Net book amount	229 250 000	100 892 364	7 121 657	3 395 236	37 177 077	377 836 334

Notes To The Abridged Audited
Group Financial Statements (continued)

for the year ended 31 March 2025

4 PROPERTY, PLANT AND EQUIPMENT (continued)

	*HISTORICAL COST UNAUDITED					
	Land and buildings ZWG	Plant and machinery ZWG	Motor vehicles ZWG	Furniture and equipment ZWG	Work in progress ZWG	Total ZWG
Year ended 31 March 2024						
Opening net book amount	2 895 478	247 035	15 501	24 980	285 050	3 468 044
Additions	254 887	179 772	-	37 214	152 771	624 644
Revaluation surplus	73 343 192	35 619 602	2 525 919	1 328 085	-	112 816 798
Depreciation charge	(54 028)	(15 035)	(3 782)	(12 374)	-	(85 219)
Closing net book amount	76 439 529	36 031 374	2 537 638	1 377 905	437 821	116 824 267
As at 31 March 2024						
Cost or revalued amount	76 439 529	36 031 374	2 537 638	1 377 905	437 821	116 824 267
Accumulated depreciation	-	-	-	-	-	-
Net book amount	76 439 529	36 031 374	2 537 638	1 377 905	437 821	116 824 267
Year ended 31 March 2025						
Opening net book amount	76 439 529	36 031 374	2 537 638	1 377 905	437 821	116 824 267
Disposals	-	-	(311 039)	(970)	-	(312 009)
Additions	-	669 871	-	200 087	7 472 876	8 342 834
Revaluation surplus	155 162 646	66 947 486	5 640 400	2 212 106	-	229 962 638
Depreciation charge	(2 352 175)	(2 756 367)	(745 342)	(393 891)	-	(6 247 775)
Closing net book amount	229 250 000	100 892 364	7 121 657	3 395 237	7 910 697	348 569 955
As at 31 March 2025						
Cost or revalued amount	229 250 000	100 892 364	7 121 657	3 395 237	7 910 697	348 569 955
Accumulated depreciation	-	-	-	-	-	-
Net book amount	229 250 000	100 892 364	7 121 657	3 395 237	7 910 697	348 569 955

The Company engaged a professional independent valuer, Integrated Properties, who carried out valuation of the Company's property, plant and equipment. The valuation was carried out as at 31 March 2025.

5 INVESTMENT PROPERTY

	2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
Balance at 1 April	122 369 597	132 995 624	66 324 847	2 342 796
Additions	1 236 596	334 856	1 114 641	181 493
Disposal	-	(14 812 632)	-	(260 933)
Fair value adjustment	84 468 807	3 851 749	140 635 512	64 061 491
Balance at 31 March	208 075 000	122 369 597	208 075 000	66 324 847
Income and expenses relating to investment property				
Rental income	9 536 863	7 622 759	7 345 675	632 896
Direct operating costs incurred in generating the rental income	(1 223 389)	(1 616 153)	(877 893)	(222 400)
Net income	8 313 474	6 006 606	6 467 782	410 496

The Company engaged a professional independent valuer, Integrated Properties, who carried out valuation of the Company's investment property. The valuation was carried out as at 31 March 2025.

Fair value hierarchy

The following table shows an analysis of the fair values of investment property recognised in the statement of financial position by level of the fair value hierarchy;

	INFLATION ADJUSTED AUDITED		*HISTORICAL COST UNAUDITED	
	2025 ZWG	** 2024 ZWG	2025 ZWG	** 2024 ZWG
Fair value measurement using significant unobservable inputs (Level 3)				
Commercial	201 075 000	118 266 059	201 075 000	64 100 712
Residential	7 000 000	4 103 538	7 000 000	2 224 135
Total	208 075 000	122 369 597	208 075 000	66 324 847

Abridged Audited Group Financial Results

For the year ended 31 March 2025



Notes To The Abridged Audited Group Financial Statements (continued)

for the year ended 31 March 2025

Notes To The Abridged Audited Group Financial Statements (continued)

for the year ended 31 March 2025

6 GOING CONCERN

Operating performance

During the year ended 31 March 2025, the Group incurred an operating loss of ZWG 79,801,407 (2024: ZWG 501,484,480), and as at that date, the Groups current liabilities exceed its current assets by ZWG 153,551,880. This was largely due to foreign exchange losses realised on recording foreign currency receipts at interbank rate and from restating liabilities denominated in foreign currencies. The business is forecasting a profit in FY 2026 on the back of cost reduction initiatives undertaken in FY 2025, as well as revenue growth.

Production capacity

The business has excess production capacity. The plant can produce 120,000 tonnes of white sugar annually, which can be uplifted to 180,000 tonnes per year with additional capital expenditure. The plant ran well for the period under review. Production was aligned to sales to manage working capital. Sales volumes for the year were 59,613 tonnes, which was 7% above prior year volume of 55,799 tonnes. The business forecasts selling 70,000 tonnes in FY 2026. Growth will be achieved in the two business segments, Goldstar Sugars and Country choice Foods, through competitive pricing in the market, better distribution and penetration of the informal markets, and roll out of new products.

Star Africa maintained The Coca Cola Company (“TCCC”), DQS and ISO:90001 and Food safety certifications, which are key in securing key customers in the local market. Relationships with customers remain cordial.

Working capital management

The business has a net working capital deficit of ZWG153 551 880. The following actions have been taken to strengthen the business working capital position;

- Concluding a long-term supply agreement with the local raw sugar supplier – this guarantees access to raw sugar, a key raw material;
- Entering into raw material consignment agreements with key suppliers;
- Negotiating extended payment terms with key non-trade creditors; and
- Accessing new banking facilities that have enabled the business to restructure the working capital profile.

The business has adequate access to working capital to support operations.

Regulatory environment

Customs and Excise (Surtax Tariff) (Amendment) Notice, 2025 (No. 6) was promulgated on 15 May 2025 that added white sugar to imports that attract a surtax of 30%. This measure protects the local sugar industry from regional producers dumping their sugar. It is Management’s view that the business will realise an increase in volumes on the back of this policy.

Conclusion

The Directors have assessed the ability of the Group to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. The Directors have engaged themselves to continuously assess the ability of the Group to continue operating as a going concern and to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

7 EVENTS AFTER REPORTING

There were no significant events after the reporting date.

8 AUDITOR’S STATEMENT

These abridged Group financial statements derived from the audited inflation adjusted Group financial statements of Star Africa Corporation Limited “the Group” for the financial year ended 31 March 2025, should be read together with the complete set of audited inflation adjusted Group financial statements, for the year ended 31 March 2025, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe) and the auditor’s report signed by Trevor Mungwazi, Registered Public Auditor 0622.

An adverse opinion has been issued on the audited inflation adjusted Group financial statements, for the year then ended. The adverse opinion was issued regarding non-compliance with International Accounting Standard (IAS) 21 - The Effects of Changes in Foreign Exchange Rates and inclusion of unaudited financial results of equity accounted investment in an associate in the Group financial statements.

The auditor’s determined that other than the matters described in the Basis for Adverse Opinion, there were no other key audit matters to communicate.

The auditor’s report on the inflation adjusted Group financial statements and the full set of the audited inflation adjusted Group financial statements, are available for inspection at the Company’s registered office and the auditor’s report has been lodged with the Zimbabwe Stock Exchange.



INDEPENDENT AUDITOR'S REPORT

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To the members of Star Africa Corporation Limited

Report on the Audit of the Inflation Adjusted Group and Company Financial Statements

Adverse Opinion

We have audited the Inflation Adjusted Group and Company financial statements of Star Africa Corporation Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 9 to 80, which comprise the Inflation Adjusted Group and Company statements of financial position as at 31 March 2025, and the Inflation Adjusted Group and Company statements of profit or loss and other comprehensive income, the Inflation Adjusted Group and Company statements of changes in equity and the Inflation Adjusted Group and Company statements of cash flows for the year then ended, and the notes to the Group and Company financial statements, including a summary of material Group accounting policies.

In our opinion, because of the significance of the matters described in the *Basis for Adverse Opinion* section of our report, the Inflation Adjusted Group and Company financial statements do not present fairly, in all material respects, the financial position of Star Africa Corporation Limited as at 31 March 2025, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) Accounting Standards.

Basis for Adverse Opinion

Non-compliance with International Accounting Standard (IAS) 21 - The Effects of Changes in Foreign Exchange Rates

As disclosed in **Note 2.1** to these financial statements, management determined that the Group and Company's functional currency, being the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Group, had

changed from the Zimbabwe Dollar (ZWL) to the United States Dollar (USD) during the year ended 31 March 2025. Notwithstanding the assessment and determination of the USD as the Group and Company's functional currency, the Group and Company continued to use the ZWL as its functional currency.

On 5 April 2024, the Government of Zimbabwe through Statutory Instrument 60 of 2024, introduced a new currency, the Zimbabwe Gold (ZWG) to be the unit of account for transactions previously denominated in ZWL. Following the introduction of ZWG, management reassessed the functional currency and determined that the USD continued to be the Group and Company's functional currency. The Group and Company continued to use the local currency as its functional currency for the year ended 31 March 2025.

According to IAS 21, "an entity's functional currency reflects the underlying transactions, events and conditions that are relevant to it. Accordingly, once determined, the functional currency is not changed unless there is a change in those underlying transactions, events and conditions".

The continued use of the local currency as the Group and Company's functional currency when the underlying transactions, events and conditions of the Group have changed, constitutes a departure from the requirements of IAS 21.

The effects of non-compliance with the requirements of IAS 21 have been considered to be material and pervasive to the Inflation Adjusted Group and Company financial statements as a whole.

Financial results of equity accounted investment included in the financial statements not audited

As described in **note 14** to these Inflation Adjusted Group and Company financial statements, included in equity accounted investment is the Group's share of profit from its investment in an associate, Tongaat Hulett (Botswana) (Proprietary) Limited. The financial statements of the associate company have not been audited. As a result, we were unable to satisfy ourselves that all necessary adjustments and disclosures have been made to the financial statements of Tongaat Hulett (Botswana) (Proprietary) Limited for the year ended 31 March 2025. Accordingly, we were unable to determine the effect this might have on the share of profit, foreign currency translation exchange differences and investment in associate in the Inflation Adjusted Group and Company financial statements of Star Africa Corporation Limited for the year ended 31 March 2025.

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 Group and Company 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 we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Inflation Adjusted Group and Company financial statements of the current year. These matters were addressed in the context of our audit of the Inflation Adjusted Group and Company financial statements as a whole, and in forming the opinion thereon, and we do not provide a separate opinion on these matters. Other than the matters described in the *Basis for Adverse Opinion*, we have determined that there are no other key audit matters to communicate in our report.

Other information

The Directors are responsible for the other information. The other information comprises the 'Corporate information', 'Directors' report', 'Corporate governance', 'Chairman's report', and 'Managing Director's report', which we obtained prior to the date of this auditor's report. The other information does not include the Inflation Adjusted Group and Company financial statements and our auditor's report thereon. Our opinion on the Inflation Adjusted Group and Company financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Inflation Adjusted Group and Company financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Inflation Adjusted Group and Company financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Management and Those Charged with Governance for the Inflation Adjusted Group and Company Financial Statements

Management is responsible for the preparation and fair presentation of the Inflation Adjusted Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) Accounting Standards, and for such internal controls as management determines is necessary to enable the preparation of Inflation Adjusted Group and Company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Inflation Adjusted Group and Company financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Inflation Adjusted Group and Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Inflation Adjusted Group and Company 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 Inflation Adjusted Group and Company 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 Inflation Adjusted Group and Company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Inflation Adjusted Group and Company financial statements, including the disclosures, and whether the Inflation Adjusted Group and Company 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 Inflation Adjusted Group and Company financial statements. We are responsible for the direction, supervision, and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Inflation Adjusted Group and Company financial statements of the current year and are therefore key the 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.

Report on other legal and regulatory requirements

In our opinion, except for the effects of the matters described in the *Basis for Adverse Opinion* section of our report, the Inflation Adjusted Group and Company financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act [Chapter 24:31].

The Engagement Partner on the audit resulting in this independent auditor's report is Trevor Mungwazi.

Grant Thornton

Trevor Mungwazi
Partner

Registered Public Auditor (PAAB No: 0622)

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

30 June 2025

HARARE