starafricacorporation limited

Abridged Audited Group Financial Results

For the year ended 31 March 2025

GOLDSTAR | country choice foods | Silver Star Properties

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 comperative 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 GROUP 2025 ZWG	INFLATION ADJUSTED AUDITED GROUP **2024 ZWG	*HISTORICAL COST UNAUDITED GROUP 2025 ZWG	*HISTORICAL COST UNAUDITED GROUP **2024 ZWG
ASSETS					
Non-current assets					
Property, plant and equipment	4	377 836 334	240 591 976	348 569 955	116 824 267
Investment property	5	208 075 000	122 369 597	208 075 000	66 324 847
Investment in an associate		50 973 929	26 792 888	50 973 929	14 521 860
		636 885 263	**389 754 461**	**607 618 884**	**197 670 974**
Current assets					
Inventories		121 330 634	218 730 798	68 461 914	12 331 027
Trade and other receivables		78 653 712	28 213 261	78 653 712	15 291 708
Prepayments and deposits		8 675 740	20 322 546	7 947 371	11 014 908
Cash and bank balances		3 506 768	2 389 721	3 506 768	1 295 239
		212 166 854	**269 656 326**	**158 569 765**	**39 932 882**
Total assets		**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	192
Share premium		175 378 851	175 378 851	23 116	23 116
Foreign currency translation reserve		102 474 336	72 394 368	43 624 390	13 544 422
Revaluation reserve		188 065 046	79 694 172	268 414 729	93 123 701
(Accumulated loss)/retained earnings		(69 791 619)	67 112 529	15 829 368	(8 541 852)
		397 586 648	**396 039 954**	**327 891 795**	**98 149 579**
Non-controlling interest		17 810 811	10 315 941	17 590 118	5 589 527
Total equity		**415 397 459**	**406 355 895**	**345 481 913**	**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	94 222 456
Short-term borrowings		304	560	304	304
Bank overdraft		73 379 496	34 415 839	73 379 496	18 653 533
Income tax payable		2 792 783	1 263 710	2 792 783	684 936
Total current liabilities		**365 718 734**	**209 520 901**	**365 718 734**	**113 561 228**
Total liabilities		**433 654 658**	**253 054 892**	**420 706 736**	**133 864 750**
Total equity and liabilities		**849 052 117**	**659 410 787**	**766 188 649**	**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.*

starafricacorporation 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 GROUP 2025 ZWG	INFLATION ADJUSTED AUDITED GROUP ** 2024 ZWG	*HISTORICAL COST UNAUDITED GROUP 2025 ZWG	*HISTORICAL COST UNAUDITED GROUP ** 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	5	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	2	(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 Cash Flows

for the year ended 31 March 2025

	INFLATION ADJUSTED AUDITED GROUP 2025 ZWG	INFLATION ADJUSTED AUDITED GROUP ** 2024 ZWG	*HISTORICAL COST UNAUDITED GROUP 2025 ZWG	*HISTORICAL COST UNAUDITED GROUP ** 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

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**

Directors: R.J. Mbire (PhD) (Chairman), M. Sibanda (PhD) (Chief Executive Officer), M.E. Chiremba, O.Kava, C. Matorera, *D. Maworera, S.N. Njerere, G.T. Nyamayi, *Executive Director

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Abridged Audited Group Financial Results

For the year ended 31 March 2025

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 companyl ZWG	Non-controlling interest ZWG	Total equity ZWG
Balance as at 31 March 2023	**192**	**23 116**	**559 117**	**2 379 910**	**1 545 799**	**4 508 134**	**199 183**	**4 707 317**
Total comprehensive income for the year:								
(Loss)/profit for the year	-	-	-	-	(10 087 651)	(10 087 651)	5 390 344	(4 697 307)
Other comprehensive income	-	-	12 985 305	90 743 791	-	103 729 096	-	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**	**103 739 106**
Total comprehensive income for year								
Profit for the year	-	-	-	-	24 371 220	24 371 220	12 000 591	36 371 811
Other comprehensive income	-	-	30 079 968	175 291 028	-	205 370 996	-	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**	**345 481 913**

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.

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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 GROUP		*HISTORICAL COST UNAUDITED GROUP	
	2025 ZWG	**2024 ZWG	2025 ZWG	**2024 ZWG
Current income tax charge	962 915	47 309	962 915	25 642
Tax on foreign dividends	938 595	1 831 869	532 214	992 881
Capital gains tax	4 774 225	979 290	4 774 225	530 779
Deferred tax charge/(credit)	(326 633)	4 243 449	(19 987 130)	(2 308 029)
	6 349 102	**7 101 917**	**(13 717 776)**	**(758 727)**

3 EARNINGS/(LOSS) PER SHARE

	INFLATION ADJUSTED AUDITED		*HISTORICAL COST UNAUDITED	
	2025 ZWG	**2024 ZWG	2025 ZWG	**2024 ZWG
3.1 Basic earnings per share				
(Loss)/profit attributable to equity holders of the parent	(136 904 148)	83 533 783	24 371 220	(10 087 651)
Weighted average number of ordinary shares in issue	4 808 662 335	4 808 662 335	4 808 662 335	4 808 662 335
Earnings per share (cents)	(2.85)	1.74	0.51	(0.21)
3.2 Diluted earnings per share				
Profit attributable to equity holders of the parent	(136 904 148)	83 533 783	24 371 220	(10 087 651)
Weighted average number of ordinary shares adjusted for the effect of dilution	4 808 662 335	4 808 662 335	4 808 662 335	4 808 662 335
Earnings per share (cents)	(2.85)	1.74	0.51	(0.21)
3.3 Headline earnings per share				
Headline earnings	40 249 257	358 409 868	26 457 448	(12 276 470)
Weighted average number of ordinary shares in issue	4 808 662 335	4 808 662 335	4 808 662 335	4 808 662 335
Headline earnings per share (cents)	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)**
Adjusted for:				
Fair value gain on investment properties	(84 468 807)	(3 851 749)	(140 635 512)	(64 061 491)
Profit on sale of investment property	-	(7 268 788)	-	(928 584)
Loss from sale of property, plant and equipment	405 174	-	192 888	-
Exchange (loss)\gain	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)**
Total income tax effect on adjustments	36 275 946	(90 262 179)	427 200	718 751
Headline earnings	**40 249 257**	**358 409 868**	**26 457 448**	**(12 276 470)**

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 adjusment	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
Residental	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**

starafricacorporation limited

Abridged Audited Group Financial Results

For the year ended 31 March 2025

GOLDSTAR

Silver Star Properties

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.

Notes To The Abridged Audited Group Financial Statements (continued)

for the year ended 31 March 2025

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.