



ABRIDGED AUDITED GROUP FINANCIAL RESULTS

For the Year Ended 31 March 2026

Chairmans’ Statement

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.

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

OPERATIONS

Goldstar Sugars (“GSS”)

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.

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.

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

Group Statement Of Financial Position

As at 31 March 2026

		Audited	
		2026 USD	*2025 USD
ASSETS			
Non-current assets			
Property, plant and equipment	2	11 785 815	14 113 115
Investment property	3	6 529 000	7 772 113
Investment in an associate		2 450 778	1 904 002
		20 765 593	23 789 230
Current assets			
Inventories		4 443 586	4 531 997
Trade and other receivables		8 962 361	2 937 910
Prepayments		609 419	324 060
Cash and cash equivalents		1 691 637	130 986
		15 707 003	7 924 953
		36 472 596	31 714 183
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued capital		54 536	54 536
Share premium		6 550 831	6 550 831
Foreign currency translation reserve		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
		525 094	665 278
Non-controlling interest		13 273 810	15 516 111
Total equity		13 273 810	15 516 111
Non-current liabilities			
Loans and borrowings	4	4 228 910	-
Deferred tax liability		1 032 150	2 537 574
		5 261 060	2 537 574
Current liabilities			
Payables and provisions		15 317 125	10 815 264
Short-term borrowings	4	523 963	11
Bank overdraft		2 067 886	2 740 906
Income tax payable		28 752	104 317
		17 937 726	13 660 498
		23 198 786	16 198 072
		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 Dollars (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.

ABRIDGED AUDITED GROUP FINANCIAL RESULTS

For the Year Ended 31 March 2026



Group Statement Of Profit Or Loss And Other Comprehensive Income

For the year ended 31 March 2026

Notes	Audited	
	2026 USD	*2025 USD
Revenue from contracts with customers	57 734 340	63 523 630
Rental income	389 264	356 225
Total turnover	58 123 604	63 879 855
Cost of sales	(47 489 222)	(51 191 190)
Gross profit	10 634 382	12 688 665
Other income	1 020 796	450 756
Fair value (loss)/gain on investment property	(1 666 113)	3 155 118
Selling and distribution expenses	(1 357 531)	(1 133 600)
Administrative expenses	(8 180 915)	(9 418 657)
Expected credit loss	(144 489)	(320 964)
Exchange gain/(loss)	791 070	(8 402 103)
Operating profit/(loss)	1 097 200	(2 980 785)
Finance costs	(452 111)	(540 229)
Finance income	248	36
Monetary loss	-	(1 413 039)
Share of profit of an associate	655 422	337 411
Profit/(loss) before income tax	1 300 759	(4 596 606)
Income tax credit/(expense)	145 682	(237 154)
Profit/(loss) for the year	1 446 441	(4 833 760)
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translating foreign operations	(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
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Revaluation of property, plant and equipment	(1 886 285)	4 971 591
Income tax relating to components of other comprehensive income	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
Other comprehensive (loss)/income for the year, net of tax	(3 688 742)	5 171 479
Total comprehensive (loss)/income	(2 242 301)	337 719
Profit attributable to		
Non-controlling interests	(140 184)	279 952
Equity holders of the parent	1 586 625	(5 113 712)
	1 446 441	(4 833 760)
Total comprehensive income attributable to:		
Non-controlling interests	(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)	6.1	0.03
Diluted earnings/(loss) per ordinary share (cents)	6.2	0.03
Headline (loss)/earnings per ordinary share (cents)	6.3	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 Dollars (USD) at the interbank spot rate on 1 April 2025, being the new functional and presentation currency.

Group Statement Of Changes In Equity

For the year ended 31 March 2026

	Share capital USD	Share premium USD	Foreign currency translation reserve USD	Revaluation reserve USD	Retained earnings/ (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
Total comprehensive income	-	-	1 123 561	4 047 918	(5 113 712)	57 767	279 952	337 719
(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
Total comprehensive income	-	-	(3 149 221)	(539 521)	1 586 625	(2 102 117)	(140 184)	(2 242 301)
Profit for the year	-	-	-	-	1 586 625	1 586 625	(140 184)	1 446 441
Other comprehensive income	-	-	(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 Dollars (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

	Audited	
	2026 USD	*2025 USD
Cash flows from operating activities		
Cash used in/(generated from) operations	188 987	3 969 954
Finance costs paid	(452 111)	(540 229)
Income tax paid	(88 543)	(166 512)
Net cash flows (used in)/generated from operating activities	(351 667)	3 263 213
Cash flows from investing activities		
Acquisition of property, plant and equipment	(437 500)	(471 518)
Proceeds on disposal of property, plant and equipment	69 846	5 419
Finance income received	248	36
Dividends from associate	-	175 294
Net cash flows used in investing activities	(367 406)	(290 769)
Cash flows from financing activities		
Loans received	5 486 317	-
Loans paid	(733 456)	-
Net cash flows generated from in financing activities	4 752 861	-
Net increase in cash and cash equivalents	4 033 788	2 972 444
Cash and cash equivalents at 1 April	(2 609 920)	(1 196 254)
Net exchange differences	(1 800 117)	(3 083 626)
Impact of inflation	-	(1 302 484)
Cash and cash equivalents at 31 March	(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 Dollars (USD) with the interbank spot rate as at 1 April 2025, being the new functional and presentation currency.



ABRIDGED AUDITED GROUP FINANCIAL RESULTS

For the Year Ended 31 March 2026



Notes To The Abridged Audited Group Financial Statements

For the year ended 31 March 2026

1 BASIS OF PREPARATION

The Group prepares financial statements with the aim to fully comply with 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.

1.1 Functional currency assessment

Management assessed indicators pertaining to the Group in determining its functional currency as required by International Accounting Standard 21 - The Effects of Changes in Foreign Exchange Rates (IAS 21). Some of the indicators provided evidence that the functional currency for the Group had changed from Zimbabwe Gold to United States Dollars. Accordingly, the Group adopted the United States Dollar as its functional and presentation currency commencing 1 April 2025.

1.2 Comparative financial statements

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 IAS 21, whereby 31 March 2025 inflation adjusted figures were translated to USD using the spot Reserve Bank of Zimbabwe Interbank Exchange rate of USD1:ZWG26.77. The resultant balances were adopted as the opening USD balances for the year ended 31 March 2026.

1.3 Statement of compliance

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

2 PROPERTY 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 2026 and the fair value as at 31 March 2025 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 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.

Cost / valuation	Audited					
	Land and buildings USD	Motor vehicles USD	Computer equipment USD	Office equipment USD	Work in progress USD	Total USD
Balance at 1 April 2025	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)
Reclassifications	(423 000)	-	-	6 906	(6 906)	(423 000)
Depreciation charge for the year	(143 565)	(194 224)	(53 128)	(21 280)	-	(412 198)
Revaluation	(1 180 416)	(675 516)	(48 063)	17 711	-	(1 886 285)
Balance at 31 March 2026	6 840 000	3 167 351	226 078	137 414	1 414 972	11 785 815
Net book value 31 March 2026	6 840 000	3 167 351	226 078	137 414	1 414 972	11 785 815
Net book value 31 March 2025	8 563 051	3 768 578	266 011	126 820	1 388 655	14 113 115

3 INVESTMENT PROPERTY

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

	Audited	
	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)

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;

Notes To The Abridged Audited Group Financial Statements

For the year ended 31 March 2026 (continued)

3 INVESTMENT PROPERTY (continued)

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;

	Audited	
	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

Valuation approach for investment property

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.

4 BORROWINGS

	Audited	
	2026 USD	2025 USD
Long-term portion of Shareholder loan	3 763 270	-
Long-term portion of Nedbank loan	465 640	-
Balance at 31 March	4 228 910	-
Short term borrowings		
Con-current creditors	11	11
Shareholder loans	373 544	-
Bank loans	150 408	-
Balance at 31 March	523 963	11

All borrowings are denominated in USD. The above interest bearing borrowings gave rise to interest costs of USD452 111 (2025:USD540 229:). Long-term and short-term loans have tenors ranging from 6 - 36 months and bear interest at an average weighted cost of 11%. Bank overdrafts are renewable annually and have a maximum tenor of 12 months. The bank loan and overdrafts are secured against immovable properties with a market value of USD4 million. The shareholder loan is unsecured.

5 INCOME TAX

	Audited	
	2026 USD	2025 USD
Current income tax charge	12 978	35 967
Tax on foreign dividends	-	35 059
Capital gains tax	-	178 329
Deferred tax credit	(158 660)	(12 201)
	(145 682)	237 154

6 EARNINGS/(LOSS) PER SHARE

	Audited	
	2026 USD	2025 USD
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

	Audited	
	2026 USD	2025 USD
6.1 Basic earnings per share		
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/(loss) per share (cents)	0.03	(0.11)
6.2 Diluted earnings per share		
Profit/(loss) 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/(loss) per share (cents)	0.03	(0.11)
6.3 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
6.4 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 sale of investment property	10 239	15 134
Exchange (gain) / loss	(791 070)	8 402 103
Adjusted earnings	2 471 907	148 407
Total tax effect on adjustments	(227 960)	1 354 996
Headline earnings	2 243 947	1 503 4033

ABRIDGED AUDITED GROUP FINANCIAL RESULTS

For the Year Ended 31 March 2026



Notes To The Abridged Audited Group Financial Statements

For the year ended 31 March 2026 (continued)

7 GOING CONCERN

Operating performance

During the year ended 31 March 2026, the Group generated an operating profit of USD 1,097,200 (2025: a loss of USD 2,980,785).As at 31 March 2026 date, the Group’s current liabilities exceeded its current assets by USD 2,230,723. The adverse working capital position is because of losses incurred in previous reporting periods. The negative historical performance has been addressed through a re-organisation of the business. The business is forecasting making a profit in FY 2027 on the back of the re-organisation and volume growth.

Production capacity and working capital management

The business has excess production capacity. The plant can produce 120,000 tonnes of white sugar annually, which can be uplifted to 180,000 tonnes per year with additional capital expenditure. During the period under review, production was aligned to sales to manage working capital. The business forecasts volume growth in FY 2027 at Goldstar Sugars and Country Choice Foods enabled by improved competitiveness, Government efforts to protect the local market from cheap imports and better distribution. Additionally, the Group accessed long-term finance in FY2026 that assisted it in addressing working capital challenges. The business has adequate access to working capital to support operations.

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.

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.

8 EVENTS AFTER REPORTING DATE

There were no significant events after the reporting date.

9 AUDITOR’S STATEMENT

These abridged Group financial statements derived from the audited Group financial statements of Star Africa Corporation Limited “the Group” for the financial year ended 31 March 2026, should be read together with the complete set of audited Group financial statements, for the year ended 31 March 2026, which have been audited by Grant Thornton Chartered Accountants (Zimbabwe) and the auditor’s report signed by Trevor Mungwazi, Registered Public Auditor 0622.

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

The auditor’s report includes a section on key audit matters outlining matters that in the auditor’s professional judgement, were of most significance in the audit of the Group financial statements. The key audit matters were with respect to revenue recognition and adequacy of the allowance for credit losses on trade receivables.

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

YOUR 24/7 SUPPORT SYSTEM

