Annual report 2026

starafricacorporation
limited

About This **Report**

REPORTING SCOPE

The report contains information about the operations of Star Africa Corporation Limited ("The Company") and its subsidiaries, together "the Group". Any references in this report to "Our", "We", "Us", "Company", "the Group"or "SAC" refer To Star Africa Corporation Limited.

Star Africa Corporation Limited, a company listed on the Zimbabwe Stock Exchange (ZSE), is pleased to present its annual report for the year ended 31 March 2026.

REPORTING FRAMEWORKS

This report was compiled with due consideration of the following regulatory requirements and reporting standards:

- Companies and Other Business Entities Act [Chapter 24:31];
- Securities and Exchange (Zimbabwe Stock Exchange Listings Requirements) Rules, 2020, and
- International Financial Reporting Standards (IFRS).

ASSURANCE

The financial statements were audited by Grant Thornton Chartered Accountants (Zimbabwe), in accordance with the International Standards of Auditing (ISAs). The independent auditor's report is contained on pages 46 to 52.

BOARD RESPONSIBILITY OF THIS REPORT

The Board of Directors of Star Africa Corporation Limited holds collective responsibility for this report, which has been compiled by members of the management team. The Board recognises its responsibility for ensuring the integrity of this Annual Report.

FORWARD-LOOKING STATEMENT

This report may contain forward-looking statements, which relate to the future performance and prospects of the Group.

FEEDBACK

We welcome your feedback on our Annual Report. If you have any suggestions on how we can improve our reporting or should you require any clarifications on any information provided in this report, please send your comments to the Company Secretary, at **marketing@starafrica.co.zw**

The Star Africa Corporation Limited Annual Report is available on the following website:

www.starafricacorporation.com
Members may also obtain a copy of the Annual Report from the office of the Transfer Secretaries.

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Company Overview

Who We Are

Star Africa Corporation Limited (SAC), a leading food products manufacturer, has been listed on the Zimbabwe Stock Exchange (ZSE) since 1947. The company manufactures, distributes, and markets everyday food products through its strategic business units, Goldstar Sugars and Country Choice Foods. Both are based in Harare with sales and distribution centres in Bulawayo, Gweru and Mutare. Additionally, SAC owns a portfolio of commercial, industrial and residential properties, some of which house its operations while others are leased to third parties. The Group also holds a minority stake in a Botswana-based company that packs and distributes sugar in that market.

SAC serves a diverse range of customers in sectors, that include;

- Beverage making – Soft drinks, cordials, mahewu and other ready to drink beverages.
- Baking – Bread and other confectioneries, cakes, biscuits, etc.
- Other manufacturers – Sweets, chocolates, ice creams, drinking chocolates, etc.
- Pharmaceuticals – Medicinal syrups.
- Hospitality – Custom packs of table sugar, spreads and other food products.
- Livestock – Stockfeed.
- General Retail – Table sugar, spreads and other food products.

HOW WE CREATE VALUE

Operations
Harare in Zimbabwe

Associate Location
Botswana

Human Capital
189 employees

Strategic Business Units

Goldstar Sugars
Country Choice Foods
Silver Star Properties

Product Lines
Over **30 product** lines

Vision, Mission & Values

OUR VISION

To be a leading manufacturer and distributor of food and other products in Africa.

OUR MISSION

To excel in the provision of world-class products and services that delight our customers, in an environment that is rewarding and caring of our employees, and in so doing, achieve superior returns for our shareholders and make a positive contribution to the communities we operate in.

OUR VALUES

Our powerful values drive the way we do business

CARE

Care is at the heart of everything we do at Star Africa. We believe that true success is built on a foundation of respect, empathy and responsibility—extending to our employees, our stakeholders, our products and our environment.

PERFORMANCE DRIVEN

We achieve our goals through focused effort, continuous improvement, innovation, and a relentless pursuit of excellence. We proactively seek out better ways to work, embracing new ideas and turning challenges into opportunities for growth.

ACCOUNTABILITY

We are committed to a culture where every team member is empowered and responsible. We take ownership of our shared goals, communicate openly about our progress and support one another in overcoming challenges.

COMMITMENT

We are dedicated to our mission, our customers, and our various stakeholders. Our triumph is built on a foundation of steadfast dedication, disciplined effort, and the resolve to see every task through to its successful completion.

ETHICAL

We hold ourselves to the highest ethical standards, ensuring we are transparent in our actions, accountable for our promises and responsible in our business practices.

Our Timeline

1935

FOUNDING OF RSR

Founding of the Group as Rhodesia Sugar Refinery with a capacity of 10 000 tonnes

1947

LISTING OF RSR

Listing of the Group on the now Zimbabwe Stock Exchange

1956

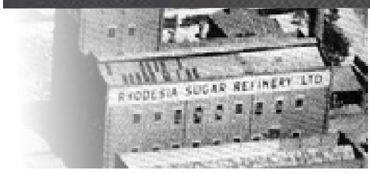
HARARE REFINERY

Commissioning of the Harare Refinery

1974

WHOLESALE DIVISION

Acquisition of the Wholesale Division



2002

MANAGEMENT ASSUMES CONTROL

Tate & Lyle PLC of the United Kingdom divested its interest in Zimbabwe, through a Management Buy Out (MBO) resulting in localisation of ZSR Corporation Limited

2006

RE-BRANDING TO STAR AFRICA

Re-branding of ZSR to Star Africa Corporation Limited

2012

NSSA ACQUIRES STAKE

NSSA acquires significant stake in Star Africa Corporation Limited

2015

MAJOR UPGRADE OF GSSH

Star Africa Corporation Limited embarks on major upgrade of Goldstar Sugars Harare plan

2017

KO RE-CERTIFICATION

Star Africa is KO certified to supply sugar to Coca Cola bottling plants.

2018

ZAMCO TAKEOVER

Zimbabwe Asset Management Company (ZAMCO) acquires a 57.4% shareholding in Star Africa Corporation Limited

Our Timeline

1978

FORMATION OF CCF

Formation of Country Choice Foods to focus on production of sugar speciality products

1980

CHANGE OF NAME TO ZSR

Rebranding to Zimbabwe Sugar Refineries

1986

REDSTAR WHOLESALERS

Re-branding of the Wholesale Division to Redstar Wholesalers

1990

RECORD PRODUCTION

Record production above 140 000 tonnes

1992

FORMATION OF BLUESTAR TRANSPORT

Formation of Bluestar Transport

1994

FOUNDING OF THB BOTSWANA

As a Tate & Lyle subsidiary played a founding role of Sugar Industries in Botswana

2021

TAKURA CAPITAL TAKEOVER

Takura Capital acquires ZAMCO's 57.4 % stake in Star Africa Corporation Limited

CCF SYRUP & ICING LINE UPGRADE

Automation of syrup and icing lines

2025

90 YEARS MILESTONE

The Group celebrates Ninety years of making life sweet

How We Are Organised

starafricacorporation
limited

The group currently comprises, a sugar production business Goldstar Sugars (GSS), a sugar specialty products business Country Choice Foods (CCF), a property division Silver Star Properties (SSP), as well as an associate distribution business, Tongaat Hullet Botswana (THB).

GOLDSTAR SUGARS (GSS)

GOLDSTAR SUGARS

Leading producer and distributor of granulated white sugar to industrial, retail and wholesale markets.

Equity Interest 100%

COUNTRY CHOICE FOODS (CCF)

country choice foods

Leading manufacturer and distributor of sugar specialty products, such as castor sugar, icing sugar, syrups, caramel, sweeteners, as well as pure honey.

Equity Interest 100%

TONGAAT HULETT BOTSWANA (THB)

THB

Group's associate in Botswana that packs and distributes sugar to the industrial, wholesale & retail markets.

Equity Interest 33.33%

SILVERSTAR PROPERTIES (SSP)

Silver Star Properties

Group's property division that leases out and manages commercial, industrial and residential company owned properties within Zimbabwe.

Equity Interest 100%

Corporate Information

REGISTERED OFFICE:

Star Africa Corporation Limited, **49 Douglas Road, Workington**, Harare, Zimbabwe

ZSE INFORMATION:

Share code: SACL.zw

ISIN: ZW0009011991

Sector: Consumer Staples

BOARD OF DIRECTORS

NAME	TITLE	APPOINTED
Rungamo J. Mbire (Dr.)	Non-Executive Chairman	22 July 2021
Mavellas Sibanda (Dr.)	Group Chief Executive Officer	8 July 2024
Dzingayi Mawoera (Mr.)	Finance Director & Company Secretary	1 April 2024
Mirirai E. Chiremba (Mr.)	Non-Executive Director	1 September 2021
Odiline Kava (Ms.)	Non-Executive Director	1 June 2024
Cliford Matorera (Mr.)	Non-Executive Director	1 September 2022
Sarudzayi N. Njerere (Ms.)	Non-Executive Director	1 June 2024
Gaylord T. Nyamayi (Mr.)	Non-Executive Director	1 September 2022

Professional Advisors

INDEPENDENT AUDITOR

Grant Thornton Chartered Accountants (Zimbabwe)
Camelsa Business Park,
135 E. D. Mnangagwa Road,
Highlands,
Harare.

BANKERS

Ecobank Zimbabwe Limited
Block A, Sam Levy's Office Park
2 Piers Road, P.O. Box BW 1464 Borrowdale, Harare.

CBZ Bank Limited
5 Campbell Road, Pomona,
P O Box BW 520 Borrowdale, Harare, Zimbabwe.

ZB Bank Limited
21 Natal Road, Avondale, Harare, Zimbabwe.

BancABC Zimbabwe Limited
1 Endeavor Crescent,
Mt Pleasant, Harare, Zimbabwe.

NMB Bank Limited
19207 Liberation Legacy Way (formerly Borrowdale Road), Borrowdale, Harare, Zimbabwe.

Nedbank Zimbabwe Limited
14th Floor, Old Mutual Centre Cnr. 3rd Street/
Jason Moyo Avenue, Harare, Zimbabwe

ATTORNEYS

Coghlan Welsh & Guest
2 Central Ave, Harare, Zimbabwe.

Mawere & Sibanda
10th Floor Chiedza House,
Corner First Street, Union Ave, Harare.

TRANSFER SECRETARIES

First Transfer Secretaries
1 Armagh Avenue, Eastlea
Harare, Zimbabwe.

How We Performed

GSS's initiative to improve competitiveness against imports at the start of the year yielded the desired results, leading to a reduction in imports.

Performance Highlights

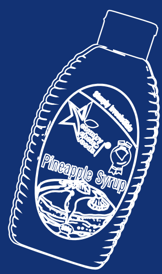
OPERATIONAL

Sales Volumes
Goldstar Sugars

UNCHANGED

59 596 tonnes

Sales Volumes
Country Choice Foods



↑ 63%

2 311 tonnes

FINANCIAL

Revenue

↓ 9%

Operating Profit

↑ 137%

Profit For the Year

↑ 130%

Net Assets

↓ 14%

Performance Highlights (Cont'd)

GROUP SUMMARY

	2026 USD	2025 USD
Total revenue	**57 734 340**	**63 523 630**
Operating profit/(loss)	1 097 200	(2 980 785)
Finance costs	(452 111)	(540 229)
Profit/(loss) for the year	**1 446 441**	**(4 833 760)**
Other comprehensive income for the year, net of tax	(3 688 742)	5 171 479
Total comprehensive (loss)/income for the year	**(2 242 301)**	**337 719**
Profit/(loss) attributable to equity holders of the parent	1 586 625	(5 113 712)
Basic earnings/(loss) per share (cents)	0.03	(0.11)
Diluted earnings/(loss) per share (cents)	0.03	(0.11)
Statement of Financial Position		
Property, plant and equipment	11 785 815	14 113 115
Non-current assets	20 765 593	23 789 230
Equity attributable to equity holders of the parent	12 748 716	14 850 833
Total liabilities	23 198 786	16 198 072
Statistics		
Refined sugar sales in domestic market (tonnes)	59 596	59 613
Average number of employees	189	233

Chairman's Statement

Chairman's Statement (Cont'd)

Despite lower revenues, the business achieved a notable turnaround, converting a prior-year operating loss of USD3.0 million into an operating profit of USD1.1 million.

It is my pleasure to present the consolidated financial results of Star Africa Corporation Limited for the year ended 31 March 2026.

OVERVIEW

Following the severe El Niño-induced drought that subdued output in 2024, Zimbabwe's economy rebounded in 2025, with estimated GDP growth of 6.6%, outpacing many regional peers in Sub-Saharan Africa. The recovery was supported by improved rainfall, stable currency conditions, and favourable international prices for precious metals.

The Reserve Bank of Zimbabwe (RBZ) maintained a tight monetary stance to anchor the Zimbabwe Gold (ZiG) currency introduced in 2024. This policy successfully translated into single-digit inflation and a stable exchange rate, creating an environment conducive to positive business performance.

The high level of market informalisation — with the National Consensus Survey estimating that 76% of operational businesses are unregistered — presents severe operational, financial, and compliance bottlenecks for formal manufacturers. Compounding these market pressures are policy-driven challenges; the business continues to engage Government on the VAT classification of white sugar, as well as the sugar tax, both of which continue to adversely impact performance.

Operationally, the business recorded strong volumes in the second half of the financial year, successfully clawing back the underperformance recorded in the first half.

GROUP RESULTS

The Group changed its functional currency from Zimbabwe Dollars to United States Dollars (USD) as at 1 April 2025. Comparatives were converted to USD in line with International Financial Reporting Standards.

Group turnover for the period decreased by 9% to USD58.1 million, from USD63.9 million in the prior year, primarily due to strategic price reductions implemented at the start of the financial year. Despite lower revenues, the business achieved a notable turnaround, converting a prior-year operating loss of USD3.0 million into an operating profit of USD1.1 million. This recovery was driven by reduced foreign exchange losses and administrative cost savings, which offset fair value losses within the investment property portfolio. Resultantly, profit after tax rebounded from a loss of USD4.8 million in the previous year to a profit of USD1.4 million.

Chairman's Statement (Cont'd)

The balance sheet reflects a write-down of Property, Plant and Equipment, as well as Investment Property, primarily driven by the change in the functional and reporting currency. Regarding working capital, an increase in trade and other receivables was offset by a corresponding rise in trade and other payables, reflecting the business's strategic initiatives to defend the local market against imports

Sales volumes for the sugar refining operation were 59,596 tonnes, broadly in line with the prior-year comparative of 59,613 tonnes. Production, which was demand-driven, was 60,819 tonnes compared to 60,212 tonnes in the prior year.

GSS enjoyed robust demand during the second half of the financial year. The company's key customers in the beverage and confectionery industries experienced strong growth, propelled by rising disposable incomes supported by a booming mining sector and higher diaspora remittances. This second-half recovery was achieved despite the rising use of sugar alternatives, for which the regulatory framework on their use remains outstanding.

OPERATIONS

Goldstar Sugars ("GSS")

GSS's initiative to improve competitiveness against imports at the start of the year yielded the desired results, leading to a reduction in imports. The business unit remains focused on defending its local market share while exploring regional export opportunities to boost capacity utilisation.

In response to inflationary pressures arising from geopolitical tensions, management is prioritising cost control and working capital optimisation to ensure steady market supply.

The business maintained its international quality certifications from The Coca-Cola Company and FSSC 22000 Standards, reinforcing its reputation as a trusted supplier.

Country Choice Foods ("CCF")

Specialties volumes increased 63% to 2,311 tonnes, up from 1,416 tonnes in the comparative period, driven by distribution model improvements and rising disposable incomes. While grey imports remain a persistent challenge, the business is actively mitigating this threat through competitive pricing and agile market responsiveness. Building on this healthy portfolio growth, management is pursuing further product diversification to sustain its upward momentum.

Properties and Investments

Rental income grew by 9% from USD356,225 in the prior year to USD389,264 on the back of rental adjustments and tenant retention. Management is actively optimising portfolio performance through self-funded refurbishments.

The Group's share of profit from its associate increased by 94% to USD655,422, supported by higher turnover and improved operating cost containment.

DIVIDEND

The Board resolved not to declare a dividend, in order to preserve working capital.

Chairman's Statement (Cont'd)

OUTLOOK

The Group forecasts volume growth in the upcoming year. Operational efficiencies achieved through business reorganisation and retooling have enhanced domestic competitiveness. Accordingly, the Group is evaluating regional export opportunities, the execution of which will be supported by favourable cost structures.

The growth trajectory is underpinned by a positive macroeconomic environment characterised by currency stability, low inflation, and increasing foreign currency inflows. Furthermore, sustained demand is expected on the back of strong projected performance in the agricultural and mining sectors, which remain key pillars of the economy. The Group commends the Government's ongoing efforts to curb illicit imports, which helps to level the playing field for tax-compliant local businesses.

However, geopolitical tensions remain a risk, threatening global supply chains, as evidenced by rising fuel prices in late March 2026. Maintaining strict cost discipline is a core priority to remain competitive. Additionally, the Group will continue to engage the Government on policy refinements concerning VAT classification for our products, sugar tax, and the regulatory framework for sugar substitutes.

CONCLUSION

I wish to express my gratitude to our stakeholders, my fellow Board members and our dedicated management and staff for their resilience and continued contribution to the Group.

R. J. MBIRE (PHD)
Chairman
29 June 2026

Our Actions For tomorrow's Environment, Society, Economy & Climate

Sustainability

We view sustainability as a framework within which we manage risk, allocate capital, run our operations and build trust with employees, communities, regulators and investors.

Employees

> **Our success is stirred by our people. We are committed to fostering a workplace where every employee can thrive, innovate and grow.**

Putting People First

Our success is stirred by our people. We are committed to fostering a workplace where every employee can thrive, innovate and grow. Our Human Resources philosophy is built on a foundation of care, respect and growth.

A Culture of Care and Support

We look after our team through competitive comprehensive benefits packages and supportive policies that promote a healthy work-life integration. We listen through regular feedback channels and act to ensure our people feel valued and supported.

Holistic Wellness

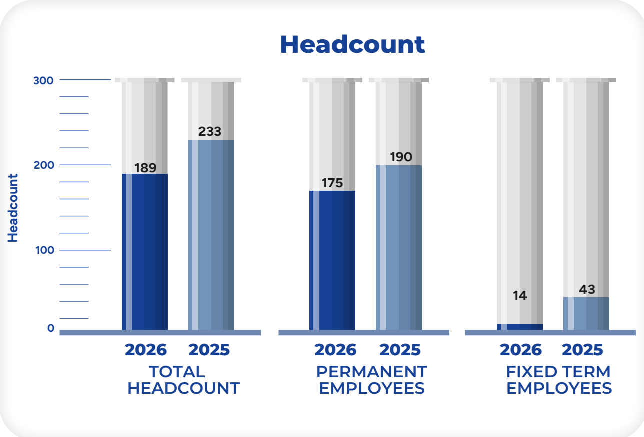
Our approach to wellness extends beyond physical health. We offer programmes that support mental, financial and social well-being, empowering our employees to bring out the best versions of them. We endeavour for our employees to thrive, not only at the workplace but in the communities they interact with.

Investing in Growth

Continuous learning is key to our competitive edge. We are determined to equip our employees with the appropriate tools and knowledge required for flawless execution. Through investing in our people, we are not just building a stronger company, but we are building a brighter future together.

Employees (Cont'd)

EMPLOYEE HEADCOUNT



Automating our operations allowed us to reduce staff while maintaining throughput with total headcount declining from 233 employees in 2025 to 189 in 2026, a reduction of 44 employees, or approximately 18.9%.

- **Permanent employees** decreased from 190 to 175, representing a reduction of 15 employees, or about 7.9%.
- **Fixed-term employees** fell sharply from 43 to 14, a reduction of 29 employees, or approximately 67.4%.

Employees (Cont'd)

EMPLOYEE SAFETY

In total, the recorded safety incidents decreased from 14 cases in 2025 to 10 cases in 2026, an overall reduction of approximately 28.6%.

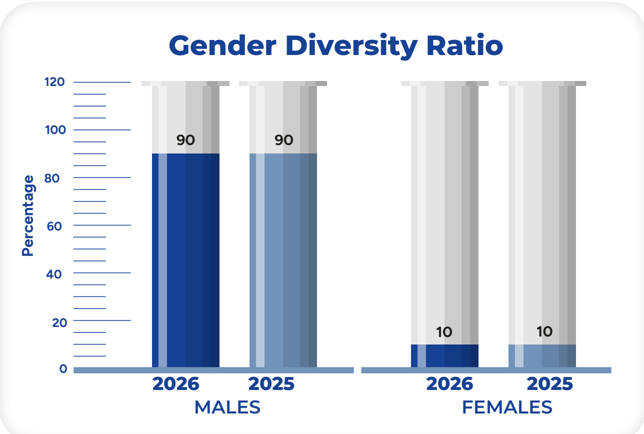
The safety performance breakdown is as follows:

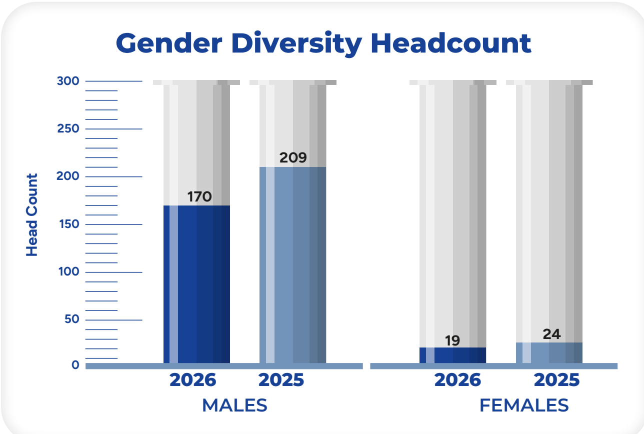
- **Fatalities** remained at zero in both 2025 and 2026.
- **Lost-time injuries** decreased from 10 cases in 2025 to 7 in 2026, a reduction of 3 cases, or 30%.
- **Minor first-aid cases** increased from 1 to 3, representing an increase of 2 cases.
- **Medical-treatment cases** declined from 3 in 2025 to zero in 2026, meaning these cases were completely eliminated during the year.

GENDER DIVERSITY

Overall gender balance remained largely unchanged between 2025 and 2026.

Women represented approximately 10.3% of the workforce in 2025 and 10.1% in 2026, while men accounted for about 89.7% and 89.9%, respectively.





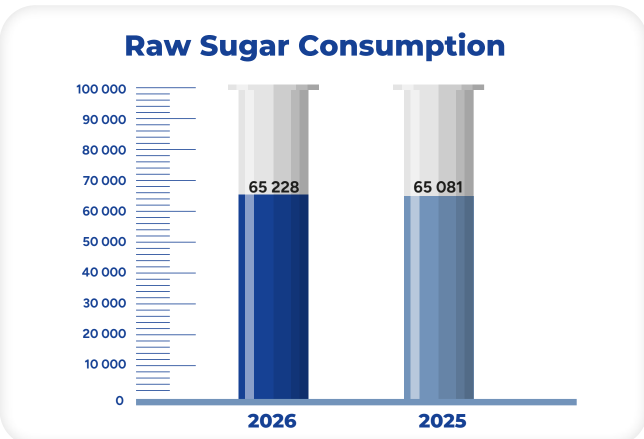
Investing in the Community

The Group has established procedures that emphasize corporate social responsibility (CSR) and is dedicated to supporting communities whenever possible.

Engaging with stakeholders

The Group has established procedures that emphasize corporate social responsibility ("CSR") and is dedicated to supporting communities whenever possible. Our CSR goals include engaging with stakeholders, fostering positive relationships, and promoting local development initiatives. We actively contribute by providing preparation of structured apprenticeship programmes, resources, making donations and forming partnerships.

Raw Sugar



Our manufacturing operations depend on two foundational inputs: raw sugar and food-grade chemicals. These specialized agents are utilized to purify raw sugar by systematically eliminating colourants and impurities originating from the sugarcane. This purification step is indispensable for delivering high-purity white sugar that consistently satisfies consumer expectations.

RAW SUGAR

Raw sugar consumption increased marginally by 0.23%, from 65,081 in 2025 to 65,228 in 2026, indicating broadly stable consumption during the reporting period.

We remain firmly dedicated to the responsible stewardship of natural resources, ensuring our refining practices are both environmentally sound and operationally optimized. Our ongoing sustainability framework emphasizes continuous enhancement in how we utilize raw materials, energy, and water across our production cycle.

PRODUCTION CHEMICALS

Our materials management strategy prioritizes strict containment and product safety, focusing on minimizing process losses and ensuring zero chemical residue in final goods. To uphold rigorous food quality standards, our operations and outputs undergo regular evaluation and certification by accredited bodies, including FERA, SMRI, KO, and the Standards Association of Zimbabwe (SAZ).

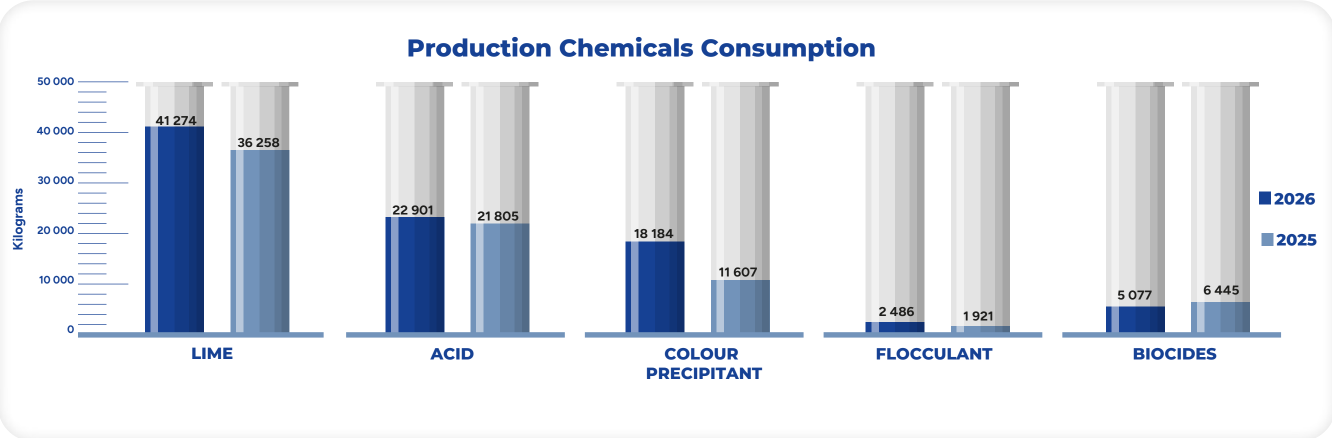
Overall, total consumption of the five production materials increased from approximately 78,036 kg in 2025 to 89,922 kg in 2026, an increase of 11,886 kg, or about 15.2%.

Production Chemicals

PRODUCTION CHEMICALS (CONT'D)

The production material usage breakdown is as follows:

- **Lime** consumption increased from 36,258 kg in 2025 to 41,274 kg in 2026. This was an increase of 5,016 kg, or approximately 13.8%.
- **Acid** usage rose from 21,805 kg to 22,901 kg, an increase of 1,096 kg, or about 5.0%.
- **Colour precipitant** recorded the most significant increase, rising from 11,607 kg to 18,184 kg. This represents an increase of 6,577 kg, or approximately 56.7%.
- **Flocculant** consumption increased from 1,921 kg to 2,486 kg, an increase of 565 kg, or about 29.4%.
- **Biocides** were the only material to record a decline, decreasing from 6,445 kg in 2025 to 5,077 kg in 2026. This was a reduction of 1,368 kg, or approximately 21.2%.



Energy

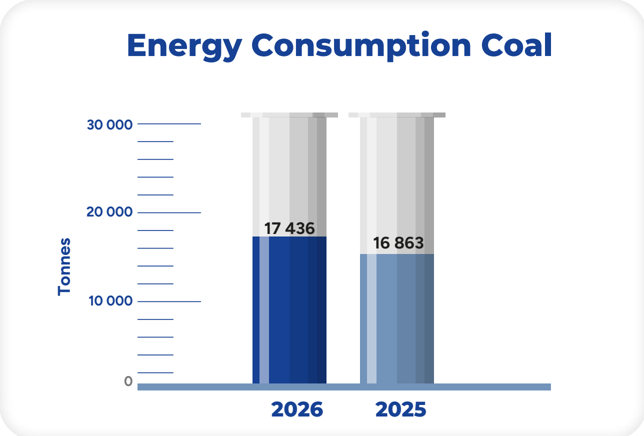
Overall energy consumption increased in 2026, with diesel recording the most significant rise.

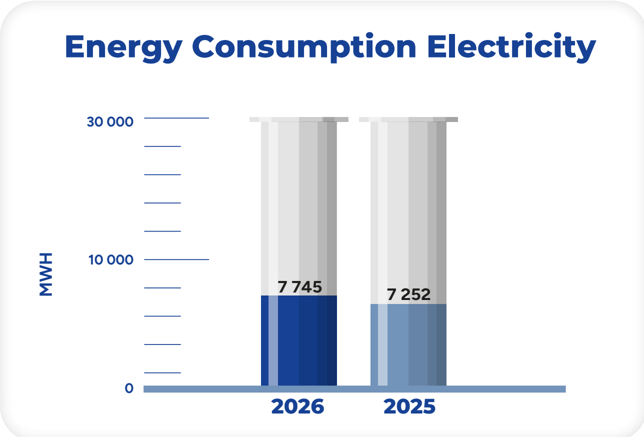
The overall energy usage performance breakdown is as follows:

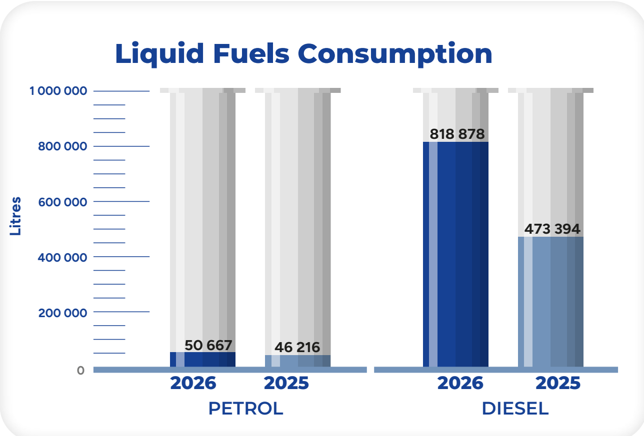
Coal consumption
Coal usage increased by 3.4% from 16,863 tonnes in 2025 to 17,436 tonnes in 2026, an increase of 573 tonnes.

Electricity consumption
Electricity consumption rose by 6.8% from 7,252 MWh in 2025 to 7,745 MWh in 2026.

Liquid-fuel consumption
Total liquid fuel consumption increased by 67.3% from 519,610 litres in 2025 to 869,545 litres in 2026. The increase was driven mainly by diesel consumption, which rose 73% from 473,394 litres to 818,878 litres largely as a result of migrating all logistics contracts to dry rates.





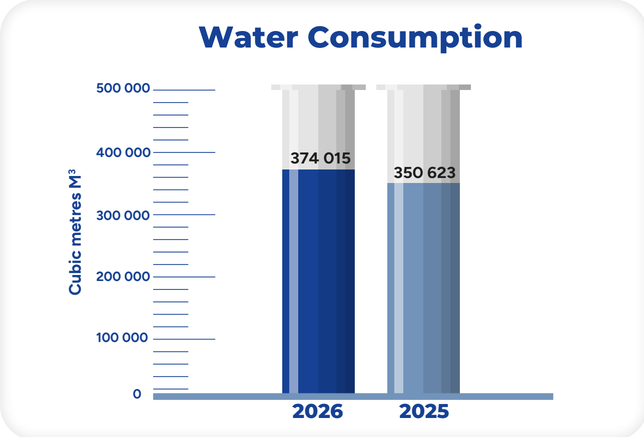


Water Consumption

WATER

Water consumption increased by 6.7%, from 350,623 m³ in 2025 to 374,015 m³ in 2026, representing an additional 23,392 m³ of water used during the year.

A key milestone this year is the expansion of our borehole infrastructure, allowing us to rely primarily on our own groundwater sources rather than municipal supplies, bringing our facility close to complete water self-sufficiency. Beyond this, our water management framework centers on maximizing internal water recycling, executing rapid leak-detection and repair protocols, and deploying partial wastewater treatment systems prior to discharge to guarantee full compliance with environmental standards.



Ensuring Responsible and Sustainable Use of Water

Waste Management

WASTE

Anchored in reduce, reuse and recycle principles, our waste strategy minimizes generation through plastic recycling, combustible waste repurposing, and compliant disposal via certified providers. A key circular economy highlight is the complete diversion of process scum (filter muds), which was blended entirely with boiler coal instead of traditional disposal, cutting waste costs and generating on-site thermal energy.

Waste generated in tonnes.

1,185.28 tonnes
(Liquid =837.28t
Solid =348.00t)

Our total off-site waste disposal dropped significantly from 3,110.59 tonnes in the previous year to 1,185.28 tonnes this year.

Liquid waste dropped sharply from 2,734.27 tonnes to 837.28 tonnes. This major decrease was primarily driven by our waste-to-energy initiative, as redirecting 100% of process scum (filter muds), which previously constituted the bulk of our liquid waste, to be blended with boiler coal, removed it from traditional disposal volumes. Solid waste decreased from 376.32 tonnes to 348.00 tonnes, reflecting ongoing source reduction, waste recycling and material reuse.

Emmisions

EMISSIONS

Tonnes of carbon dioxide (“tCO2e”) equivalence for Scope.
Direct Emission from conversion of Petrol and Diesel including emissions from operated assets or equipment.

Scope 1
38 934.51 tCO2e
(Using DEFRA Reporting Standard)

	TCO2E
COAL	38 358.09
PETROL	456.84
DIESEL	105.84
LPG	13.74
TOTAL	**38 934.51**

Scope 2

	TCO2E
ELECTRICITY	2,584

Our Scope 1 emissions, which represent greenhouse gases released directly from our owned and operated sources, totalled 38,934.51 tCO2e for the financial year. This figure is primarily driven by the combustion of coal, which accounts for most of our direct emissions (38,358.09 tCO2e).

The data, reported in accordance with the DEFRA Reporting Standard, reflects emissions from our on-site consumption of various fuels, including coal, petrol, diesel, and LPG. We are actively exploring strategies, that leverage on technological upgrades, to reduce our reliance on high-carbon fuels and improve operational efficiency across our assets to mitigate our direct environmental impact.

Compliance With Laws And Regulations

The Company has, during the reporting period, and is currently, in compliance with all relevant statutory requirements in Zimbabwe. There were no significant cases of non-compliance with laws and regulations during the reporting period.

How We Are Governed

Star Africa Corporation Limited is managed in line with established standards of corporate governance, and in conformity with the King IV Code of Corporate Governance.

Directors' Profiles

Dr. Rungamo J. Mbire

NON-EXECUTIVE CHAIRMAN

Appointed Chairman 22 July 2021
Non-Executive Director
1 August 2010

Dr. Rungamo J. Mbire is a Chartered Accountant by profession and he holds a BSc Economics (Hons) degree from the University of Zimbabwe ("UZ"), a B. Compt (Hons) degree from the University of South Africa ("UNISA"), a Masters in Business Leadership and a Doctor of Philosophy in Management, Innovation and Technology degree. He is a well respected finance professional with a track record with prominent Zimbabwe Stock Exchange ("ZSE") listed companies.

Dr. Mavellas Sibanda

GROUP CHIEF EXECUTIVE OFFICER

Appointed CEO 8 July 2024
Non-Executive Director
1 September 2017

Dr. Mavellas Sibanda is a Chartered Mechanical Engineer and manufacturing expert. He holds a BSc (Hons) degree in Mechanical Engineering, a Masters in Manufacturing Systems and Operations Management, a Masters in Business Administration and a PhD in Business Administration. He is a Fellow of the Institution of Mechanical Engineers (IMechE UK), a Fellow of the Zimbabwe Institution of Engineers ("ZIE") and an Associate Member of Chartered Institute of Secretaries and Administrators.

Dr. Sibanda has over 30 years experience in the manufacturing industry of which 17 years were spent in the sugar industry. He held the position of Operations Director before leaving the Company in 2016.

Directors' Profiles (Cont'd)

Mr. Dzingayi Maworera

FINANCE DIRECTOR AND COMPANY SECRETARY

Appointed 1 April 2024

Mr. Dzingayi Maworera is a Chartered Accountant and obtained his Bachelor of Accountancy Honours Degree from UZ in 2008. He has more than fifteen years of experience in financial management in various companies, including Invesci Asset Management and KPMG.

Prior to this move, Mr. Maworera was an Investment Principal at Takura Capital Partners (Private) Limited.

Mr. Mirirai E. Chiremba

NON-EXECUTIVE DIRECTOR

Appointed 1 September 2021

Mr. Mirirai E. Chiremba holds a BSc Economics degree from UZ, and a Masters degree in Anti-money laundering/Counter-Financing of Terrorism/Counter-Financing of Proliferation of Weapons of Mass Destruction studies from the University of Charles Sturt, Australia.

After graduating at the UZ in 1984, Mr. Chiremba spent two years working for the public sector, and joined the Central Bank at the end of 1986 where he spent sixteen (16) years, working as a senior manager in the Exchange Control and Bank Supervision departments, and seventeen (17) years as the Director General of the Financial Intelligence Unit.

Mr. Chiremba currently consults for entities in the financial sector as a financial crime specialist.

Directors' Profiles (Cont'd)

Ms. Odiline Kava

NON-EXECUTIVE DIRECTOR

Appointed 1 June 2024

Ms. Odiline Kava brings with her over 30 years of professional experience, characterized by outstanding achievements in strategic leadership and business development.

Ms. Kava's track record includes successful brand building initiatives for several companies in Zimbabwe. She holds a Master's Degree in Business Administration, Bachelor of Business Administration Degree and several Diplomas in various fields. She has worked for a number of companies, including FBC Holdings, Export Credit Guarantee Corporation, the UZ and NicozDiamond Insurance Limited.

Ms. Kava is currently serving as the Board Chairperson for Management Training Bureau and is a past Vice President of the Zimbabwe Institute of Public Relations.

Mr. Cliford Matorera

NON-EXECUTIVE DIRECTOR

Appointed 1 September 2022

Mr. Cliford Matorera is a performance management strategist, whose core skills include analytical thinking, knowledge of employment law, leadership and evaluation.

Mr. Matorera holds an Honours degree in Sociology from UZ and a Master of Science degree in Strategic Management acquired from Chinhoyi University. He is an extensively experienced public servant, and currently, the Chief Director in the Ministry of Public Service, Labour and Social Welfare. He is a past interim Board Chairman of National Social Security Authority.

Directors' Profiles (Cont'd)

Ms. Sarudzayi N. Njerere

NON-EXECUTIVE DIRECTOR

Appointed 1 June 2024

Ms. Sarudzayi N. Njerere is a legal practitioner by profession, registered by the High Court of Zimbabwe and a member of the Law Society of Zimbabwe. She has over 23 years' experience in various fields of law, that include commercial, administrative, labour, family and human rights law.

Ms. Njerere holds a Bachelor of Arts degree in Law and Political Philosophy and a Bachelor of Laws degree from the University of Cape Town. She was previously a partner at Honey & Blanckenberg, worked in the Attorney General's office and also served as a part time Lecturer at UZ. She is currently serving as a Board Member of South Feminist Futures.

Mr. Gaylord T. Nyamayi

NON-EXECUTIVE DIRECTOR

Appointed 1 September 2022

Mr. Gaylord T. Nyamayi is a Partner and Investment Executive at Takura Capital Partners (Private) Limited. He has vast experience in origination, negotiation, execution, monitoring and exiting of investment transactions in the region.

Mr. Nyamayi is a Chartered Accountant who served his articles with KPMG Zimbabwe, before working for the same organisation in the Caribbean Region and United Kingdom. He has in-depth knowledge of alternative investments, having worked for several years in the hedge fund sector in London. He is also a Chartered Financial Analyst Charterholder, who holds a Master of Business Administration degree from University of Cambridge's Judge Business School in the United Kingdom.

Executive Management

Mr. Mavellas Sibanda

GROUP CHIEF EXECUTIVE OFFICER

Mr. Dzingayi M催orera

FINANCE DIRECTOR AND COMPANY SECRETARY

Ms. Sharon Mangena

HEAD OF DEPARTMENT UNIT (CCF)

Mr. Darlington Tambo

OPERATIONS EXECUTIVE

Ms. Yeukai Njanji

COMMERCIAL EXECUTIVE

Mr. Kenneth Mukada

HUMAN RESOURCES EXECUTIVE

Mr. Innocent Mutsvedu

HEAD OF PROPERTIES

Corporate Governance Report

The Board meets at least once every quarter for the purposes of formulating policies and strategies, approving budgets, investments and projects, as well as reviewing operations and giving guidance to management on operational issues.

THE BOARD

The Company is managed in adherence to established standards of corporate governance, and in conformity with the King IV Code of Corporate Governance. The Board comprises 8 Directors, two of whom are Executive Directors. The roles of the Chairman and the Group Chief Executive Officer vest in separate individuals, in line with best practice. The Board meets at least once every quarter for the purposes of formulating policies and strategies, approving budgets, investments and projects, as well as reviewing operations and giving guidance to Management on operational issues.

Board deliberations are guided by a clearly defined Board Charter. The advice of the Company Secretary is available to all Directors and a facility is available for Directors, in the discharge of their mandate, to obtain independent professional advice at the expense of the Company. The Directors' remuneration, which includes that of Executive Directors, is reflected in aggregate in note 6.

THE BOARD COMMITTEES

For the efficient discharge of its duties, the Board has established the following committees:

Audit Committee:

This committee meets at least once every quarter. Some of its responsibilities include discussions with the External Auditor on their report pertaining to the Company's annual financial statements, reviewing the entire spectrum of the internal audit processes and consideration of any other matters which may have a material financial impact on the Company. Further, the committee reviews the quality, integrity and reliability of the Company's internal control systems, as well as risk monitoring and evaluation mechanisms. It assesses the objectivity of the External Auditors, in addition to the level of non-audit services supplied and ensures that there is an appropriate audit relationship. The committee comprises of Mr. G.T. Nyamayi (Chairman), Mr. M.E. Chiremba and Ms. O. Kava.

Human Capital and Remuneration Committee:

The Human Capital and Remuneration Committee provides oversight over the remuneration of employees below the level of Executive Director and Senior Management, ensuring that compensation is consistent with the Company's culture, strategy and control environment. The Committee is also responsible to the Board for the policies relating to recruitment, training and development, promotion, resignation, dismissal and retirement, as well as conditions of service for all staff below the level of Executive Director and Senior Management. The committee comprises of Mr. C. Matorera (Chairman) and Ms. S.N. Njerere.

Nominations Committee:

The role of the Board Nominations Committee is to assist and advise the Board of Directors in fulfilling its responsibilities to members/shareholders of Star Africa Corporation Limited on:

- Matters relating to the structure and composition of the Board.
- Matters relating to senior executive selection and performance.
- Matters relating to the recruitment of the Chief Executive Officer and fixing compensation for Executive Directors and Senior Managers.

The committee comprises of Dr. R.J. Mbire (Chairman), Mr. C. Matorera and Mr. G.T. Nyamayi.

Corporate Governance Report (Cont'd)

DIRECTORS' ATTENDANCE OF MEETINGS
(From 1 April 2025 to 31 March 2026)

	MAIN BOARD/AGM		AUDIT AND RISK COMMITTEE		HUMAN CAPITAL & REMUNERATION COMMITTEE		NOMINATIONS COMMITTEE	
NAME OF DIRECTOR	ATTENDED	POSSIBLE	ATTENDED	POSSIBLE	ATTENDED	POSSIBLE	ATTENDED	POSSIBLE
Dr. R. J. Mbire	5	5	—	—	—	—	4	4
Dr. M. Sibanda	5	5	4	4	4	4	—	—
Mr. D. Maworera	5	5	4	4	4	4	—	—
Mr. M. E. Chiremba	5	5	4	4	—	—	—	—
Ms. O. Kava	5	5	4	4	—	—	—	—
Mr. C. Matorera	5	5	—	—	4	4	4	4
Ms. S. N. Njerere	5	5	—	—	4	4	—	—
Mr. G. T. Nyamayi	5	5	4	4	—	—	4	4

INTERNAL CONTROL
The Company's internal controls were reviewed for effectiveness during the year under review. The review covered financial, operational and compliance controls, as well as risk management procedures. The controls are designed to manage rather than eliminate risk and can only provide reasonable, and not absolute assurance against material misstatement or loss. In this context, the Directors report that they did not find anything that would have materially affected the smooth running and effectiveness of the Company's systems and procedures during the year under review.

DIRECTORS' INTEREST
The Board has adopted an elaborate system for declaration of interests and assessment of the extent of such interests by the Company Secretary. It assesses the objectivity of the External Auditors, in addition to the level of non-audit services supplied and ensures that there is an appropriate audit relationship.

Mr. D. Maworera
COMPANY SECRETARY
30 June 2026

Directors' Report

The Directors of Star Africa Corporation Limited ("the Company") have the pleasure of presenting their report, together with the audited financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

Star Africa Corporation Limited is a diversified group operating within the sugar production and food manufacturing industries in Zimbabwe. The Group comprises Goldstar Sugars (GSS), a sugar refining and sugar-based products manufacturing business; Country Choice Foods (CCF), a sugar specialty products business; Silver Star Properties (SSP), the Group's property-holding division; and an equity-accounted associate, Tongaat Hulett (Botswana) Limited, which packages and distributes refined sugar in the region. The Company's shares are publicly traded on the Zimbabwe Stock Exchange.

FINANCIAL RESULTS

The financial results for the year ended 31 March 2026 are set out in detail in the accompanying financial statements. Key highlights include:

		2026 USD	*2025 USD
Non-current assets			
Property, plant and equipment	12	11 785 815	14 113 115
Investment property	13	6 529 000	7 772 113
Investment in an associate	14	2 450 778	1 904 002
Total		**20 765 593**	**23 789 230**

	2026 USD	*2025 USD
Revenue for the year amounted to	58 123 604	63 879 855
Gross margin for the year amounted to	10 634 382	12 688 665
Profit/(loss) for the year	**1 446 441**	**(4 833 760)**
Profit/(loss) attributable to shareholders of the Company was	**1 586 625**	**(5 113 712)**

**The comparative Group statement of financial position and results for the year ended 31 March 2025, previously presented in Zimbabwe Gold (ZWG), have been translated to United States Dollars using the interbank spot rate as at 1 April 2025, being the Group's new functional and presentation currency.*

Further details regarding the Group's financial performance and position are provided in the financial statements.

DIVIDENDS

The board resolved not to declare a dividend to preserve working capital (31 March 2025: Nil).

SHARE CAPITAL

Details of the authorised and issued share capital of the Company are set out in note 18 to the financial statements.

Directors' Report (Cont'd)

BORROWING POWERS

In terms of Article 87 of the Articles of Association, the Company is authorised to borrow funds not exceeding the sum of:

- twice the amount of the issued and paid-up share capital of the Company; and
- twice the aggregate amount of the capital and revenue reserves of the Company, including share premium.

DIRECTORATE

The Board comprises eight Directors, two of whom are Executive Directors. The names of the current Directors of the Company are set out on pages 34–37.

In accordance with the Company's Articles of Association, Ms. S. N. Njerere and Ms. O. Kava retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. Shareholders will also be asked to approve Directors' fees for the year ended 31 March 2026.

BOARD COMMITTEES

For the efficient discharge of its duties, the Board has established the following committees:

1. **Audit and Risk Committee** – Chaired by Mr. G. T. Nyamayi, with Mr. M. E. Chiremba and Ms. O. Kava as members. Meets at least quarterly (minimum four times a year) to review the annual financial statements and the External Auditor's report, internal controls and risk management, and the objectivity and independence of the External Auditors.
2. **Human Capital and Remuneration Committee** – Chaired by Mr. C. Matorera, with Ms. S. N. Njerere as a member. Oversees remuneration and policies relating to recruitment, training, promotion, resignation, dismissal and conditions of service for staff below Executive Director and Senior Management level.
3. **Nominations Committee** – Chaired by Dr. R. J. Mbire, with Mr. C. Matorera and Mr. G. T. Nyamayi as members. Advises the Board on Board structure and composition, senior executive selection and performance, and the recruitment and compensation of the Chief Executive Officer, Executive Directors and Senior Managers.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance and is managed in conformity with the King IV Code of Corporate Governance. The Board comprises eight Directors, two of whom are Executive Directors, and the roles of Chairman and Group Chief Executive Officer vest in separate individuals. The Board meets at least once every quarter to formulate policies and strategies, approve budgets, investments and projects, and review operations. Board deliberations are guided by a clearly defined Board Charter, and the advice of the Company Secretary is available to all Directors. The Directors affirm their commitment to internationally recognised governance principles and a framework of checks and balances to ensure accountability, transparency and compliance with regulatory requirements.

AUDITORS

Messrs. Grant Thornton, the Company's independent auditors, have indicated their willingness to continue in office. A resolution for their re-appointment and for the Directors to determine their remuneration will be proposed at the Annual General Meeting.

Directors' Report (Cont'd)

DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Other Business Entities Act [Chapter 24:31] and other applicable regulations. The Directors' Responsibility Statement is set out separately in this Annual Report.

GOING CONCERN

The Directors have assessed the ability of the Company and the Group to continue operating as a going concern. During the year, the Group recorded an operating profit of USD1 094 014, compared to an operating loss of USD2 980 785 in the prior year, and the business is forecasting further profit improvement in FY2027 on the back of cost reduction initiatives and revenue growth. The plant continues to operate without capacity constraints, and the Directors have implemented measures to strengthen the Group's working capital position, including a long-term local raw sugar supply agreement, extended payment terms with key creditors, and access to new renewable banking facilities. Based on the Group's current financial position and forecasts, the Directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

SUBSEQUENT EVENTS

No adjusting or significant non-adjusting events have occurred between the 31 March 2026 reporting date and the date of authorisation of these financial statements that would require adjustment to or disclosure in the financial statements for the year ended 31 March 2026.

APPRECIATION

The Directors would like to express their sincere gratitude to the Group's management, employees, customers, business partners and shareholders for their continued support throughout the year.

By order of the Board,

R.J. Mbire (PhD)
CHAIRMAN
30 June 2026

M. Sibanda (PhD)
CHIEF EXECUTIVE OFFICER
30 June 2026

Directors' Responsibility Statement

RESPONSIBILITY

It is the Directors' responsibility to prepare annual financial statements that present a true and fair view of the Company and the Group as at the end of the financial year; and of the profit or loss for the year in accordance with International Financial Reporting Standards ("IFRS") and in the manner required by the provisions of the Companies And Other Business Entities Act (Chapter 24:31). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

COMPLIANCE WITH COMPANIES AND OTHER BUSINESS ENTITIES ACT (CHAPTER 24:31)

These financial statements, which have been inflation adjusted, are in agreement with the underlying books and records and have been prepared in accordance with the Group's accounting policies. However, due to items detailed in the basis of preparation note 2.1 under "Notes to Financial Statements", the financial statements have not been prepared in conformity with IFRS, promulgated by the International Accounting Standards Board (the "IASB"). As such the Group has not complied with the Companies and Other Business Entities Act (Chapter 24:31) and the relevant Statutory Instruments.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Board and are signed on its behalf by the Chairman and the Chief Executive Officer.

R.J. Mbire (PhD)
CHAIRMAN
30 June 2026

M. Sibanda (PhD)
CHIEF EXECUTIVE OFFICER
30 June 2026

Certificate By The Company Secretary

Mr. Dzingayi Maworera

FINANCE DIRECTOR AND COMPANY SECRETARY

In my capacity as the Company Secretary, I confirm that in terms of the Companies and Other Business Entities Act (Chapter 24:31), the Company has lodged with the Registrar of Companies, all such returns as are required of a public listed company in terms of this Act and that all such returns are true, correct and up to date.

Mr. D. Maworera
COMPANY SECRETARY
30 June 2026

Our Financial statements

It is the Directors' responsibility to prepare annual financial statements that present a true and fair view of the Company and the Group as at the end of the financial year; and of the profit or loss for the year in accordance with International Financial Reporting Standards ("IFRS") and in the manner required by the provisions of the Companies And Other Business Entities Act (Chapter 24:31).

ANNUAL FINANCIAL STATEMENTS

Grant Thornton

INDEPENDENT AUDITOR'S REPORT

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To the members of Star Africa Corporation Limited and its subsidiaries

Report on the Audit of the Group and Company Financial Statements

Qualified Opinion

We have audited the Group and Company financial statements of Star Africa Corporation Limited and its subsidiaries (the Group and Company) set out on pages 55 to 121, which comprise the Group and Company statements of financial position as at 31 March 2026, and the Group and Company statements of profit or loss and other comprehensive income, the Group and Company statements of changes in equity and the Group and Company statements of cash flows for the year then ended, and the notes to the Group and Company financial statements, including material Group accounting policies.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the Group and Company financial statements present fairly, in all material respects, the financial position of Star Africa Corporation Limited as at 31 March 2026, and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Qualified Opinion

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

During the prior financial year, management determined that the functional currency of the Group and Company changed from the Zimbabwe Gold (ZWG) to the United States Dollar (USD). Contrary to the requirements of IAS 21, the Group and Company continued to use the Zimbabwe Gold (ZWG) as their functional and presentation currency. The Group and Company changed its functional and presentation currency from ZWG to USD with effect from 1 April 2025 and the inflation adjusted balances as at 31 March 2025 were translated into USD using the interbank exchange rate prevailing on the date of the change in functional currency. Our opinion on the current year's financial statements is modified due to the potential impact of the non-compliance with IAS 21 on the comparability of the current year's financial statements to those of the prior year.

The Group's statement of profit or loss and other comprehensive income for the year ended 31 March 2026 includes an amount of **USD 3 040 575** relating to the effects of change in functional currency. We were unable to obtain sufficient appropriate audit evidence regarding the determination and presentation of this amount. Consequently, we were unable to determine whether any adjustments in the financial statements were necessary.

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

As described in **note 14** to these 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 2026. 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 Group financial statements of Star Africa Corporation Limited for the year ended 31 March 2026.

The effects of the above matters have been considered to be material but not pervasive to the Group and Company financial statements.

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 qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group and Company financial statements of the current year. These matters were addressed in the context of our audit of the 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. In addition to the matters described in the *Basis for Qualified Opinion*, we have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
Revenue recognition There is a presumed fraud risk with regards to revenue recognition as guided by International Standard on Auditing (ISA) 240 – "*The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*" *Revised*. There is a risk that revenues are presented at amounts higher than what has been generated by the Group. This is a significant risk and accordingly a key audit matter.	Our audit procedures incorporated a combination of tests of the Group's controls relating to revenue recognition and the appropriateness of revenue recognition policies as well as substantive procedures in respect of testing the occurrence assertion. Our substantive procedures included but were not limited to the following: • Reviewed that the revenue recognition criteria is appropriate and in line with the requirements of IFRS 15 – '*Revenue from contracts with customers*'. • Performed cut-off tests on year-end balances to ensure revenue is recognised in the correct period. • Tested design, existence and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of revenue transactions. • Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. • The results of our controls testing have been the basis for the nature and scoping of the additional test of details, which mainly consisted of testing individual transactions by reconciling them to external sources (supporting documentation). • Analytical procedures and assessed the reasonableness of explanations provided by management. Based on the audit work performed, we satisfied ourselves that the Group revenue recognition is appropriate and in compliance with the requirements of IFRS 15 – *Revenue from Contracts with Customers*.

Adequacy of allowance for credit losses on trade receivables

As at 31 March 2026, the Group had trade receivables amounting to **USD 8 743 294 (2025: USD 3 070 084)**. This was considered to be an area of focus as *IFRS 9 - Financial Instruments* requires management to exercise significant judgement using subjective assumptions when determining both timing and amounts of the impairment provision for trade and other receivables.

Key areas of judgement included:

- The interpretation of the requirements to determine impairment under application of IFRS 9, which is reflected in the Group's expected credit loss model; and
- Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows.

Assessed management's allowance for credit losses, which included the following:

- We performed an assessment of the modelling techniques and methodology used against the requirements of IFRS 9;
- We assessed and tested the modelling assumptions with a focus on the:
  i. Key modelling assumptions adopted by the Group.
  ii. Reliability of the historical data collected; and
  iii. Appropriateness of macroeconomic factors used.
- We examined a sample of exposures and performed procedures to evaluate the:
  i. Timely identification of exposures with a significant deterioration in credit quality; and
  ii. Expected loss calculation for exposures assessed on an individual basis.
- We assessed the adequacy of the disclosures in the financial statements.

Based on our audit work performed, the assumptions used by management were appropriate.

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 Group and Company financial statements and our auditor's report thereon. Our opinion on the 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 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 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 Group and Company Financial Statements

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

In preparing the 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 Group and Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Group and Company financial statements, including the disclosures, and whether the Group and Company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group and Company financial statements. We are responsible for the direction, supervision, and review of the audit work performed for purposes 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, 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 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 effect of the matters described in the *Basis for Qualified Opinion* section of our report, the 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)

27 June 2026

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors

HARARE

Group Statement Of Financial Position

As at 31 March 2026

	Note	GROUP 2026 USD	GROUP *2025 USD
ASSETS			
Non-current assets			
Property, plant and equipment	12	11 785 815	14 113 115
Investment property	13	6 529 000	7 772 113
Investment in an associate	14	2 450 778	1 904 002
Non-current assets		**20 765 593**	**23 789 230**
Current assets			
Inventories	15	4 443 586	4 531 997
Trade and other receivables	16.2	8 962 361	2 937 910
Prepayments and deposits	16.1	609 419	324 060
Cash and bank balances	17.5	1 691 637	130 986
Current assets		**15 707 003**	**7 924 953**
Total assets		**36 472 596**	**31 714 183**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	18	54 536	54 536
Share premium		6 550 831	6 550 831
Foreign currency translation and other reserves		678 448	3 827 669
Revaluation reserve		6 485 170	7 024 691
Accumulated losses		(1 020 269)	(2 606 894)
		12 748 716	**14 850 833**
Non-controlling interest	14.3	525 094	665 278
Total equity		**13 273 810**	**15 516 111**
Non-current liabilities			
Long-term portion of loans and borrowings	19	4 228 910	-
Deferred tax liability	21	1 032 150	2 537 574
		5 261 060	**2 537 574**
Current liabilities			
Trade and other payables	22	15 317 125	10 815 264
Short-term portion of loans and borrowings	19	523 963	11
Bank overdraft	17.5	2 067 886	2 740 906
Income tax payable	10.3	28 752	104 317
Total current liabilities		**17 937 726**	**13 660 498**
Total liabilities		**23 198 786**	**16 198 072**
Total equity and liabilities		**36 472 596**	**31 714 183**

**The comparative Group statement of financial position as at 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

R. J. Mbire (PhD)
CHAIRMAN
30 June 2026

M. Sibanda (PhD)
CHIEF EXECUTIVE OFFICER
30 June 2026

Company Statement Of Financial Position

As at 31 March 2026

	Notes	COMPANY 2026 USD	*2025 USD
ASSETS			
Non-current assets			
Investment in an associate	14.1	11 259	11 259
Investment in subsidiaries	14.2	2 153 062	2 153 062
Non-current assets		**2 164 321**	**2 164 321**
Current assets			
Trade and other receivables	16.2	230 773	260 357
Cash and cash equivalents	17.5	827	6 815
Current assets		**231 600**	**267 172**
Total assets		**2 395 921**	**2 431 493**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	18	54 536	54 536
Share premium		6 550 831	6 550 831
Accumulated losses		(4 223 559)	(4 220 307)
Total equity		**2 381 808**	**2 385 060**
Non-current liabilities			
Deferred tax liability	21	36	36
Current liabilities			
Income tax payable	10.3	14 077	46 397
Total current liabilities		**14 077**	**46 397**
Total equity and liabilities		**2 395 921**	**2 431 493**

**The comparative Company statement of financial position as at 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

R. J. Mbire (PhD)
CHAIRMAN
30 June 2026

M. Sibanda (PhD)
CHIEF EXECUTIVE OFFICER
30 June 2026

Group Statement Of Profit Or Loss & Other Comprehensive Income

For The Year Ended 31 March 2026

	Notes	GROUP 2026 USD	GROUP *2025 USD
Revenue from contracts with customers	3.1	57 734 340	63 523 630
Rental income	3.2	389 264	356 225
Revenue		**58 123 604**	**63 879 855**
Cost of sales	4	(47 489 222)	(51 191 190)
Gross profit		**10 634 382**	**12 688 665**
Other income	5	1 020 796	450 756
Fair value (loss)/gain on investment property	13	(1 666 113)	3 155 118
Selling and distribution expenses	6.1	(1 357 531)	(1 133 600)
Administrative expenses	6.2	(8 180 915)	(9 418 657)
Allowance for expected credit loss	16.2	(144 489)	(320 964)
Exchange gains/(losses)	7	791 070	(8 402 103)
Operating profit/(loss)		**1 097 200**	**(2 980 785**
Finance costs	8	(452 111)	(540 229)
Finance income	8	248	36
Monetary loss		-	(1 413 039)
Share of profit of an associate	14.1	655 422	337 411
Profit/(loss) before income tax	**9**	**1 300 759**	**(4 596 606)**
Income tax credit/(expense)	10	145 682	(237 154)
Profit/(loss) for the year		**1 446 441**	**(4 833 760)**
Other comprehensive income Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations	14.1	(108 646)	1 123 561
Effects of change in functional currency		(3 040 575)	-
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:		(3 149 221)	1 123 561
Items that may not be subsequently reclassified to profit or loss:			
Revaluation (deficit)/surplus	12	(1 886 285)	4 971 591
Income tax relating to components of other comprehensive income	21	1 346 764	(923 673)
Net other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods:		**(539 521)**	**4 047 918**
Total other comprehensive (loss)/income		**(3 688 742)**	**5 171 479**
Total comprehensive (loss)/income for the year		**(2 242 301)**	**337 719**
Profit /(loss) attributable to			
Non-controlling interests	14.3	(140 184)	279 952
Equity holders of the parent		1 586 625	(5 113 712)
		1 446 441	**(4 833 760)**
Total comprehensive income/(loss) attributable to:			
Non-controlling interests	14.3	(140 184)	279 952
Equity holders of the parent		(2 102 117)	57 767
		(2 242 301)	**337 719**
Earnings per share			
Basic earnings/(loss) per ordinary share (cents)	11.1	0.03	(0.11)
Diluted earnings/(loss) per ordinary share (cents)	11.2	0.03	(0.11)
Headline earnings per ordinary share (cents)	11.3	0.05	0.03

**The comparative Group statement of profit or loss and other comprehensive income for the year ended 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) at the interbank spot rate on 1 April 2025, being the new functional and presentation currency.*

Company Statement Of Profit Or Loss & Other Comprehensive Income

For The Year Ended 31 March 2026

		COMPANY	
	Notes	2026 USD	*2025 USD
Investment income	14.1	-	175 294
Administrative expenses	6.2.3	(3 267)	(592)
Exchange gain		15	743 823
Operating (loss)/profit		(3 252)	918 525
Finance income	17.2	-	26
Monetary loss		-	(760 545)
(Loss)/profit before income tax		(3 252)	158 006
Income tax expense	10.1	-	(34 140)
(Loss)/profit for the year		**(3 252)**	**123 866**
Total comprehensive (loss)/income		**(3 252)**	**123 866**

**The comparative Company statement of profit or loss and other comprehensive income for the year ended 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

Group Statement Of Changes In Equity

For The Year Ended 31 March 2026

GROUP

Attributable To Equity Holders Of The Parent

	share capital USD	Share premium USD	Foreign currency translation reserve USD	Revaluation reserve USD	Accumulated loss USD	Attributable to equity holders of the Parent company USD	Non-controlling interest USD	Total equity USD
Balance as at 31 March 2024	**54 536**	**6 550 831**	**2 704 108**	**2 976 773**	**2 506 818**	**14 793 066**	**385 326**	**15 178 392**
(Loss)/profit for the year	-	-	-	-	(5 113 712)	(5 113 712)	279 952	(4 833 760)
Other comprehensive income	-	-	1 123 561	4 047 918	-	5 171 479	-	5 171 479
***Balance as at 31 March 2025**	**54 536**	**6 550 831**	**3 827 669**	**7 024 691**	**(2 606 894)**	**14 850 833**	**665 278**	**15 516 111**
Profit/(loss) for the year	-	-	-	-	1 586 625	1 586 625	(140 184)	1 446 441
Other comprehensive loss	-	-	(3 149 221)	(539 521)	-	(3 688 742)	-	(3 688 742)
Balance as at 31 March 2026	**54 536**	**6 550 831**	**678 448**	**6 485 170**	**(1 020 269)**	**12 748 716**	**525 094**	**13 273 810**

**The comparative Group statement of changes in equity for the year ended 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

Company Statement Of Changes In Equity

For The Year Ended 31 March 2026

	COMPANY			
	share capital USD	Share premium USD	(accumulated loss) USD	Total USD
Balance as at 31 March 2024	**54 536**	**6 550 831**	**(4 344 173)**	**2 261 194**
Total comprehensive income for the year	-	-	123 866	123 866
***Balance as at 31 March 2025**	**54 536**	**6 550 831**	**(4 220 307)**	**2 385 060**
Total comprehensive loss for the year	-	-	(3 252)	(3 252)
Balance as at 31 March 2026	**54 536**	**6 550 831**	**(4 223 559)**	**2 381 808**

**The comparative Company statement of changes in equity for the year ended 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

Group Statement Of Cash Flows

For The Year Ended 31 March 2026

		GROUP	
	Notes	2026 USD	*2025 USD
Cash flows from operating activities			
Cash generated from operations	17.4	188 987	3 969 954
Finance costs paid	17.2	(452 111)	(540 229)
Taxation paid	10.3	(88 543)	(166 512)
Net cash flows (utilised in)/generated from operating activities		**(351 667)**	**3 263 213**
Cash flows from investing activities			
Acquisition of property, plant and equipment	12	(437 500)	(471 518)
Proceeds on disposal of property, plant and equipment		69 846	5 419
Finance income received	17.2	248	36
Dividends received from associate	14.1	-	175 294
Net cash flows utilised in investing activities		**(367 406)**	**(290 769)**
Cash flows from financing activities			
Loans received	19.2	5 486 317	-
Loans paid	19.2	(733 456)	-
Net cash flows utilised in financing activities		4 752 861	-
Increase in cash and cash equivalents		4 033 788	2 972 444
Cash and cash equivalents at the beginning of the year		(2 609 920)	(1 196 254)
Net exchange differences		(1 800 117)	(3 083 626)
Effects of inflation		-	(1 302 484)
Cash and cash equivalents at the end of the year	17.5	**(376 249)**	**(2 609 920)**

**The comparative Group statement of cash flows for the year ended 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

Company Statement Of Cash Flows

For The Year Ended 31 March 2026

	Notes	COMPANY 2026 USD	*2025 USD
Cash flows from operating activities			
Cash generated from operations	17.4	26 332	491 874
Taxation paid	10.3	(32 320)	(15 901)
Net cash flows (utilised)/generated from operating activities		**(5 988)**	**475 973**
Cash flows from investing activities			
Finance income received	17.2	-	26
Dividends received from associate	14.1	-	175 294
Net cash flows generated from investing activities		**-**	**175 320**
Net (decrease)/increase in cash and cash equivalents		(5 988)	651 293
Cash and cash equivalents at the beginning of the year		6 815	6 815
Net exchange differences		-	(651 293)
Cash and cash equivalents at the end of the year	**17.5**	**827**	**6 815**

**The comparative Company statement of cash flows for the year ended 31 March 2025 which was previously presented in Zimbabwe Gold (ZWG) was translated to United States Dollar (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.*

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

1. CORPORATE INFORMATION

1.1 Corporate Information

The Group financial statements of Star Africa Corporation Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the directors on 16 June 2026. Star Africa Corporation Limited is a limited liability company incorporated and domiciled in Zimbabwe whose shares are publicly traded through the Zimbabwe Stock Exchange.

1.2

Name	%Equity interest 2026	2025	Nature of Business
Star Africa Corporation Limited			Holding company
Star Africa Operations (Private) Limited	100%	100%	Sugar refining, manufacture of sugar based products, marketing and distribution of sugar and other food products
Red Star Holdings Limited	100%	100%	Dormant
Silver Star Properties (Private) Limited	100%	100%	Property-holding company
Star Africa International Limited	100%	100%	Dormant
Namibstar Trading (Proprietary) Limited	100%	100%	Dormant
Tongaat Hulett (Botswana) Limited	33%	33%	Packaging and distribution of refined sugar
Safariland Investments (Private) Limited	70%	70%	Property-holding company

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The Group prepares financial statements with the aim to fully comply with International Financial Reporting Standards ("IFRS") Accounting Standards 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.

Determination of functional currency.

Given the context of the environment, management has assessed if there has been a change in the functional currency of the Group. The assessment included consideration of whether the use of free funds in paying for goods and services may represent a change in functional currency. In doing so, management considered the regulatory framework and parameters set in IAS 21 and made the judgements as follows;

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (Cont'd)

Determination of functional currency (Cont'd)

a. The currency that mainly influences the sales prices for goods and services

For the year ended 31 March 2026, turnover was raised in both USD and ZWG currency. The overall composition of this was dominated with USD sales, which were 93% of the total turnover. However, prices to customers continue being quoted in both USD and ZWG, where customers give their preference based on the market liquidity prevalent. The Group projects to continue earning revenue in both currencies.

b. The currency of the competitive forces and regulations that mainly determines the selling prices of goods and services.

Zimbabwe operates as a multi-currency economy. However, as evidenced by the year under review, transactions are predominantly settled in USD. The 2026 Monetary Policy Statement, issued in February 2026, acknowledged the continued use of the USD as the main currency for most commercial transactions. The consultative engagements conducted by the Reserve Bank of Zimbabwe prior to the statement's issuance revealed increasing market preference for USD. Stakeholders noted the restricted use of ZWG in large commercial transactions, with the USD continuing to be the currency of choice for pricing, settlement and savings

c. The currency that mainly influences labour, material and other costs of providing goods and services (normally the currency in which such costs are denoted and settled)

The currency that mainly influences labour, material and other costs of providing goods or services will often be the currency in which those costs are denominated and settled.Factors that include raw materials, labour, administrative expenses were largely settled in USD, as informed by collections. The proportion would vary from time to time in line with actual collections. Circa 90% of factors were incurred and settled in USD.

d. The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.

Financing activities refers to the issuing of debt and equity instruments. The Group utilised bank overdraft facilities, as well as loans to fund its working capital and capital expenditure requirements. Interest is calculated on the USD denominated principal and payments are also in USD. The company did not have any local currency (ZWG) borrowing. The Group retains receipts from operating activities predominantly in USD.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (Cont'd)

Determination of functional currency (Cont'd)

e. Fungibility of ZWG currency (Cont'd)

The ZWG currency is practically not fully fungible, due to factors that limit its interchangeability with other currencies or units. The main factors are regulatory constraints, as referenced on the website https://www.veritaszim.net/node/7167 . Conversions slide in largely one direction, which is from USD to ZWG.

The Zimbabwe Gold (ZWG) currency's fungibility is affected by several regulations and laws. Key restrictions include:"

- **Legal Tender Regulations** - The Reserve Bank of Zimbabwe (Legal Tender) Regulations, 2019 (SI 142 of 2019) originally declared the Zimbabwe dollar as the sole legal tender. However, subsequent policy developments and the practical dominance of USD in commercial transactions have effectively eroded this position.
- **Exchange Control Act** - The Exchange Control Act, amended in 2019 and 2022, allows for civil penalties to be imposed on those who contravene the Act. Subsection (2a) of the Act permits the use of foreign currency for certain transactions until December 31, 2030, providing a legal basis for the Group's USD-denominated operations.
- **Finance Acts** - The Finance (No. 2) Act, 2019, and subsequent Finance Acts, re-enacted the regulations; however, in practice, the USD has emerged as the dominant currency in most commercial transactions notwithstanding the legislative framework.
- **Presidential Powers (Temporary Measures) Act** - The currency law introduced in April 2024 under this Act, while empowering the President to make regulations for urgent situations, has not reversed the practical USD dominance observed in the market."

f. Zimbabwe's Monetary Policy Shift: RBZ's ZWG-Denominated Instruments

The Group's revenue and costs have become increasingly denominated and settled in USD during the year ended 31 March 2026. The USD now predominantly influences sales prices, input costs, financing activities and operating receipts. The regulatory environment has evolved to accommodate the practical dominance of the USD in commercial transactions, as evidenced by the Monetary Policy Statement's recognition of USD prevalence. Consequently, it is management's view that the indicators assessed above confirm that a change in functional currency from Zimbabwe Gold (ZWG) to United States Dollar (USD) has occurred, effective 1 April 2025, in compliance with IAS 21 – The Effects of Changes in Foreign Exchange Rates.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (Cont'd)

Conversion from Zimbabwe Gold (ZWG) to United States Dollar (USD)

The Group changed its functional and presentation currency from Zimbabwe Gold (ZWG) to United States Dollars (USD) effective 1 April 2025. Pursuant to this change in functional currency, the Group applied the translation procedures applicable to the new functional currency prospectively in compliance with International Accounting Standard 29, Financial Reporting in Hyperinflation Economies and International Accounting Standard 21, The Effects of Changes in Foreign Exchange Rates, whereby 31 March 2025 inflation adjusted figures were translated to USD using the prevailing official exchange rate as at 1 April 2025 of USD1:ZWG26.77. The resultant balances were adopted as the opening USD balances for the year ended 31 March 2026.

2.2 Statement of compliance

These financial statements for the year ended 31 March 2026 have been prepared in accordance with International Financial Reporting Standards, and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31).

2.3 Application of IAS 29: Financial reporting in hyperinflationary economies

Following the change in functional and presentation currency to the United States Dollar (USD) effective 1 April 2025, the Group's financial statements are no longer prepared under the inflation-adjusted accounting basis. The comparative financial statements, which were initially prepared in Zimbabwe Gold (ZWG) under the provisions of IAS 29 - Financial Reporting in Hyperinflationary Economies ("IAS 29"), have been converted to USD using the spot exchange rate of USD1: ZWG 26.7654 as at 31 March 2025, in accordance with IAS 21.

2.4 Basis of consolidation

The Group's financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2026.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Basis of consolidation (Cont'd)

Generally, there is a presumption that a majority of voting rights results in control. When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

Derecognises the assets (including goodwill) and liabilities of the subsidiary.
Derecognises the carrying amount of any non-controlling interests.
Derecognises the cumulative translation differences recorded in equity.
Recognises the fair value of the consideration received.
Recognises the fair value of any investment retained.
Recognises any surplus or deficit in profit or loss.

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.5 New or revised standards or amended and interpretations

2.5.1 Standards issued and effective in the current year

Some accounting pronouncements which have become effective 1 January 2025 have therefore been adopted and do not have a significant impact on the Group's financial results or position.

Amendments to IAS 21: Lack of Exchangeability

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements.

The amendments:

- Introduce a definition of whether a currency is exchangeable and the process by which an entity should assess this exchangeability.This includes application guidance included in a new Appendix A;
- Provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable; and;
- Require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.

These amendments only affect entities that are required to report foreign currency transactions where there is a long-term lack of exchangeability between currencies; and

Affected entities may be required to adjust the carrying value of any monetary items that have been translated from a foreign currency which is not exchangeable and will be required to provide additional disclosures on how the new spot rate has been determined.

The Directors are still assessing the impact of IAS 21 on the financial statements of the Group.

The amendments are effective for reporting periods beginning on or after 1 January 2025.

2.5.2 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.5.2 Standards issued but not yet effective (Cont'd)

IFRS 18: Presentation and Disclosures in Financial Statements

IFRS 18 was developed to address the lack of detailed requirements in IAS 1 for the following areas:

- The classification of income and expenses in the statement of profit or loss;
- The presentation of subtotals in the statement of profit or loss; and
- The aggregation and disaggregation of information presented in the primary financial statements or disclosed in the notes.

IFRS 18 requires foreign exchange differences to be classified in the same category of the statement of profit or loss as the income and expenses from items that gave rise to the foreign exchange differences.

The assessment of an entity's main business activities is therefore going to be a key judgement which may significantly impact the geography of where items appear in the statement of profit or loss.

IFRS 18 introduces the concept of a 'management-defined performance measure' (MPM) in order to address the significant diversity in practice currently seen when it comes to so-called 'alternative performance measures' and any non-GAAP performance measures.

The Standard requires entities that present expenses classified by function to disclose the amount of depreciation, amortisation, employee benefits, impairment losses and write-down of inventories included in each line in the operating category of the statement of profit or loss.

The directors are still assessing the impact of IFRS 18 on the financial statements of the Group.

The amendments are effective for reporting periods beginning on or after 1 January 2027.

2.6 Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.6 Significant accounting judgments, estimates and assumptions (Cont'd)

In the process of applying the Group's accounting policies, management has determined the following estimates and made the following assumptions, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Useful lives and residual values of property, plant and equipment

The Group assesses useful lives and residual values of property, plant and equipment each year taking into consideration past experience, technology changes and the local operating environment. Refer to Note 12 and accounting policy note for more information on property, plant and equipment.

ii. Revaluation of property, plant and equipment and fair value of investment property

The Group carries its investment property at fair value, with changes in fair value being recognised in profit or loss. In addition, it measures property, plant and equipment at revalued amounts with changes in fair value being recognised in other comprehensive income.

The Group engaged independent valuation specialists, Integrated Properties (Private) Limited, to determine fair values of properties held by the Group as at 31 March 2025. Valuation models in accordance with recommendations by the International Valuation Standards Committee have been applied. The key assumptions in coming up with fair values are future rental income, anticipated maintenance costs, future development costs and the appropriate discount rate.

iii. Allowance for expected credit losses ("ECL")

The Group uses a provision matrix to calculate ECLs on trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.6 Significant accounting judgments, estimates and assumptions (Cont'd)

iii. Allowance for expected credit losses ("ECL") (Cont'd)

The provision matrix is initially based on the Group's historical observed default rates. The Group then calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., inflation, gross domestic product growth rate) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing 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. The information about the ECLs on the Group's trade receivables and the carrying amount of receivables is disclosed in Note 26.4.

iv. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

v. Variable returns

The Group estimates variable considerations to be included in the transaction price for the sale of goods with rights of return and volume rebates. The Group developed a statistical model for forecasting sales returns. The model used the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group. The Group's expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will be likely entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date. The Group applied a statistical model for estimating expected volume rebates for contracts with more than one volume threshold.

The model uses the historical purchasing patterns and rebates entitlement of customers to determine the expected rebate percentages and the expected value of the variable consideration. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Group.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.6 Significant accounting judgments, estimates and assumptions (Cont'd)

v. Variable returns (Cont'd)

The Group updates its assessment of expected returns and volume rebates quarterly and the refund liabilities are adjusted accordingly. Estimates of expected returns and volume rebates are sensitive to changes in circumstances and the Group's experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future. As at 31 March 2026 there were no amounts recognised as either refund liabilities for the expected returns or volume rebates as the accumulated purchases to date for the eligible customers were not significant there by making the resultant estimates for rebates and returns immaterial.

vi. Investment property without title deeds

Three (3) properties have no title deeds. Of these, one (1) is held under lease with rural district councils. Transfer of ownership in progress for these properties. Management assessed whether these properties were in the control of the Company to warrant their recognition as assets of the Company in its books. Management determined that, while the legal title has not yet passed to the Company pending completion of outstanding administrative tasks to give effect to the transfer, the Company is exposed to the risks and rewards associated with these assets. Further, the Company has the power to direct the operations of the properties and determine how best the properties can be used as the Company sees fit from time to time. There are no encumbrances on these properties due to debt or loan commitments. All future benefits associated with these assets are expected to accrue to the Company. Management has, therefore, determined that these are assets within the control of the Company and, consequently, have been recognised as the Company's investment property in the statement of financial position as at 31 March 2026.

2.7 Foreign currency translations

The Group's financial statements are presented in United States Dollars (USD), which is also the parent company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

i. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in equity.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.7 Foreign currency translations (Cont'd)

i. Transactions and balances (Cont'd)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense, or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

ii. Group companies

The assets and liabilities of foreign operations are translated to USD at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.8 Revenue from contracts with customers

Accounting policy

The Group recognised revenue primarily from the sale of granulated sugar and sugar specialties products. Sugar specialities are products made from sugar which comprise icing sugar, caster sugar, syrups and caramel. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services (i.e. its transaction price). The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.8 Revenue from contracts with customers (Cont'd)

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 14 days upon delivery.

Delivery of the goods is a performance obligation that takes place at a point in time. The Group recognises that delivery has occurred when control of the goods has passed on to the customer in the following manner:

Sale of goods to collecting customers

Revenue is recognised when the Group has loaded the goods on the vehicle designated by the customer as the shipper with express acknowledgement of taking over the consignment having been received from the customer. In this instance, the performance obligation of the Group is limited to the transfer of possession of the goods at Group's premises through loading of the customer's vehicle/carriage.

Sales of goods to customers with delivery

Revenue is recognised when the Group has satisfied two performance obligations being (a) delivery of the goods to the customer's premises at the Group's own cost and (b) transfer of control of the goods through handing over of the goods to customer with the express acknowledgment from customer that they have taken possession and control of the goods. Management has assessed that the service provided to the customer of delivery is significantly integrated to the performance obligation of selling the goods as the two are performed pursuant to a single commercial objective. Consequently, management accounts for the sale of sugar and specialties and their delivery as one performance obligation with no need to split the transaction price.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods give customers a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.8 Revenue from contracts with customers (Cont'd)

- **Rights of return**

  Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer. Management estimates the possible extent of returns (as a percentage of total volumes sold) using the expected value method as determined through analysis of history of returns for specific customers with an established trade pattern from which the Group draws its estimates and then raises an allowance for such returns. At each reporting date, the Group assesses the sufficiency of the allowance for returns previously made and makes the necessary accounting adjustments.

  For goods that are expected to be returned, the Group recognises a contract liability processed against revenue. It is the Group's policy to recognise 0.26% of the qualifying revenue as a contract liability arising from customers' rights of return. At the end of each financial year, the Group assesses the appropriateness of the allowance and makes the necessary adjustments after comparing the actual value of returned goods over a specified period of time against the allowance that would have been created. In applying this policy, management computed a value of ZWL10,267,078 (2021 : ZWL40,157) as the potential contract liability arising from customers' rights of return. The amounts were considered too trivial to raise as contract liabilities in the financial statements.

- **Volume rebates**

  The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contracts. Rebates are only included as part of revenue if, and to the extent that, it is highly probable that their inclusion will not result in a significant revenue reversal in the future as a result of a re-estimation .

  To estimate the variable consideration for the expected future rebates, the Group applies the expected value method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.9 Interest income

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

2.10 Dividend income

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.11 Rental income

Rental income arising from operating leases on investment property is recognised monthly based on the lease terms which are generally on short term and subject to review after every twelve months. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in profit or loss when they arise.

2.12 Cost of sales

Cost of sales is normally the carrying value of inventories sold and any net realisable value adjustments. The amount also includes depreciation of plant and wages of factory employees. The Group also recognises costs related to rental of properties such as management fees in its cost of sales.

2.13 Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

a. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.13 Taxes (Cont'd)

Deferred tax (Cont'd)

b. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

a. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
b. In respect of deductible temporary differences associated with investments in subsidiaries associates and interest in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in relation to the underlying transaction either in profit or loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.13 Taxes (Cont'd)

Value Added Tax ("VAT")

Revenues, expenses and assets are recognised net of the amount of VAT except:

a. Where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
b. Receivables and payables that are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.14 Pensions and other post-employment benefits

Retirement benefits are provided for eligible employees through an independently administered defined contribution fund, including the National Social Security Authority ("NSSA"). Contributions to these funds are recognised as an expense in the period to which employees' services relate. All eligible employees are required to be members of a Starafrica Group contributory pension scheme administered by an employee benefit consultancy company.

2.15 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.15 Financial assets (Cont'd)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following category:

- Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

a. The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
   and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method to less allowance for expected credit losses. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, cash and cash equivalents and loans to related parties. Further disclosures relating to impairment of financial assets are also provided under Trade receivables, Note 13.

Impairment of financial assets

The Group recognises an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit losses experience, adjusted for forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.15 Financial assets (Cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

2.16 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.17 Property, plant and equipment

Property, plant and equipment, which includes land and buildings, are measured at fair value less accumulated depreciation and impairment losses charged subsequent to the date of revaluation. Any revaluation surplus is recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity, that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus. At the date of revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings. Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. When each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and machinery	5% - 15% straight line
Motor vehicles	10% - 30% straight line
Furniture and equipment	10% - 33.3% straight line
Buildings	2% straight line

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and prospectively adjusted, if appropriate.

2.18 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset (or assets) and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement.

Group as a lessor

The Group has contractual arrangements which do not substantially transfer all the risks and rewards of ownership to third parties utilising those assets. Rental income arising from those arrangements is accounted for on a straight -line basis over the term of the arrangement and is included in profit or loss. Contingent rents are recognised as revenue in the period in which they are earned.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.18 Leases (Cont'd)

Group as a lessor (Cont'd)

The Group did not award any rent concessions during prior year nor in the 2024 financial year. Lease receivables have also been included in the allowance for expected credit losses as it appears on the face of the statement of profit and loss and other comprehensive income. There was no voluntary forgiveness of any lease receivables. Also straight lining of the lease income did not apply as none of lease agreements with lessees contain rent escalation clauses. Lease receivables were scoped into the expected credit loss model with an allowance quantified and recognised in the financial statements.

The Group leases residential and industrial properties all around the country for lease periods not exceeding 12 months which are renewable only with the express agreement of the Group as the lessor. The Group retains the ownership rights over the properties by not putting any clauses in the contract which, explicitly or implicitly, cede the rights over the properties to the lessees. The contracts are kept as short-term without any automatic renewal clauses in the agreements.

Group as a lessee

The Group is a lessee in contracts for use of pallets and mobile equipment. However, the contracts are of a short term nature and as such the Group has elected to apply the exemptions under paragraphs 5 and 6 of IFRS 16 that allow it to recognise the lease payments on a straight-line basis.

2.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets.

All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. During the current year there were no borrowing costs that were capitalised to qualifying assets.

2.20 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: weighted average method

Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Consumables: weighted average method

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.21 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents less bank overdrafts. Cash falls into the debt instruments category and are accounted for at amortised cost.

2.22 Investments in associates and subsidiaries

2.22.1 Investment in an associate

The financial results of the Group's associate are included in the Group's results according to the equity method from acquisition date until the disposal date. Under this method, subsequent to the acquisition date, the Group's share of profits or losses of associate is charged to profit or loss as equity accounted earnings and its share of movements in other comprehensive income and equity is recognised in other comprehensive income or equity. All cumulative post-acquisition movements in the equity of associates are adjusted against the cost of the investment. When the Group's share of losses in associates equals or exceeds its interest in those associates, the Group does not recognise further losses, unless the Group has incurred a legal or constructive obligation or made payments on behalf of those associates. Goodwill relating to associate is included in the carrying value of the associate and is not amortised or separately tested for impairment.

The total carrying value of associate, including goodwill, is tested for impairment when there is objective evidence that the investment in the associate is impaired. If impaired, the carrying value of the Group's share of the underlying assets of the associate is written down to its estimated recoverable amount in accordance with the accounting policy on impairment and charged to profit or loss. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associate.

The associate's accounting policies conform to those used by the Group for like transactions and events in similar circumstances. In the Company financial statements, the investment in associate is accounted for at cost.

2.22.2 Investment in subsidiary

The subsidiary's accounting policies conform to those used by the Group for like transactions and events in similar circumstances. In the Company's financial statements, the investment in subsidiaries accounted for at cost.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.22 Investment property

Investment properties are measured initially at historical cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including corresponding tax effect. Fair values are evaluated annually by an accredited external, independent valuer, applying a valuation model recommended by the International Valuation Standards Committee.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Investment properties are derecognised when either they have been disposed of (i.e. at the date the recipient obtains control) or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

2.23 Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Disclosures for significant assumptions Note 2.6
- Property, plant and equipment Note 12

2.25 Other income

Other income in the statement of profit and loss and other comprehensive income represents income derived from activities unrelated to the main focus of Star Africa Corporation Limited. This includes profit from disposal of property, plant and equipment, scrap, loan write-downs, weighbridge income and insurance claims.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

3 TOTAL REVENUE

	Notes	2026 USD	*2025 USD
Revenue from contracts with customers	3.1	57 734 340	63 523 630
Rental income	3.2	389 264	356 225
		58 123 604	**63 879 855**

Set out below is the disaggregation of the Group's revenue:

3.1 Revenue from contracts with customers

		2026 USD	*2025 USD
Food Segment			
Revenue type			
Refined sugar		49 767 777	56 878 958
Sugar specialties		7 966 563	6 644 672
		57 734 340	**63 523 630**
Geographical markets			
Zimbabwe		57 734 340	63 523 630
Timing of revenue recognition			
Goods transferred at a point in time		57 734 340	63 523 630

Set out below, is the reconciliation of the rental income contracts with customers with the amounts disclosed in the segment information (note 23)

Year ended 31 March 2026		2026 USD	*2025 USD
Revenue			
External customers	23	57 734 340	63 523 630
Inter-segment	23	5 527 057	4 044 153
		63 261 397	67 567 783
Inter-segment adjustments and eliminations		(5 527 057)	(4 044 153)
		57 734 340	**63 523 630**
Revenue from rental income			
Properties segment			
Revenue type			
Rental income		**389 264**	**356 225**

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (note 23)

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

3 TOTAL REVENUE (CONT'D)

3.2 Revenue from rental income (Cont'd)

	Notes	2026 USD	*2025 USD
Year ended 31 March 2025			
Revenue			
External customers		389 264	356 225
External customers		389 264	356 225
Inter-segment		-	-
		389 264	356 225
Inter-segment adjustments and eliminations		-	-
		389 264	**356 225**

3.3 Liabilities related to contracts with customers

The Group has recognised the following liabilities related to contracts with customers for sale of goods, see note 22:

Obligation to transfer goods for advance consideration received from customers	71 592	27 497

4. COST OF SALES

	2026 USD	*2025 USD
Direct employment costs (4.1)	1 240 974	1 638 067
Production chemicals	289 808	383 411
Fuel, oils and sundries	49 974	56 770
Raw sugar and cartage	39 306 001	41 765 785
Packaging	1 106 838	1 581 386
Equipment hire and maintanance	277 880	294 391
Coal / steam	2 252 523	2 125 553
Depreciation of plant and machinery	194 224	124 156
Plant repairs and maintenance	791 762	1 221 540
Electricity and water	1 979 237	2 000 131
	47 489 222	**51 191 190**

4.1 Direct employment costs

Basic wages and salaries	1 240 974	1 638 067

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

5 OTHER INCOME

Year ended 31 March 2025	2026 USD	*2025 USD
Net loss on disposal of assets	(10 239)	(15 134)
Other sundry income	1 031 035	465 890
	1 020 796	**450 756**

*Other sundry income comprises of scrap sales and weighbridge income.

6 OPERATING EXPENSES

	2026 USD	*2025 USD
6.1 Selling and distribution expenses		
Merchandising	243 399	370 893
Advertising	79 880	58 980
Quantity and settlement discounts	51 574	83 493
Distribution and other costs	982 678	620 234
	1 357 531	**1 133 600**
6.2 Administrative expenses		
Indirect employment costs (6.2.1)	2 997 202	3 593 041
Directors' emoluments	74 155	81 125
Other overheads (6.2.2)	4 891 584	5 572 504
Depreciation	217 974	171 987
	8 180 915	**9 418 657**
6.2.1 Indirect employment costs		
Basic wages and salaries	1 036 402	1 276 654
Allowances	403 596	231 842
Movement in leave pay provision	(41 595)	108 813
Long service award/gratuity	45 122	24 327
Staff welfare	1 132 410	1 018 724
Other staff costs	421 267	932 681
	2 997 202	**3 593 041**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

6 OPERATING EXPENSES (CONT'D)

Year ended 31 March 2025	2026 USD	*2025 USD
6.2.2 Other overheads		
Intermediated Money Transfer Tax ("IMTT")	748 049	827 493
Auditors' remuneration	52 965	57 260
Information, communication and technology	148 635	128 566
Office administration and sundry costs	686 053	409 075
Professional fees and subscriptions	2 334 980	2 592 532
Buildings and furniture - repairs and maintenance	5 007	34 066
Insurance and licenses	78 062	109 512
Vehicles expenses	84 449	81 102
Bank charges	108 395	159 908
Communication expenses	2 990	6 341
Security costs	378 302	408 070
Safety, health and environmental costs	89	383 976
Utilities, rent and rates	207 863	266 075
Legal costs	55 745	108 528
	4 891 584	**5 572 504**
6.2.3 Administrative expenses (Company)		
Sundry expenses	3 031	-
Bank charges	236	592
	3 267	**592**
7 EXCHANGE GAIN/(LOSSES)	**791 070**	**(8 402 103)**
8 NET FINANCE COSTS		
Finance income	(248)	(36)
Finance costs	452 111	540 229
	451 863	**540 193**
9 PROFIT/(LOSS) FROM OPERATING ACTIVITIES	**8 180 915**	**(4 596 600)**
(Loss)/profit from operating activities is arrived at after taking into account the following:		
Directors' emoluments:	74 155	81 125
Exchange gain/(losses)	791 070	(8 402 103)
Auditors' remuneration	52 965	57 260
Indirect employment costs	2 997 202	3 593 041

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

10 INCOME TAX

	Year ended 31 March 2025	2026 USD	*2025 USD
10.1	**Income tax (Group)**		
	Current income tax charge	12 978	35 967
	Tax on foreign dividends	-	35 059
	Capital gains tax	-	178 329
	Deferred tax charge/(credit)	(158 660)	(12 201)
		(145 682)	**237 154**
	Income tax (Company)		
	Tax on foreign dividends	-	35 059
	Deferred tax charge/(credit)	-	(919)
		-	**34 140**
10.2	**Income tax reconciliation (Group)**		
	Profit/(loss) before tax	1 300 759	(4 596 606)
	Tax charge on profit before tax	334 945	(1 183 624)
	Adjusted for:		
	Permanent differences	(480 627)	2 010 428
	Dividend taxed at different rate	-	(10 079)
	Capital gains tax at different rate	-	(579 571)
		(145 682)	**237 154**
	Income tax reconciliation (Company)		
	(Loss)/profit before tax	(3 252)	158 005
	Tax charge on profit before tax	(837)	40 686
	Adjusted for:		
	Permanent differences	837	3 533
	Dividend taxed at different rate	-	(10 079)
		-	**34 140**
10.3	**Income tax payable reconciliation (Group)**		
	Opening balances	104 317	47 203
	Current tax charge	12 978	35 967
	Tax on foreign dividends charge	-	35 059
	Capital gains tax	-	178 329
	Monetary gain	-	(25 729)
	Tax paid	(88 543)	(166 512)
	Closing balances	**28 752**	**104 317**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

10 INCOME TAX (CONT'D)

Year ended 31 March 2025	2026 USD	*2025 USD
10.3 Income tax payable reconciliation (Company)		
Opening balance at 1 April	46 397	65 558
Tax on foreign dividends charge	-	35 059
Monetary gain	-	(38 319)
Tax paid	(32 320)	(15 901)
Closing balance at 31 March	**14 077**	**46 397**
11 EARNINGS/(LOSS) PER SHARE		
Net profit/(loss) attributable to equity holders of the parent	1 586 625	(5 113 712)
Weighted average number of ordinary shares for basic and diluted earnings / (loss) per share	4 808 662 335	4 808 662 335
11.1 Basic earnings per share		
(Loss)/profit attributable to equity holders of the parent	1 586 625	(5 113 712)
Weighted average number of ordinary shares in issue	4 808 662 335	4 808 662 335
Earnings per share (cents)	0.03	(0.11)
11.2 Diluted earnings per share		
Profit attributable to equity holders of the parent	1 586 625	(5 113 712)
Weighted average number of ordinary shares adjusted for the effect of dilution	4 808 662 335	4 808 662 335
Earnings per share (cents)	0.03	(0.11)
11.3 Headline earnings per share		
Headline earnings	2 243 947	1 503 403
Weighted average number of ordinary shares in issue	4 808 662 335	4 808 662 335
Headline earnings per share (cents)	0.05	0.03
Reconciliation of earnings used in calculating headline earnings per share		
Profit/(loss) attributable to equity holders of the Company	1 586 625	(5 113 712)
Adjusted for:		
Fair value (loss)/gain on investment properties	1 666 113	(3 155 118)
Loss on disposal of assets	10 239	15 134
Exchange gain/(loss)	(791 070)	8 402 103
Adjusted earnings	**2 471 907**	**148 407**
Total income tax effect on adjustments	(227 960)	1 354 996
Headline earnings	**2 243 947**	**1 503 403**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

12 PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings USD	Plant and Machinery USD	Motor vehicles USD	Furniture & equipment USD	Work in Progress USD	Total USD
Year ended 31 March 2025						
Opening net book amount	5 267 863	2 483 118	174 882	94 959	965 880	8 986 702
Additions	-	36 558	-	12 185	422 775	471 518
Disposals	-	-	(20 489)	(64)	-	(20 553)
Revaluation surplus	3 400 545	1 373 058	146 595	51 393	-	4 971 591
Depreciation charge	(105 357)	(124 156)	(34 977)	(31 653)	-	(296 143)
	8 563 051	**3 768 578**	**266 011**	**126 820**	**1 388 655**	**14 113 115**
As at 31 March 2025						
Cost or revalued amount	8 563 051	3 768 578	266 011	126 820	1 388 655	14 113 115
Accumulated depreciation	-	-	-	-	-	-
Net book amount	**8 563 051**	**3 768 578**	**266 011**	**126 820**	**1 388 655**	**14 113 115**
Year ended 31 March 2026						
Opening net book amount	8 563 051	3 768 578	266 011	126 820	1 388 655	14 113 115
Additions	23 930	268 513	104 575	7 258	33 223	437 500
Disposals	-	-	(43 317)	-	-	(43 317)
Reclassification to investment property	(423 000)	-	-	-	-	(423 000)
Reclassification from work in progress	-	-	-	6 906	(6 906)	-
Revaluation (loss)/surplus	(1 180 416)	(675 516)	(48 063)	17 711	-	(1 886 285)
Depreciation charge	(143 565)	(194 224)	(53 128)	(21 280)	-	(412 198)
Closing net book amount	**6 840 000**	**3 167 351**	**226 078**	**137 414**	**1 414 972**	**11 785 815**
As at 31 March 2026						
Cost or revalued amount	6 840 000	3 167 351	226 078	137 414	1 414 972	11 785 815
Accumulated depreciation	-	-	-	-	-	-
Net book amount	**6 840 000**	**3 167 351**	**226 078**	**137 414**	**1 414 972**	**11 785 815**

Depreciation reconciliation	**2026 USD**	**2025 USD**
Attributable to:		
Cost of sales (note 4)	194 224	124 156
Administrative expenses (note 6.2)	217 974	171 987
	412 198	**296 143**

The Company engaged an independent professional valuer, Integrated Properties, who carried out valuation of the Company's property, plant and equipment. The valuation was carried out as at 31 March 2026.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

12 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

12.1 Impairment indicators assessment

In assessing for impairment management considers financial indicators which include:

- The Group's net asset value was positive at USD12.9 million.
- Cash flows – The Group had negative cashflows during the period.
- Reliance on short term borrowings – The Group's gearing has increased from 16% in prior year to 35% current year, largely due to taking opportunity of favourable terms which were granted by creditors and financiers.
- Forecast of negative cash flows – As per the Board approved budget, the Group does not anticipate to generate negative cash flows.
- Slow collections from debtors – The Group debtors collection days has increased to 20 days from 7 days achieved in prior period. This owes to increased business and decision to pass on the benefits to customers of the flexed term by creditors.

Operational indicators

- Level of production – Production volumes increased by 1% from 60,212 tonnes to 60,819 tonnes in the year ended 31 March 2026, supported by improved plant availability and a steady supply of raw materials throughout the period.
- Level of sales in the market – Sales volumes remained broadly stable at 59,596 tonnes in the year ended 31 March 2026, compared to 59,613 tonnes in the prior year. Finished product availability was sustained throughout the period, supported by the improvement in production volumes.

Following this impairment indicators assessment, management concluded that there are no indicators of impairment of the property, plant and equipment and, as a result, no formal estimate of the recoverable amount was required or made.

12.2 Property provided as security

Property classified as property, plant and equipment with a carrying value of USD8.4 million (2025: USD4.7 million) was provided as security with respect to bank overdraft facilities and loans.

12.3 Revaluation of property, plant and equipment

The Group carries property, plant and equipment, including land and buildings, at fair value less accumulated depreciation and impairment. The revalued property consists of commercial land and buildings. The fair value of properties was determined by using market, income and cost approaches. The difference between the carrying amount as at 31 March 2025 and the fair value as at 31 March 2026 was deemed to be the revaluation in USD terms and was classified under other comprehensive income.

At date of revaluation, 31 March 2026, the properties' fair values were determined by Integrated Properties (Private) Limited , an accredited independent professional valuer. The valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

12 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

12.3 Revaluation of property, plant and equipment (cont'd)

Description of valuation techniques used and key inputs to valuation of land and buildings occupied by the Group

The following methods and assumptions have been adopted in the valuation process:

Valuation techniques for commercial land

The comparative method is used to value commercial land. This method works on the basic assumption that the price paid for a property at a given point in time is evidence of the market value of that property and, all other factors being equal, is a good indicator of the market value of a similar property. It involves carrying out a valuation by directly comparing the subject property with similar properties which have sold in the past and using evidence of those transactions to assess the value of the subject property. Analysis should encompass every attribute of a transaction that was different from every other attribute in selected comparable transactions.

Valuation techniques for commercial buildings

In assessing the market values of commercial/industrial properties, both the direct comparison and the income capitalisation or investment approaches were used. Income producing real estate is typically purchased as an investment essentially exchanging present money for the right to receive future income. The indication of value using the income capitalisation approach requires consideration of market oriented assumptions and data.

The Income Capitalisation Approach to value is employed to indicate the value of the freehold properties involving market-based decisions. This process considers a direct relationship whereby an overall capitalisation rate or all risks yield is applied to a single year's income. In brief a capitalisation rate is a rate used to convert a property's potential income into value. It is the rate at which the annual estimated potential income of a property is capitalised into perpetuity to help derive its market value. Hence, given the income produced by a property, its capital value can be estimated.

The market determines the capitalisation rate; i.e. the capitalisation rate is determined by the rate at which similar assets have traded recently and is influenced by various factors which include the following:
- rates of return on comparable properties
- risk
- obsolescence
- inflation (perceptions)
- gross market rental growth rates
- rates of return on alternative investments
- property expenditure

In arriving at our opinion of values, we have also taken cognisance of the following important factors:
- the demand for property in the area with reference to rentals being achieved and vacancy rates.
- the general characteristic of the area in which the property is situated with reference to access to major arterial and national roads.
- the state of buildings surrounding the properties.
- the future prospects for the area.
- the state of the improvements.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

12 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

12.3 Revaluation of property, plant and equipment (cont'd)

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:

	2026 USD	*2025 USD
Fair value measurement using significant unobservable inputs (Level 3)		
Commercial buildings	6 840 000	8 131 630
Commercial land	-	431 421
Total	**6 840 000**	**8 563 051**
Reconciliation of fair value:		
Opening balance	**8 563 051**	**5 267 863**
Remeasurement recognised in profit or loss	(144 889)	(105 357)
Reclassification of PPE to investment property	(431 421)	-
Remeasurement recognised in other comprehensive income	(1 180 416)	3 400 545
Closing balance	**6 806 325**	**8 563 051**
If land and buildings were measured using the cost model, the carrying amounts would be as follows:		
Cost	3 727 143	3 727 143
Accumulated depreciation	(656 249)	(512 684)
Net carrying amount	**3 070 894**	**3 214 459**

13 INVESTMENT PROPERTY

	2026 USD	*2025 USD
Balance at 1 April	7 772 113	4 570 805
Reclassified from property, plant and equipment	423 000	-
Additions	-	46 190
Fair value adjusment	(1 666 113)	3 155 118
Balance at 31 March	**6 529 000**	**7 772 113**

Investment properties were valued by Integrated Properties an accredited independent valuer. Integrated Properties is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuations Standards Committee has been applied.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

13 INVESTMENT PROPERTY (CONT'D)

Investment property with a carrying value of USD6.1 million (2025: USD7.8 million) was provided as security with respect to a bank overdraft facility.

Description of valuation techniques used and key inputs to valuation of investment properties;

The following methods and assumptions have been adopted in the valuation process:

Valuation techniques for land and residential buildings
In determining the market value for residential properties, we considered comparable market evidence. This comprises of complete transactions as well as transactions where offers had been made but the transaction had not been finalised. We also looked at the prices that are being asked for in respect of properties that are currently on the market. We exercised professional judgement to adjust the market evidence to take cognisance of the fact that the properties in the transactions were not exactly comparable in terms of size, location, quality etc. to the subject properties.

This approach adopts the principle that the value of one property may be derived by comparing it with prices achieved from market transactions in similar properties. It is widely used in the valuation of straightforward residential, rural and commercial property assets.

Valuation techniques for commercial buildings
In assessing the market values of commercial/industrial properties, both the direct comparison and the income capitalisation or investment approaches were used. Income producing real estate is typically purchased as an investment essentially exchanging present money for the right to receive future income. The indication of value using the income capitalisation approach requires consideration of market oriented assumptions and data.

The Income Capitalisation Approach to value is employed to indicate the value of the freehold properties involving market-based decisions. This process considers a direct relationship whereby an overall capitalisation rate or all risks yield is applied to a single year's income. In brief a capitalisation rate is a rate used to convert a property's potential income into value. It is the rate at which the annual estimated potential income of a property is capitalised into perpetuity to help derive its market value. Hence, given the income produced by a property, its capital value can be estimated.

The market determines the capitalisation rate; i.e. the capitalisation rate is determined by the rate at which similar assets have traded recently and is influenced by various factors which include the following:

- rates of return on comparable properties.
- risk
- obsolescence
- inflation (perceptions)
- gross market rental growth rates
- rates of return on alternative investments
- property expenditure

In arriving at our opinion of values, we have also taken cognisance of the following important factors:

- the demand for property in the area with reference to rentals being achieved and vacancy rates.
- the general characteristic of the area in which the property is situated with reference to access to major arterial and national roads.
- the state of buildings surrounding the properties.
- the future prospects for the area.
- the state of the improvements.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

13 INVESTMENT PROPERTY (CONT'D)

	2026 USD	*2025 USD
Income and expenses relating to investment property		
Rental income	389 264	356 225
Direct operating costs incurred in generating the rental income	(38 472)	(45 697)
Net income	**350 792**	**310 528**

There are no other operating costs incurred which did not generate the rental income recognised.

The Group has contractual arrangements which do not substantially transfer all the risks and rewards of ownership to third parties utilising those assets. Rental income arising from those arrangements is accounted for on a straight-line basis over the term of the arrangement and is included in profit or loss. Contingent rents are recognised as revenue in the period in which they are earned.

The Group did not award any rent concessions during the year under review nor in the 2025 financial year. Lease receivables have also been included in the allowance for expected credit losses as it appears on the face of the statement of profit and loss and other comprehensive income. Also straight lining of the lease income did not apply as none of lease agreements with lessees contain rent escalation clauses. Lease receivables were scoped into the expected credit loss model with an allowance quantified and recognised in the financial statements.

The Group leases residential and industrial properties all around the country for lease periods not exceeding 12 months which are renewable only with the express agreement of the Group as the lessor. The Group retains the ownership rights over the properties by not putting any clauses in the contract which, explicitly or implicitly, cede the rights over the properties to the lessees. The contracts are kept as short-term without any automatic renewal clauses in the agreements.

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;

	2026 USD	*2025 USD
Fair value measurement using significant unobservable inputs (Level 3)		
Commercial	5 893 000	7 510 645
Residential	636 000	261 468
Total	**6 529 000**	**7 772 113**

The total value of land included in commercial properties is USD5 825 208 (2025 : USD2 087 816) and in residential properties is USD202 792 (2025 : USD125 504).

Sensitivity analysis to significant changes in unobservable inputs within level 3 of the hierarchy.

The significant unobservable inputs used in the fair value measurement categorised within level 3 of the value hierarchy of the Group's portfolio of investment properties and land and buildings were as follows:

- Capitalisation rate;
- Rental per square metre
- Vacancy rate ; and
- Comparable transacted properties.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

14 INVESTMENTS

14.1 Investment in associate

The Group has a 33.33% (2025: 33.33%) equity stake in Tongaat Hulett (Botswana) (Proprietary) Limited (formerly Sugar Industries (Proprietary) Limited). Tongaat Hulett (Botswana)(Proprietary) Limited is a private entity that is not listed on any public exchange.

The following table illustrates summarised financial information of the Group's investment in Tongaat Hulett (Botswana) (Proprietary) Limited.

	2026 USD	*2025 USD
Investment at cost	11 259	11 259
Associate's statement of financial position:		
Non-current assets	1 066 166	866 919
Current assets	9 092 531	9 332 785
Current liabilities	(2 764 904)	(4 426 499)
Non-current liabilities	(41 460)	(61 201)
Net assets	**7 352 333**	**5 712 004**
Share of the associate's statement of financial position:	2 450 778	1 904 002
Revenue	40 001 698	32 578 980
Cost of sales	(34 852 951)	(29 334 672)
Administrative expenses	(2 647 308)	(1 893 168)
Finance costs	19 414	(3 773)
Profit before tax	**2 520 853**	**1 347 367**
Income tax expense	(554 587)	(335 134)
Profit for the year	**1 966 266**	**(1 012 233)**
Total comprehensive income	**1 966 266**	**1 012 233**
Group's share of total comprehensive income for the year	**655 422**	**337 411**
Dividend received from associate	-	175 294
Opening balance	**1 904 002**	**1 000 780**
Share of profits	655 422	337 411
Dividends received	-	(175 294)
Effects of changes in exchange rates	(108 646)	1 123 561
Monetary loss	-	(382 456)
Closing balance	**2 450 778**	**1 904 002**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

14 INVESTMENTS (CONT'D)

14.2 Investments in subsidiaries

Subsidiary	Ownership
Star Africa Operations (Private) Limited	100%
Red Star Holdings Limited **	100%
Silver Star Properties (Private) Limited - 14.2 (a)	100%
Star Africa International Limited **	100%
Namibstar Trading (Proprietary) Limited **	100%

** subsidiaries are dormant

Investment at cost	2026 USD	*2025 USD
Star Africa Operation (Private) Limited	46 197	46 197
Silver Star Properties (Private) Limited - 14.2 (a)	2 106 863	2 106 863
Star Africa International Limited **	-	-
Namibstar Trading (Proprietary) Limited **	2	2
	2 153 062	**2 153 062**
Reconciliation of carrying amounts of investments in subsidiaries		
Opening carrying amount of investments	2 153 062	2 153 062
Movement for the year	-	-
Closing carrying amount of investments	-	-
	2 153 062	**2 153 062**

14.2a Investment in Silverstar Properties (Private) Limited

Star Africa Corporation Limited holds 100% (2025: 100%) equity in Silverstar Properties (Private) Limited. Silverstar Properties, in turn, holds equity in 3 property companies, namely Safariland Investments (Private) Limited (70% equity) (2025: 70%), Charring Cross Properties (Private) Limited (100% equity) (2025: 100%) and Quality Properties (Private) Limited (100%) (2025: 100%) equity.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

14 INVESTMENTS (CONT'D)

14.3 Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interest are provided below:

Proportion of equity interest held by non-controlling interest

Name

Safariland Investments (Private) Limited 30%

	2025 USD	*2025 USD
Accumulated balances of material non-controlling interest	525 094	665 278
Profit allocated to material non-controlling interest	(140 184)	279 952
Summarised statement of profit or loss - Safariland Investments (Private) limited		
Revenue	50 400	72 654
Fair value adjustment- investment property	(517 679)	917 568
Loss on net monetary position	-	(11 171)
Profit before income tax	**(467 279)**	**979 051**
Income tax	-	(45 878)
Profit for the year	**(467 279)**	**933 173**
Attributable to non-controlling interest	(140 184)	279 952
Summarised statement of financial position - Safariland Investments (Private) limited		
Investment property	1 730 000	2 261 691
Trade and other receivables	56 295	57 815
Cash and cash equivalents	-	-
Trade and other payables	-	-
Deferred tax	(35 983)	(101 914)
Total equity	**1 750 312**	**2 217 592**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

14 INVESTMENTS (CONT'D)

14.3 Material partly-owned subsidiaries (continued)

	2026 USD	*2025 USD
Attributable to:		
Equity holders of the parent	1 225 218	1 552 314
Non-controlling interest	525 094	665 278
	1 750 312	**2 217 592**
Summarised cash flow information		
- Safariland Investments (Private) limited		
Profit before income tax	(467 279)	979 051
Loss/(gain) on net monetary position	-	(11 173)
Valuation loss/(gain) on investment property	517 679	(917 568)
Decrease in accounts receivable	1 520	(50 310)
Cash generated from / (used in) operations	51 920	-
Net increase/(decrease) in cash and cash equivalents	51 920	-

15 INVENTORIES

	2026 USD	*2025 USD
Raw materials	1 521 227	686 331
Work-in-progress	872 875	1 224 544
Finished products	1 759 622	1 647 769
Consumables	289 862	973 353
	4 443 586	**4 531 997**

The amount of inventory expensed during the year is USD 40 752 621 (2025: USD 43 787 352).

16 RECEIVABLES AND PREPAYMENTS

16.1 Prepayments and deposits

	2026 USD	*2025 USD
Capital expenditure	352 386	2 319
Production inputs and spares	143 996	277 545
Raw materials	19 983	3 792
Other services	93 054	40 404
	609 419	**324 060**

16.2 Trade and other receivables

	GROUP	
	2026 USD	2025 USD
Trade receivables (note 26.4)	8 743 294	3 070 084
Allowance for expected credit losses (note 26.4)	(630 434)	(485 945)
Value added tax	14 628	-
Other receivables	441 145	203 863
Amounts owed by related parties (note 25.6)	393 727	149 908
	8 962 361	**2 937 910**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

16 RECEIVABLES AND PREPAYMENTS (CONT'D)

	COMPANY	
	2026 USD	2025 USD
Amounts owed by related parties (note 25.6)	230 773	260 357
	230 773	**260 357**

As at 31 March 2026, the Group did not hold any security on trade and other receivables.

Reconciliation of the allowance for credit losses	2026 USD	2025 USD
Opening balance	485 945	164 981
Charge for the year	144 489	320 964
Closing balance	**630 434**	**485 945**

17 NOTES TO THE STATEMENTS OF CASH FLOWS

17.1 Cash (used in)/generated from operations

Group	GROUP		COMPANY	
	2026 USD	2025 USD	2026 USD	2025 USD
Profit/(loss) before tax	1 300 759	(4 596 606)	(3 252)	158 006
Depreciation	412 198	296 143	-	-
Fair value loss / (gain) on investment property	1 666 113	(3 155 118)	-	-
Allowance for expected credit losses (Note 16)	144 489	320 964	-	-
Non-cash income	(630 644)	-	-	-
Loss on net monetary position	-	1 413 039	-	760 545
Unrealised exchange (gain)/loss	(791 070)	2 962 639	-	(138)
Loss on disposal of property, plant and equipment	10 239	15 134	-	-
Dividends received from associate	-	-	-	(175 294)
Share of profit of an associate	(655 422)	(337 411)	-	-
	1 456 662	**(3 081 216)**	**(3 252)**	**743 119**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

17 NOTES TO THE STATEMENTS OF CASH FLOWS

17.2 Net finance costs

	GROUP		COMPANY	
	2026 USD	2025 USD	2026 USD	2025 USD
Finance income	(248)	(36)	-	(26)
Finance costs	452 111	540 229	-	-
	451 863	**540 193**	**-**	**(26)**

17.3 Working capital changes

	GROUP		COMPANY	
	2026 USD	2025 USD	2026 USD	2025 USD
Decrease in inventories	88 411	3 638 136	-	-
(Increase)/decrease in trade and other receivables	(6 024 451)	(1 884 075)	29 584	(251 218)
(Increase)/decrease in prepayments	(285 359)	435 037	-	-
Increase in trade and other payables	4 501 861	4 321 880	-	-
	(1 719 538)	**6 510 978**	**29 584**	**(251 218)**

17.4 Cash flows generated from operations

	GROUP		COMPANY	
	2026 USD	2025 USD	2026 USD	2025 USD
Cash generated/(utilised in) from operations (17.1)	1 456 662	(3 081 216)	(3 252)	743 118
Net finance cost (17.2)	451 863	540 193	-	(26)
Working capital changes (17.3)	(1 719 538)	6 510 977	29 584	(251 218)
	188 987	**3 969 954**	**26 332**	**491 874**

17.5 Cash and cash equivalents

	GROUP		COMPANY	
	2026 USD	2025 USD	2026 USD	2025 USD
Cash and cash equivalents comprise the following at 31 March:				
Cash and bank balances	1 691 637	130 986	827	6 815
Bank overdraft	2 067 886	(2 740 906)	-	-
	3 759 523	**(2 609 920)**	**827**	**6 815**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

18 SHARE CAPITAL

	2026 USD	*2025 USD
Issued and fully paid share capital	54 536	54 536
Unissued share capital	7 583	7 583

The unissued share capital is under the control of Directors and is subject to the limitations of the Companies and Other Business Entities (Chapter 24:31) and the Zimbabwe Stock Exchange regulations.

19 BORROWINGS

	2026 USD	*2025 USD
19.1 Long-term borrowings		
Long-term portion of Shareholder loan	3 763 270	-
Long-term portion of Nedbank loan	465 640	-
	4 228 910	**-**
19.2 Short-term borrowings		
Concurrent creditors	11	11
Short-term portion of Shareholder loan	373 544	-
Short-term portion of Nedbank loan	150 408	-
	523 963	**11**
Total interest-bearing borrowings	**4 752 873**	**11**
Reconciliation of liabilities from financing activities		
Opening balance	11	11
Proceeds from borrowings	5 486 317	-
Principal repaid	(733 456)	-
Interest charges	452 111	540 229
Interest paid	(452 111)	(540 229)
Closing balance	**4 752 873**	**11**

Terms of the loans

Nedbank Zimbabwe Limited

During the year, the Group obtained two credit facilities: a working capital facility of US$150,000, fully utilised, and a medium term facility of US$700,000, of which US$465,640 was drawn down as at year end. Both facilities carry interest at a rate of 14% per annum. The working capital facility has a tenor of 12 months and the medium-term facility has a tenor of 36 months.

Shareholder Loan

During the year, the Group received a shareholder loan of US$4,136,814 to support operations. The proceeds were used to pay short-term obligations. Shareholder loan is repayable by 31 December 2028, accrues interest at a rate of 10% per annum.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

19 BORROWINGS (CONT'D)

19.2 Short-term borrowings

Scheme of Arrangement

The Secondary Scheme of Arrangement with creditors provided for the conversion of amounts owed to concurrent creditors amounting to USD 3 670 (historical cost) into a five-year loan. The loan was to be paid at the end of five years and attracted interest at a nominal rate of 7% (2025: 7%) per annum. The interest was payable quarterly but the interest for the first two quarters was capitalised. Concurrent creditors had an option to convert their debt to equity at a conversion price of USD 0.000005. The Scheme of Arrangement, as per its terms of reference, expired in February 2022. As at 31 March 2026, the balance remaining represents amounts owed to creditors which the Group has failed to locate in the last five years. Efforts to trace their whereabouts continue.

19.3 Borrowing powers

In terms of the Company's Articles of Association, at any one time, the amount owing in respect of monies borrowed or secured by the directors, taken together with the aggregate of all similar borrowings of its subsidiary companies (but excluding inter-company) shall not without the sanction of the Company at a General Meeting, by ordinary resolution, exceed an amount twice the consolidated shareholders' equity.

	2026 USD	*2025 USD
Authorised borrowings per Articles of Association	29 701 677	29 701 677
Bank overdraft	2 067 886	2 740 906
Loans and borrowings (Note 19.2)	4 752 873	11
Total borrowings	**6 820 759**	**2 740 917**
Borrowing limit headroom	**22 880 918**	**26 960 760**

20 COMMITMENTS AND CONTINGENCIES

20.1 Operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio consisting of the Group's surplus offices, residential, and industrial properties. The non-cancellable leases have terms of one year renewable.

Future minimum rentals receivable under non-cancellable operating leases as at 31 March 2026 are as follows:

	2026 USD	*2025 USD
Within one year	31 018	29 576
Capital expenditure commitments		
Authorised but not contracted for	250 264	3 355 235

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

20 COMMITMENTS AND CONTINGENCIES (CONT'D)

20.2 Contingencies

Labour cases

The Group is involved in a legal dispute with two employees who were retrenched effective 25 July 2022. They disputed the retrenchment alleging failure to follow proper retrenchment procedures and unfair labour practices by the Company. The employees have instituted an application for leave to appeal to the Supreme Court against the decision of the Labour Court dismissing their claim for unlawful dismissal. Parties have duly filed all the necessary pleadings.

Tichaona Chiswo lodged a claim with the provincial labour officer for non-payment of contractual benefits, namely motor vehicle, motor vehicle allowance and school fees. The labour officer presiding over the matter reserved judgement based on a preliminary point raised before Mr J. Madziya. We now await the handing down of the judgement. Judgement has been pending since 2022.

The Directors, with guidance from the Group's legal advisors, are of the opinion that the above claims can be successfully resisted by the Group. This means that it is not probable that there will be an outflow of resources embodying the Group's economic benefits. It is on this premise that the amounts have not been recognised in the financial statements of the Group.

The Company terminated contracts of employment for 75 employees on 3 months' notice, where 71 employees signed for the termination package in full and final settlement and 4 employees are contesting the termination. The Company's application for review of the proceedings before the Designated Agent was dismissed by the Labour Court on the basis that there was no prejudice. The Company's legal counsel has successfully filed the Applicant's Heads of Argument in support of the application for leave to appeal to the Supreme Court, outlining the legal grounds upon which the initial judgement is being contested. The respondents are required to file their opposing Heads of Argument by 9 April 2026.

The Directors, with guidance from the Group's legal advisors, are of the opinion that the above claims can be successfully resisted by the Group. This means that it is not probable that there will be an outflow of resources embodying the Group's economic benefits. It is on this premise that the amounts have not been recognised in the financial statements of the Group.

Tenant eviction

Starafrica Corporation suceeded to eviction a tenant pursuant to an Arbitral Award handed down on to that effect. The tenant was, however, granted leave by the High Court to file an application for rescission of judgement (Default judgement on defaulted rental payment). The amount will not materially impact the Group's consolidated financial statements. It is on this premise that the amount has not been recognised in the financial statements of the Group.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

21 DEFERRED TAX

	GROUP		COMPANY	
	2026 USD	2025 USD	2026 USD	2025 USD
Opening balance	2 537 574	1 626 102	36	955
Charge/ (credit) to profit and loss	(158 660)	(12 201)	-	(919)
Charge to other comprehensive income	(1 346 764)	923 673	-	-
Closing balance	**1 032 150**	**2 537 574**	**36**	**36**
Analysis of deferred taxation				
Property, plant and equipment	1 494 798	2 782 391	-	-
Investment property	326 450	388 606	-	-
Provisions	(216 379)	(63 742)	-	-
Assessed losses	(369 018)	-	-	-
Unrealised exchange loss	(203 701)	(569 681)	36	36
Net liability at 31 March	**1 032 150**	**2 537 574**	**36**	**36**

22 TRADE AND OTHER PAYABLES

	GROUP 2026 USD	GROUP 2025 USD	COMPANY 2026 USD	COMPANY 2025 USD
Trade payables	8 623 799	4 631 504	-	-
Provisions (22.1)	210 278	278 909	-	-
Contract liabilities (3)	71 592	27 497	-	-
Statutory obligations	974 326	506 505	-	-
Other payables	5 437 130	5 370 849	-	-
	15 317 125	**10 815 264**	**-**	**-**

22.1 Provisions

	GROUP 2026 USD	GROUP 2025 USD	COMPANY 2026 USD	COMPANY 2025 USD
Leave pay liability (22.2)	149 150	190 338	-	-
Audit fees	61 128	65 785	-	-
Other	-	31 367	-	-
	210 278	**278 909**	**-**	**-**

22.2 Leave pay liability

	GROUP 2026 USD	GROUP 2025 USD	COMPANY 2026 USD	COMPANY 2025 USD
Opening balance	190 338	150 413	-	-
Movement during the year	(41 188)	108 813	-	-
Effects of inflation	-	(68 888)	-	-
Closing balance	**149 150**	**190 338**	**-**	**-**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

23 SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

- The food segment is a manufacturer of sugar products; and
- The property segment manages offices, manufacturing and residential premises on behalf of the Group.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Transfer prices for all transactions between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	Food USD	Properties USD	Eliminations USD	Consolidated USD
Year Ended 31 March 2026				
Revenue				
External customer				
Refined sugar	49 767 777	-	-	49 767 777
Sugar specialties	7 966 563	-	-	7 966 563
Rental income	-	389 264	-	389 264
Total revenue from external customers	**57 734 340**	**389 264**	**-**	**58 123 604**
Inter-segment revenue	5 527 057	-	(5 527 057)	-
Total revenue	**63 261 397**	**389 264**	**(5 527 057)**	**58 123 604**
Results				
Selling and distribution expenses	(1 357 531)	-	-	(1 357 531)
Administrative expenses	(7 677 226)	(503 689)	-	(8 180 915)
Depreciation	(235 408)	(176 790)	-	(412 198)
Finance cost	(452 111)	-	-	(452 111)
Finance income	248	-	-	248
Expected credit loss	(144 489)	-	-	(144 489)
Fair value adjustment on investment property	-	(1 666 113)	-	(1 666 113)
Share of profit of associate	-	-	655 422	655 422
Segment profit/(loss) before tax	3 180 757	(1 879 998)	-	1 300 759
Income tax expense	145 682	-	-	145 682
Assets and liabilities				
Capital expenditure	437 500	-	-	437 500
Operating assets	16 175 723	11 317 095	-	27 492 818
Operating liabilities	17 090 178	847 548	-	17 937 726

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

23 SEGMENT INFORMATION (CONT'D)

	Food USD	Properties USD	Eliminations USD	Consolidated USD
Year Ended 31 March 2025				
Revenue				
External customers				
Refined sugar	56 878 958	-	-	56 878 958
Sugar specialties	6 644 672	-	-	6 644 672
Rentals	-	356 225	-	356 225
Total revenue from external customers	**63 523 630**	**356 225**	**-**	**63 879 855**
Inter-segment revenue	4 044 153	-	(4 044 153)	-
Total revenue	**67 567 783**	**356 225**	**(4 044 153)**	**63 879 855**
Results				
Selling and distribution expenses	(1 133 600)	-	-	(1 133 600)
Administrative expenses	(8 951 176)	(467 481)	-	(9 418 657)
Depreciation	(173 350)	(122 793)	-	(296 143)
Finance cost	(540 229)	-	-	(540 229)
Finance income	36	-	-	36
Expected credit loss	(314 725)	(6 239)	-	(320 964)
Fair value adjustment on investment property	-	3 155 118	-	3 155 118
Gain/(loss) on net monetary position	2 974 255	(4 387 294)	-	(1 413 039)
Share of profit of associate	-	-	337 411	337 411
Segment profit/(loss) before tax	(3 424 189)	(1 492 539)	320 122	(4 596 606)
Income tax expense	223 579	(426 594)	(34 139)	(237 154)
Assets and liabilities				
Capital expenditure	471 518	-	-	471 518
Operating assets	13 176 187	8 861 881	-	22 038 068
Operating liabilities	13 079 048	581 450	-	13 660 498

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

23 SEGMENT INFORMATION (CONT'D)

Adjustments and eliminations

Exchange losses, share of profit from associates and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Group basis.

Deferred taxes and certain financial assets and liabilities are not allocated to segments as they are also managed on a Group basis.

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties.

Inter-segment revenues are eliminated on consolidation.

Reconciliation of profit	2026 USD	*2025 USD
Segment (loss)/profit		
Food	3 180 757	(3 424 189)
Properties	(1 879 998)	(1 492 537)
	1 300 759	**(4 916 726)**
Fair value adjustment on investment property	(1 666 113)	3 155 118
Exchange gains/(losses)	791 070	(8 402 103)
Share of profit from associate	655 422	337 411
Gain/(loss) on net monetary position	-	(1 413 039)
Finance cost	(452 111)	(540 229)
Finance income	248	36
	629 275	**(11 779 532)**
Reconciliation of assets		
Segment operating assets	27 492 818	22 038 068
Investment in associate	2 450 778	1 904 002
Group operating assets	**29 943 596**	**23 942 070**
Reconciliation of liabilities		
Segment operating liabilities	17 937 726	13 660 498
Deferred tax liabilities	1 032 150	2 537 574
Group operating liabilities	**18 969 876**	**16 198 072**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

24 PENSION AND RETIREMENT BENEFITS

24.1 Star Africa Corporation Limited Pension Fund

Retirement benefits are provided for eligible employees through an independently administered defined contribution plan, including the National Social Security Authority (NSSA).

24.2 Pension cost charged to the profit or loss during the year

	2026 USD	*2025 USD
Group pension scheme - defined contribution plan (note 25.5)	321 783	226 869
National Social Security - defined contribution plan (note 25.5)	121 885	71 126
	443 668	**297 995**

25 RELATED PARTY TRANSACTIONS

25.1 Parent Company

Star Africa Corporation Limited is listed on the Zimbabwe Stock Exchange and therefore has multiple shareholders. Takura III (Private) Limited and Investors in Africa - Takura Ventures (Private) Limited are the major shareholders with 60.7% (2025: 57.4%) shareholding.

25.2 Parties with significant influence over the Group

The entities and individuals known to be significant shareholders (owning more than 5% of a class of equity) of Star Africa Corporation Limited are shown on page 124 of this report.

Takura Group entities are considered to be related parties of the Group by virtue of its 60.7% equity shareholding in Star Africa Corporation Limited. Details of the transactions are shown below.

25.3 Related party transactions and balances

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between Group and other related parties are disclosed below.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

25 RELATED PARTY TRANSACTIONS (CONT;D)

25.3 Related party transactions and balances (cont'd)

Related party (Entities under common control as Star Africa) 2026	Transaction type	Amount realised / (expensed) USD	Amounts owed by related parties USD	Amounts owed to related parties USD
Amalgamated Brands (Pvt) Ltd	Management fees	(1 270 638)	-	(82 695)
Cailo Marketing Services (Pvt) Limited	Marketing services supply	(255 206)	-	(32 050)
Cailogistics (Pvt) Ltd	Cartage services supply	(3 689 588)	-	(920 283)
Cairns Foods (Pvt) Ltd	Sale of goods	329 618	27 328	-
Cashel Valley (Pvt) Ltd	Sale of goods	318 765	52 288	-
Charhons Biscuits (Pvt) Ltd	Sale of goods	1 670 139	263 822	-
Intro-Wise Catering (Pvt) Ltd	Catering services supply	(342 971)	7 789	(27 653)
Lobel's Holdings (Pvt) Ltd	Sale of goods	884 249	42 500	-
MC Meats (Pvt) Ltd	Sale of goods	91 234	-	-
Takura Management Services (Pvt) Ltd	Management services and Loan	(871 854)	-	(4 136 814)
Apex Grain (Pvt) Ltd	Commodities	(5 450)	-	(781 371)
		(3 141 702)	**393 727**	**(5 980 866)**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

25 RELATED PARTY TRANSACTIONS (CONT'D)

25.3 Related party transactions and balances (cont'd)

Related party (Entities under common control as Star Africa) 2025	Transaction type	Amount realised / (expensed) USD	Amounts owed by related parties USD	Amounts owed to related parties USD
Amalgamated Brands (Pvt) Ltd	Management fees	(972 841)	-	(95 490)
Cailo Marketing Services (Pvt) Limited	Marketing services supply	(272 954)	-	(60 376)
Cailogistics (Pvt) Ltd	Cartage services supply	(665 918)	-	(446 313)
Cairns Foods (Pvt) Ltd	Sale of goods	15 817	-	-
Cashel Valley (Pvt) Ltd	Sale of goods	102 439	28 772	-
Charhons Biscuits (Pvt) Ltd	Sale of goods	331 693	104 242	-
Intro-Wise Catering (Pvt) Ltd	Catering services supply	(321 963)	-	(47 884)
Lobel's Holdings (Pvt) Ltd	Sale of goods	142 046	14 263	-
MC Meats (Pvt) Ltd	Sale of goods	29 203	2 631	-
Takura Management Services (Pvt) Ltd	Management services	(930 050)	-	(3 280 917)
Apex grain	Raw materials supply	(51 760)	-	(1 429 505)
		(2 594 288)	**149 908**	**(5 360 485)**

Transactions with related parties are carried out at arm's length. The amounts outstanding are unsecured and will be settled on normal terms. No expense has been recognised in the current or prior periods for expected credit losses in respect of the amounts owed by related parties.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

25 RELATED PARTY TRANSACTIONS (CONT'D)

25.4 Remuneration of directors and other key management

The remuneration of directors and other members of key management during the year was as follows:

	2026 USD	*2025 USD
Short-term employee benefits	915 555	731 246
Post employment pension and medical benefits	101 208	133 239
	1 016 763	**864 485**

25.5 Pension cost charged to the profit or loss during the year

	2026 USD	*2025 USD
Group pension scheme - Defined contribution plan	321 783	226 869
National Social Security- Defined contribution plan	121 885	71 126
	443 668	**297 995**

25.6 Amounts due from related parties

Star Africa Operations (Pvt) Ltd ("SAO")

	2026 USD	*2025 USD
Opening balance	260 357	157 536
SAO working capital funding	-	174 972
Effects of inflation	-	(72 151)
Closing balance	**260 357**	**260 357**

These are amounts owed by the operating subsidiary of the Company, Star Africa Operations (Private) Limited. The Company's cash inflows mainly comprise of dividends income from Tongaat Hullet Botswana (Proprietary) Limited. At times, the cash is then transferred and utilised by Star Africa Operations (Private) Limited in the purchase of raw materials and other refining consumables. This, consequently, creates intercompany balances due from Star Africa Operations (Private) Limited. The amounts due from Star Africa Operations (Private) Limited have got no stipulated payment terms as they are recovered through payments that Star Africa Operations (Private) Limited makes on behalf of the Company.

Amount due on Quarterly Payment Dates ("QPDs"), audit fees and legal fees are cash outflows which Star Africa Operations (Private) Limited makes on behalf of the Company which significantly reduces the total balance due to the Company. Such an operating approach has resulted in the above amount becoming a revolving balance which constantly changes from time to time. The amount is fully recoverable to the Company as the quantum of payments Star Africa Operations (Private) Limited makes in a year on behalf of the Company can be significant. As a result, this amount due has been classified as a current asset in the Company's statement of financial position. In turn, the amount is also recognised as a current liability by Star Africa Operations (Private) Limited as it is payable on demand whenever the Company has some cash outflow needs. As a result, Star Africa Operations (Private) Limited always has an immediate obligation to settle the Company's cash needs as and when they arise resulting in this liability being recognised as current in its books.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

26 FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprise trade payables, bank overdrafts and loans. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has trade and other receivables and cash which arise direct from its operations.

The Group is exposed to market risk, credit risk and liquidity risk.

The Group's senior management oversees the management of these risks. The Group's senior management is supported by the Audit and Risk Committee that advises on the financial risks and the appropriate financial risk governance framework for the Group. The Audit and Risk Committee provides assurance to the Group's senior management that the Group's financial risk taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group policies and risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

26.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: foreign currency risk and interest risk. The Group has no interest-bearing borrowing which are subject to interest rate risk.

The Group has a bank overdraft facility that bears interest on the utilsed balance . As a result, there is no risk as there is no volatility of this interest rate. The Group does not have any other fixed term interest-bearing liabilities.

26.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has transactional currency exposures. The exposure is managed through continuously seeking for foreign currency to pay outstanding balances and commitments. Because of investments in Botswana, the Group's statement of financial position can be affected significantly by movements in the USD/BWP exchange rates respectively.

The Group has a 33.33% (2024: 33.33%) investment in Tongaat Hulett Botswana (Proprietary) Limited whose primary trading currency is the pula. The value of the Group's share in net assets, is susceptible to changes in the exchange rates between the Botswana pula ("BWP") and the USD which is the Group's reporting currency. The changes are reported under other comprehensive income (OCI) and non-current assets.

The Group also has US$ denominated assets and liabilities. These balances are therefore susceptible to changes in the exchange rates between the US$ and the USD which is the Group's reporting currency. The changes are included in profit or loss and ultimately in equity.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

26 FINANCIAL RISK MANAGEMENT (CONT'D)

26.2 Foreign currency risk (cont'd)

Sensitivity analysis – method and assumptions

Method

1. Movement between the USD exchange rate against other currencies was analysed and it was established that it had depreciated by close to 5% from 1 April 2025, when the Reserve Bank of Zimbabwe ("RBZ") foreign exchange auction rate was at USD 26.7720 to the RBZ foreign exchange auction rate of USD 25.3209 to the US$ at 31 March 2026. The exchange rate as shown in the below table shows a fluctuating rate of currency depreciation quarterly during the year.

Date	Exchange Rate USD/US$1	Quarterly Currency Depreciation	Date	Exchange Rate USD/Bwp1	Currency Depreciation
01-Apr-25	26.7720	-	05-Apr-25	0.0734	-
30-Jun-25	26.9457	1%	30-Jun-25	0.0755	3%
30-Sep-25	26.6439	-1%	30-Sep-25	0.0717	-5%
31-Dec-25	25.9807	-2%	31-Dec-25	0.0824	15%
31-Mar-26	25.3209	-3%	31-Mar-26	0.0768	-7%

2. The above movement was therefore adopted as a base case scenario and a movement of 100% as a worst case scenario. The best-case scenario was assumed to be a 50% depreciation of the USD.
3. Foreign denominated monetary assets and liabilities balances as at 31 March 2025 were taken and translated at the closing rate of USD 1.9567:BWP1 and USD26.7459:US$1 for the foreign investments and foreign currency denominated assets and liabilities respectively.
4. The assumed percentage movements as stipulated in 2 above were then applied on the closing balance to show the possible outcomes.

Assumptions

- The foreign investment will continue being held in the next financial year ending 31 March 2026
- The foreign-based assets and liabilities will be outstanding in the financial year ending 31 March 2026
- Best and worst case scenarios, as detailed in 2 above

The tables below demonstrate the sensitivity to a reasonable possible change in USD against other currencies

26.2.1 USD against BWP

The sensitivity is based on the Group's share of Tongaat Hulett Botswana (Proprietary) Limited's net assets as at 31 March:

	2026 BWP	2025 BWP
Investment in Associate	**34 986 120**	**22 532 104**

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

26 FINANCIAL RISK MANAGEMENT (CONT'D)

26.2.1 USD against BWP

Year	Investment in Associate	Change in bwp rate	Effect on oci USD	Effect on non-current assets USD
2026	BWP 34 986 120	'+100%	2 686 900	2 686 900
2026	BWP 34 986 120	'+50%	1 343 450	1 343 450

Year	Investment in Associate	Change in bwp rate	Effect on oci USD	Effect on non-Current Assets USD
2025	BWP 25 977 948	+100%	1 898 665	1 898 665
2025	BWP 25 977 948	+50%	949 332	949 332

26.2.2 The aggregate net foreign exchange gains/losses recognised in profit or loss were:

	2026 USD	2025 USD
Total net foreign exchange (losses) recognised in profit before income tax for the period	791 070	(8 402 103)

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

26 FINANCIAL RISK MANAGEMENT (CONT'D)

26.3 Liquidity Risk

Liquidity risk for the Group arises from short-term borrowings as well as day-to-day operational requirements in the form of obligations to the Group's creditors and tax payable to the authorities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Group assesses the maturity profiles of both its financial investments and financial assets e.g. trade receivables, other financial assets and projected cash flows from operations with a view to match them with settlement of liabilities as they fall due. This is done through a liquidity and working capital model.

The table below summarises the maturity profile of the Group's financial assets and financial liabilities at 31 March 2026 based on contractual undiscounted payments

	2026 USD	2025 USD
Bank overdraft	(2 067 886)	(2 740 906)
Short-term borrowings	(523 963)	11
Trade and other payables	(15 317 125)	(10 815 264)
Trade and other receivables	8 962 361	2 937 910
Cash and cash equivalents	1 691 637	130 986
	(7 254 976)	**(10 487 263)**

Working capital management

The Group held USD 4 244 703 worth of inventory as at 31 March 2026. This inventory is fast moving with an inventory turnover rate of just 32.70 days for the year ended 31 March 2026. If an assumption is made that all this inventory is sold to debtors, the debtor collection period for the year ended 31 March 2026 was 58.41 days. This translates to a total inventory-to-cash transformation period of 91.11 days. This, therefore, adds an additional USD 11 827 966 of liquid assets to the Group's balance sheet within the first three months of the ensuing period after 31 March 2026. This additional liquidity ensures that the business is able to settle its daily working capital requirements as and when they fall due.

26.4 Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's financial assets which are subject to credit risk are mainly trade receivables and cash and cash equivalents. It is the Group's policy to only trade with recognised and credit worthy third parties. About 78% of the business is on a credit basis and the customers are subject to credit verification procedures. In addition, trade receivables' balances are monitored on an ongoing basis with the result that the Group's exposure to expected credit losses is not significant. trade receivables which are not impaired are those still within their settlement terms or those with an alternative settlement plan that is being adhered to. An expected credit losses 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 (i.e., geographical region, product type, customer type and rating). 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.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

26 FINANCIAL RISK MANAGEMENT (CONT'D)

26.4 Credit Risk (cont'd)

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. the Consumer Price Index and the Non-Performing Loans Ratios) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing 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.

Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 16.

The Group does not take collateral for the amounts extended to customers. Cash resources are placed with various approved financial institutions. The financial institutions are of a high credit standing.

Set out below is the Group's provisioning matrix for financial years 2026 and 2025;

31 March 2026	Current	30-59 Days	60-89 Days	90-120 Days	120+ Days	Total
Expected gross carrying amount at default (USD)	7 462 977	1 420 780	183 745	185 049	-	9 252 551
Expected credit loss rate (%)	3.90%	8.07%	21.77%	100.00%	0%	
Expected credit loss (USD)	290 717	114 665	40 003	185 049	-	630 434

31 March 2025	Current	30-59 days	60-89 days	90-120 days	120+ days	Total
Expected gross carrying amount at default (USD)	2 021 870	586 907	214 244	226 893	20 170	3 070 084
Expected credit loss rate (%)	3%	14%	42%	100%	100%	
Expected credit loss (USD)	67 010	81 812	90 060	226 893	20 170	485 945

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

26 FINANCIAL RISK MANAGEMENT (CONT'D)

26.5 Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its overdraft facility, which accrues interest at the USD base rate of 7% per annum plus a margin of 1% per annum, resulting in an effective interest rate of 8% per annum. During the year, the Group also obtained a mid-term facility and a working capital facility, both carrying fixed interest rates of 14% per annum, and a shareholder working capital loan carrying a fixed rate of 10% per annum. The fixed-rate facilities are not subject to cash flow interest rate risk. The comparative period exposure was similarly limited to the overdraft facility.

26.6 Capital Management

Capital includes equity attributable to the equity holders of the parent.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

No changes were made in the objectives, policies or processes during the year ended 31 March 2026.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 40% (2026: 35%).The Group includes within net debt, interest-bearing-loans and borrowings, trade and other payables, less cash and cash equivalents. Capital includes equity attributable to the equity holders of the parent.

	2026 USD	2025 USD
Borrowings-long term (Note 19.2)	4 228 910	-
Borrowings-short term (Note 19.2)	523 963	11
Bank overdraft	2 067 886	2 740 906
Net debt	**6 820 759**	**2 740 917**
Equity	12 748 716	14 850 833
Capital and net debt	**19 569 475**	**17 591 750**
Gearing ratio	35%	16%

26.7 Fair values of financial instruments

Fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amount because of their short-term nature.

In terms of IFRS 13 the fair value of a liability reflects the effect of non-performance risk. Non- performance risk includes, but is not limited to the Group's own credit risk and settlement risk. Management could not determine the adjustment required to the estimated market related interest rate above for non-performance risk. Management could not reliably determine the Group's credit spread as there are no quoted prices for corporate bonds of similar credit quality to the Group's loans and borrowings. Furthermore, there are no borrowers of a similar credit rating as the Group's. Accordingly, the fair value of the Company's liabilities could not be accurately determined.

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

27 GOING CONCERN

Operating Performance

During the year ended 31 March 2026, the Group recorded an operating profit of USD 1 094 014 (2025: Operating loss of USD 2 980 785). The business is forecasting a profit in FY 2027 on the back of cost reduction initiatives undertaken in FY 2026, as well as revenue growth.

Production Capacity

The business does not have production capacity constraints. The plant has an annual production capacity of 120,000 tonnes, which can be uplifted to 180,000 tonnes per year with additional capital expenditure. The plant ran well for the period under review. Production aligned with the rate of finished good sale to manage working capital. Sales volumes for the year were 59,596 tonnes, which was 7% below prior year volume of 59,613 tonnes. The business forecasts selling 83,000 tonnes in FY 2027. Growth will be achieved in the two business segments, Goldstar Sugars and Country Choice Foods, through competitive pricing to 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 USD 1 700 099. The following actions have been take to strengthen the business working capital position;

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

Notes to the Group and Company Financial Statements (Cont'd)

For The Year Ended 31 March 2026

27 GOING CONCERN (CONT'D)

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.

Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the 31 March 2026 reporting date and the date of authorisation.

For The Investor

Shareholder notices are vital legal and financial instruments that maintain market transparency, protect investors, and ensure regulatory compliance for companies listed on the Zimbabwe Stock Exchange (ZSE).

OTHER SHAREHOLDER INFORMATION

Top 10 Shareholders

CONSOLIDATED TOP 10 AS AT 31 MARCH 2026

RANK	ACCOUNT NAME	SHARES	% OF TOTAL
1	INVESTORS IN AFRICA-TAKURA VEN	2,186,834,962	45.48
2	NSSA - NATIONAL PENSION SCHEME	1,447,570,380	30.10
3	TAKURA III (PRIVATE) LIMITED	732,469,192	15.23
4	NSSA - WORKERS COMPENSATION IF	43,934,641	0.91
5	ZSR INVESTMENTS (UK) LIMITED	26,012,171	0.54
6	MOYO NEPSON	21,715,000	0.45
7	CORPSERVE NOMINEES PVT LTD	18,397,854	0.38
8	SOUTHERN TRUST SECURITIES (PVT) LTD	18,030,000	0.37
9	MAWORERA DZINGAYI	17,779,000	0.37
10	HOMEGUARD SERVICES (PVT) LTD,	16,884,824	0.35
	TOTAL	**4,529,628,024**	**94.20**
	OTHER SHAREHOLDERS	**279,034,311**	**5.80**
	TOTAL NUMBER OF SHARES	**4,808,662,335**	**100.00**

Notice To Shareholders

Notice is hereby given that the 92nd Annual General Meeting of Star Africa Corporation Limited will be held as a virtual meeting via Microsoft Teams on **Thursday 27 August 2026** at **11 a.m** for the purposes listed hereunder. Shareholders will be asked to connect and attend the meeting via the link: **https://polling.fts-net.com/**

1. Virtual Annual General Meeting
To consider and, if deemed fit, approve the holding of the Annual General Meeting electronically (Virtually).

2. Financial Statements
To receive and approve the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2026.

3. Re-election of Director who retires by rotation in terms of article 100 of the Articles of Association.
To re-elect the retiring Director, Ms. S.N. Njerere, who retires by rotation and being eligible, offers herself for re-election.

Ms. Njerere holds a Bachelor of Arts degree in Law and Political Philosophy and a Bachelor of Laws degree from the University of Cape Town. She was previously a partner at Honey & Blanckenberg, worked in the Attorney General's office and also served as a part-time Lecturer at UZ.

4. Re-election of Director who retires by rotation in terms of article 100 of the Articles of Association.
To re-elect the retiring Director, Ms. O. Kava, who retires by rotation and being eligible, offers herself for re-election.

Ms. Kava holds a Master's Degree in Business Administration, a Bachelor of Business Administration Degree and several Diplomas in various fields. She has worked for a number of companies, including FBC Holdings, Export Credit Guarantee Corporation, the UZ and NicozDiamond Insurance Limited.

5. Directors' Remuneration
To approve fees accrued to directors for the year ended 31 March 2026.

6. Auditors

6.1 To approve the remuneration of the independent auditors for the year ended 31 March 2026.

6.2 To re-appoint Messrs. Grant Thornton as independent auditors of the Company for the ensuing year. Grant Thornton, who have been the Company's independent auditors for three years, have indicated their willingness to continue as independent auditors for the ensuing year.

By Order Of The Board

Mr. Dzingayi Maworera
COMPANY SECRETARY

49 Douglas Road, Workington
P O Box ST396, Southerton, Harare

05 August 2026

Every member entitled to attend and vote at this Meeting is entitled to appoint one or more proxies to attend and vote and speak instead of him. A proxy need not be a member of the Company. A member wishing to appoint a proxy must lodge the completed proxy form at the Registered Office of the Company at least 48 hours before the meeting.

Form Of Proxy

For use at the Annual General Meeting ("AGM") of Star Africa Corporation Limited to be held virtually via Microsoft Teams on **Thursday, 27 August 2026** at **11:00 hours**.

I / We .... (please print) being a member of Star Africa Corporation Limited, hereby appoint ....,
Address...
or failing him, the Chairman Of the Company, or failing him, the Chairman of the meeting of as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting.

Do hereby record my votes for the resolutions to be submitted as follows:	Please mark the appropriate box with "X" next to each resolution. Alterations made to your initial response should be signed.		
	IN FAVOUR	AGAINST	ABSTAIN
ORDINARY BUSINESS			
To consider and adopt, with or without amendment, the following resolutions:			
1. Virtual Annual General Meeting To consider and, if deemed fit, approve the holding of the Annual General Meeting electronically (Virtually).	☐	☐	☐
2. Financial Statements To receive and approve the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2026.	☐	☐	☐
3. Re-election of Director who retires by rotation in terms of article 100 of the Articles of Association. To re-elect the retiring Director, Ms. S.N. Njerere, who retires by rotation and being eligible, offers herself for re-election. Ms. Njerere holds a Bachelor of Arts degree in Law and Political Philosophy and a Bachelor of Laws degree from the University of Cape Town. She was previously a partner at Honey & Blanckenberg, worked in the Attorney General's office and also served as a part time Lecturer at UZ.	☐	☐	☐

Form Of Proxy (Cont'd)

Do hereby record my votes for the resolutions to be submitted as follows:		Please mark the appropriate box with "X" next to each resolution. Alterations made to your initial response should be signed.	
	IN FAVOUR	AGAINST	ABSTAIN
ORDINARY BUSINESS			
To consider and adopt, with or without amendment, the following resolutions:			
4. Re-election of Director who retires by rotation in terms of article 100 of the Articles of Association. To re-elect the retiring Director, Ms. O. Kava, who retires by rotation and being eligible, offers herself for re-election. Ms. Kava holds a Master's Degree in Business Administration, a Bachelor of Business Administration Degree and several Diplomas in various fields. She has worked for a number of companies, including FBC Holdings, Export Credit Guarantee Corporation, the UZ and NicozDiamond Insurance Limited.			
5. Directors' Remuneration To approve fees accrued to directors for the year ended 31 March 2026.			
6. Auditors			
6.1 To approve the remuneration of the independent auditors for the year ended 31 March 2026.			
6.2 To re-appoint Messrs. Grant Thornton as independent auditors of the Company for the ensuing year. Grant Thornton, who have been the Company's independent auditors for three years, have indicated their willingness to continue as independent auditors for the ensuing year.			

Notes

In terms of section 171 of the Companies and Other Business Entities Act (Chapter 24.31), as amended, any member entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy, who need not be a member, to attend and speak and, on a poll, vote in his stead. Proxies must be lodged with the Company Secretary at the Company's registered office at least 48 hours before the meeting.

Signed this .... day of 2026

Signature

starafricacorporation
limited

49 Douglas Road, Workington,
Harare, Zimbabwe
P.O Box ST396
Southerton, Harare

www.starafricacorporation.com